

OXFORD GOVERNMENT REVIEW

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BRIDGING THE GAP

A CASE FOR NATIONALISM

IN DEFENCE OF THE PEOPLE
FROM SOMEWHERE

THE BLINDNESS OF
THE ELITES

BRASILIA'S EXPERIENCE –
GETTING POLICY RIGHT

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HOW TECH IS BUILDING
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INTRODUCTION

NGAIRE WOODS

DEAN OF THE BLAVATNIK
SCHOOL OF GOVERNMENT



Across the world a political revolt is unfolding, fuelled by growing gaps between the general population and the ruling elite. Politically, many people no longer feel that mainstream political parties and candidates represent them. Economically, the gap between the 1 per cent and the rest is accelerating and in many countries jobs are becoming more precarious and less likely to lead to a rising standard of living. Socially, across most of the world the opportunity for better education, health, housing, and other services is becoming more distant, and societies are becoming more fragmented and fearful. The result is a growing discontent not just with established politicians, but with longstanding institutions of government. New political movements – labelled by some as populist or nationalist – are proposing variously: to shortcut the rule of law, encouraging vigilantism and mocking the judiciary; to deprive minorities of protection from crude majoritarianism; to curtail the freedom of the press and opposition political movements; and to ride roughshod over established institutions of government in the name of more direct rule.

The task of our Challenges of Government Conference 2017 was to probe and debate how to bridge the gaps on which the revolt against the status quo hinges. Drawing together activists as well as leaders from governments, firms and non-governmental organisations, thinkers from different parts of the world, we sought to probe how each of the gaps – political, economic, and social – could be bridged. The answers point to some interesting ways forward, including the need for a new narrative to underpin government, and new institutions to give that life. This has several components.

Nationalism is a rising part of the problem, but it is very likely also a part of the solution. In this volume, Blavatnik School philosopher and former Royal Marine Tom Simpson highlights the problem. Many English people voted for Brexit in order to “take back control”, a cry against a sense of dispossession. Simpson asks by what right do you take away a nation’s sense of identity, and why are the English not permitted their own cultural identity when everyone else is allowed theirs? Exposed is the need to rethink and recraft the narrative of democracy.

Inclusive nationalism may well offer a vital bridge. In these pages, Blavatnik School political scientist Maya Tudor makes this case,

perhaps influenced by her own Indian and German heritage. She warns against nationalism which uses fixed features of identity – race, class, religion, or ethnicity. In difficult times, these become lightning rods for a tyranny by the majority. Consider India, born as an independent nation and homeland for all those opposed to colonial rule – an inclusive nationalism which served it well for decades – and its neighbour Pakistan, born as a nation for Muslims.

Nationalism evokes human emotions and attachments, and we need to recognise these more fully. Yuli Tamir, a scholar of liberal nationalism before her career in politics in Israel, reflects on the “liberal blindness” which has led politics astray. Liberal democracy has become an arid vision driven by rationality. Stripped out (or pushed into the personal sphere) have been the values and joys of human connectedness, love, and the costs of loneliness. Needed are associations and institutions which ensure that people do not feel alone and which harness their emotions.

On the practical side, American sociologist Arlie Hochschild has much to say. In her interview with MPP student Elly Brown, she shares lessons from her time with Trump supporters in Louisiana. In her words, these are people who feel they have been waiting in a queue for the American dream, and now others are jumping that queue. To use the title of her book, these are people who are beginning to feel like “strangers in their own land”. Hochschild calls for empathy and for individual and collective actions which bridge the divides in our societies, including conversations which bring right and left together on issues of concern to both, perhaps criminal justice, or pollution.

The core institutions of representative government also need attention. In his interview with MPP student Sai Gourisankar, former Senator Russell Feingold reminds us that in America the right to vote is being eroded by not allowing felons who have served their time to vote, by limiting early voting, by requiring voter ID cards, by intimidating people not to vote, and through gerrymandering. Equally delegitimising of government, he argues, is the “Electoral College” system in the USA. He describes its origins as a racist institution, rigged for the slave states, and fundamentally anti-populist. It has to go, he says, if we are to build a new politics in which populism means winning the right to serve the people.

Politically, the time is clearly ripe for innovation in at least two domains. New narratives of national identity which draw people together are needed. Equally important will be to find new ways to ensure people feel legitimately represented.

The economic drivers of the new discontent also deserve a keen focus. Since the financial crisis of 2008, economic growth has declined and with it popular trust in the elite. Stagnating incomes and increasing inequality have seeped away support for democratic capitalism. At the Conference there was a wide consensus on the need to “reset” capitalism, with leaders from Blackrock, Tata and McKinsey arguing for a more long-termist view, and government leaders pondering how to make that happen.

In this volume, Blavatnik School economist Karthik Ramanna highlights the need to rethink the view that self-serving behaviour by all – elites included – is not only permissible, it is desirable. When applied to regulation, it has undermined free and fair markets, and applied to corporate tax law, it has created “a cesspool of opportunism”. A positive path forward requires private sector leaders to step up and accept that they must bring a full moral compass to their leadership. Nick Lovegrove’s contribution

highlights what could be a facilitating trend in this direction, as leaders move from one sector to another.

A new economic narrative will also require a new approach to governance and government, according to Gerald Lan, Professor at Tsinghua University in Beijing. For Lan, and for several Chinese participants in the Conference, now is the moment to rethink or at least to correct the theories on which economic governance proceeded up to the crisis. Privatisation was over-glorified. Self-regulating markets were too heavily relied upon. A new theory of governance should root itself in harmonious coexistence. This will be difficult given the rate of technological change. More specifically, as Blavatnik School philosopher Jonathan Wolff points out, while workers are displaced, society and government will need better ways of thinking about how to compensate and look after them.

In both the economy and the social sector, the role of the public sector is key. Aigboje Aig-Imoukhuede, a leader in Nigeria’s private sector and founder of the Africa Initiative for Governance, gives an impassioned plea for a better trained, meritocratic, more effective public sector. He recognises public sector leadership can be more difficult than private sector and that the trade-offs are more complicated, and stakeholders more numerous. Furthermore, a leader in the public sector cannot seek the lifestyle of the private sector player. But the reward is the capacity to make people’s lives better.

Making people’s lives better and engaging them in monitoring progress has been the achievement of Leany Barreiro Lemos in her role as Secretary of Planning, Budget and Management for Brasilia. Her city has 4.2 million people in the metropolitan area, and the worst inequality in Brazil. In her contribution to this volume she outlines the foundations on which progress has been built. These include: the participation of citizens in forums to debate priorities; a database on which problems and solutions could be tracked; and a clear implementation plan. The three big goals of the new government (reducing inequality, making Brasilia a model of sustainable development, and regaining trust in the State) were each translated into measurable goals with a dedicated team monitoring and reporting on progress.

Technology has clearly facilitated government efforts to “bridge the gap” in some parts of the world. Vital to understand is how and where to combine the new technologies with the more familiar kinds of implementation and engagement. Outside of government, as Srikanth Viswanathan details, technology can enable large-scale citizen participation, as is happening across cities in India. That said, as both he and other participants in the Challenges of Government highlighted, neighbourhood-level community organising is a vital ingredient to make this impactful.

Bridging the gaps which have emerged in political systems, economies, and societies around the world will require creativity and innovation on traditions which help people to feel rooted and valued. At the Blavatnik School of Government we will continue working on this, and we hope that you will as well, and that in the meantime you will enjoy this reading. ●

Ngaire Woods

THE CASE FOR (INCLUSIVE) NATIONALISM

MAYA TUDOR

RENOVATING POLITICS IN AN AGE OF MISTRUST

Across the globe, we are witnessing a rising tide of nationalism that marginalises minorities. From Xi to Modi to Trump, the world's most populous countries have embraced leaders that purport to represent the interests of their ethnic or religious majorities first and foremost. Observers rightly worry that this rising fervour of nationalism has the potential to undermine checks on executive power and minority rights, both essential features of a healthy democracy.

A healthy scepticism of such 'majoritarian' nationalism may be warranted, but this should not lead us to reject *all* forms of nationalism as undesirable. In Europe particularly, mistrust of nationalism runs deep, tainted by its association with two bloody world wars. Historically, nationalism has been used to motivate withdrawal from international cooperation, aggression, war and genocide. But so too has it underpinned vibrant movements for colonial independence, the construction of generous welfare states that provide for their citizens and a feeling of solidarity that is crucial to individual identity in the modern world. As countries and regions diversify, the sense of community that nationalism can foster may be more important than ever. It is for this reason that we should seek to emphasise and celebrate *inclusive* forms of nationalism.

A brief detour into definitions of nationalism is in order: all nations are 'imagined communities'. *Imagined* because even among the world's smallest nations, nationals will never meet all their co-nationals face to face. Though most nations have some objective markers such as a common language or clear geographic border, many nations miss one or some of these attributes. At its founding, the United States could be argued to have had none. Yet nations are still *communities* because they engender common feelings of identity. Irrespective of whether a national identity is ultimately fictive in origin, nationalism is a political force that has proven powerful enough to cohere millions of individuals together and generate bonds of obligation such as paying taxes or giving national service. It is because nationalism is both powerful and deployable towards good or ill that we ought to make clearer distinctions between its beneficial and baleful forms.

Some would argue that inclusive nationalism is an oxymoron because all nations are exclusive projects with respect to who they are not. The Scots and Welsh define themselves partly by the fact



that they are not English; the Canadians define themselves partly by the fact that they are not Americans, Pakistanis partly by the fact that they are not Indians and so forth. This is widely accepted as legitimate. Moreover, there is good evidence that communities with strong bonds of solidarity are better able to provide public goods to their members in the form of education and health.

But nations can also be hierarchical with respect to their own citizens. Such citizenship hierarchies are established when ascriptive or fixed features of identity are adopted as a defining feature of the nation. Once relatively fixed features of identity – typically race, ethnicity or religion (which is not mutable in most of the developing world) – are adopted as central to the definition of the nation, citizens without those fixed features are by definition relegated to second-class citizenship. In both 19th century Germany and 20th century Malaysia, for example, a combination of religion and ethnicity was central to defining the nation. Consequently, in both of these nations in times of profound economic or political crisis, citizens without those ethnic features were more readily denied political rights than in countries characterised by more inclusive forms of identity.

Inclusive forms of nationalism eschew fixed identities and use shared aspirations – often civic or economic ideals – as the basis of their national imagining. Examples of this type of nationalism are rarer and emerged more recently in history. The United States at its founding largely embraced a shared set of ideals such as inviolate individual freedoms and the ‘American dream’ – a creed that social and economic background would form no barrier to social and economic success. Nonetheless, America’s founding moment specifically codified that Americans of African descent would be less-than-full citizens (three-fifths of other citizens), a codification which legitimated centuries of discrimination. It took a civil war and decades of court legislation to move America towards a more inclusive form of nationalism.

“THE CONTRAST BETWEEN INDIA AND PAKISTAN HIGHLIGHTS THE IMPORTANCE OF CELEBRATING INCLUSIVE NATIONALISM.”

A nationalism established upon a hierarchical foundation will provide resources to ever-present political entrepreneurs seeking to arrogate the rights of second-class citizens to bolster the interests of the majorities, however defined. Indeed, both John Stuart Mill and Alexander Hamilton argued that this tyranny of the majority was a major threat to liberty under democratic forms of government.

For an illustration of how new states with different nationalisms have fared, it is worth contrasting India and Pakistan – nations founded 70 years ago and characterised by largely similar levels of economic development, social and ethnic diversity. Though three quarters of the citizens of both countries at their founding shared a single religion, Pakistan imagined itself as a homeland for Muslims while India imagined itself as a homeland for all those who opposed colonial rule and who committed to certain ideals of economic self-sufficiency and socialist-inspired development.

Today, 70 years after their twin-like founding, both the incidence and intensity of communal violence in India is significantly lower than in Pakistan, especially on a population-proportionate basis. India’s relative success in stemming communal violence is partially due to the inclusive national identity articulated at its founding, one that has denied powerful narrative resources to current attempts to re-interpret the Indian nation as a Hindu one. Pakistan’s embrace of religion as the core of the nation’s definition has by contrast encouraged a legal and widely accepted normative basis for discrimination against religious minorities and increasingly, intra-religious minorities such as Shias.

If the contrast between India and Pakistan highlights the importance of celebrating inclusive nationalism, it also underscores how national identities are continually open to re-negotiation. Moments of crisis – wars, economic crashes or profound national struggles – are especially critical moments, for they offer new debates about who constitutes the ‘we’. Some definition of the ‘we’ is certainly needed, for without a shared understanding of the ‘we’, there can be no understanding of what constitutes common public good. Because nationalism is an inescapable and potentially desirable fact of modern political life, an inclusive form of it should be embraced. ●

Maya Tudor is Associate Professor of Government and Public Policy, Blavatnik School of Government.

THE BLINDNESS OF THE ELITES

YULI TAMIR

Donald Trump’s election, alongside Brexit, the emergence of the new right in many European countries, and the phenomena of national and religious awakenings around the world, have left liberals perplexed. They feel deceived. This was supposed to be ‘their’ century, history was about to end, and the flat world promised to be their playground. Then, with no prior notice, villains snatched their victory.

“Why didn’t we see it coming”, followers of Hillary Clinton, adversaries of Brexit, supporters of Matteo Renzi and many others ask themselves bewilderedly. How come ‘they’ – nationalists, right-wing parties, religious fundamentalists, chauvinists – suddenly reappeared and challenged our hegemony?

Many of the answers point to the crisis of neo-liberalism, growing social inequalities, heightened ethnic and racial tensions, and the mounting anguish of the 99 per cent who see the 1 per cent accumulating more and more wealth, sailing away to El Dorado.

While post-War liberalism was a reflection of economic and political optimism, according to which economic growth and political freedom empower individuals to maximise their fortune, 21st-century liberalism exists in a far more pessimistic era. Many who eight years ago believed “Yes We Can” now suspect we cannot.

Liberal blindness

What are the origins of the liberal blindness that missed the social and political warning signs indicating we are on the verge of upheaval? Unfortunately, this lapse of attention is not at all coincidental. From its emergence and during the Enlightenment, liberal theory placed at its core the concept of rational, autonomous, self-interested individuals whose moral development reaches its peak when they act according to the moral law. In line with Immanuel Kant’s categorical imperative, liberals identified morality with universal laws, estranged from personal attachments and emotional feelings. Love, connectedness, community affiliations and more particularly ethnic and national ties were therefore viewed as human fallibilities to be overcome.

The personal and moral effects of being socially and emotionally engaged were dismissed, countered by moral universalism which fostered a belief in the brotherhood of man (and women too). Consequently, liberalism found itself offering a far too sterile and demanding moral axiom; to echo Freud’s words, it was expecting individuals “to live beyond their psychological means.”



In *Bowling Alone*, Robert Putnam analysed the inherent damages of social disintegration. Yet, such warnings were dismissed, life was all about joining voluntary associations. Two issues were left aside: the close affinity between social class and the ability to make personal and social choices, and the emotional price of finding oneself alone. Liberalism thus distanced itself from the experience of actual people whose lives are intertwined with others; who have strong emotional ties and warm feelings they find hard to ignore when defining their preferences and obligations.

The universal moral standpoint made liberalism averse to borders, states, nations, and other divisive associations. Liberals came to acknowledge the importance of membership in sub-groups, such as gender, race, ethnicity, and religion, only when it became a liability.

The liberal disregard for the importance of mediating associations silenced many worthwhile voices: religion was shoved to the personal sphere, class was replaced by poverty, and culture, history, and national identity were substituted with colour-blind policies.

Consequently, women, people of colour, immigrants, and members of other minority groups were permitted to refer to their identity in order to vindicate their social position but white men and women were held accountable – not to say blameworthy – for their misfortune.

Those supported in their struggle for upward mobility were those less likely to succeed. Indeed, exceptional members of minority groups made it all the way to the White House but racial gaps remained a sore issue; and while outstanding women were elected

to run the world banking system and head governments and international corporations, women are still among the poorest members of society.

Liberal blindness turned out to be an ally of the upper classes, who kept most of the benefits of the new world order to themselves, and of exceptional members of the minorities, who were given a chance to forge their way to the top and in return gave the impression that anyone can make it if they work hard enough. The less exceptional – i.e. the majority – were theoretically and practically ignored.

This is not the first time liberalism has sided with the powerful. Yet, it has come a long way from John Locke's restrictive liberalism of the Landlords, and John Stuart Mill's liberalism of the colonising powers. Gradually liberalism opened its gates to include and defend men with no property, women, individuals of colour, as well as occupied and exploited peoples – all those who initially were assumed to be morally immature, unable to enjoy the freedom and autonomy liberalism offered.

How disappointing it is to find that, once again, liberalism finds itself allying with the privileged as a result of a self-serving interpretation of its own theory. In order for liberalism to win again it must embark on a journey of self-reflection and come out the other side different. If liberals want to recapture their political power they need to see the present period as a disruptive moment that motivates them to question their beliefs and their policies.

To begin with they have to acknowledge that liberal ideals are grounded in a chain of theoretical blind-spots which have something in common – they aspire to create a well-rounded, placid moral outlook that allows for a clear ranking of moral obligations and personal choices.

The first of these blind spots has already been mentioned: liberalism assumed that affiliation with others is secondary to rational deliberations and personal autonomy, and inferred that individuals should subordinate feelings of attachment and solidarity to rational, universal moral principles.

The second, closely related to the first one, is grounded in a misunderstanding of the nature and importance of mediating affiliations. For example, the liberal emphasis on individualism alongside its traditional antipathy to the notion of class led liberals to focus on poverty and social gaps rather than on social identity.

What may seem as a mere semantic difference has significant consequences: class, unlike poverty, is a collective notion. It is much more than a socio-economic description; it is a way of thinking about society. Exchanging the energising and motivating “class talk” with the demoralising analysis of poverty allowed liberals to promote welfare rather than social change.

The individualisation of poverty meant that members of the working class were left to fend for themselves. In many ways, the social alienation and ensuing injured pride were harder to cope with than the loss of income and the disappearance of worthwhile jobs.

It was this sense of social loneliness and the lack of cross-class solidarity that allowed for the emergence of unusual candidates such as Bernie Sanders and Donald Trump, both willing to challenge the ruling social norms and place the socially displaced at the centre of their campaign. While Sanders invoked class issues, Trump played the national card, and both pierced the thin crust covering the liberal hypocrisy around globalism, an ideology justified by universal values that benefitted a few at the expense of many.

Frustration released the repressed nationalist voice: people started drawing a thicker line between “us” and “them”; our jobs, our future, our power, our hegemony. The close affinity between economic crisis and the emergence of nationalism has a long history, yet it has been described as an expression of the moral feebleness, fearfulness, and irrationality of the masses.

I would like to dispute this distinction, suggesting that for many the national choice is a rational choice; or, to put it differently, nationalism is the rational choice of the masses just as much as globalism is the rational choice of the elites.

The gap between the different choices has been widened by processes of globalisation that deepen the rift between the small elite of globetrotters and those bound to stay home. Most inhabitants of this world are immobile. Even today, in the wake of the recent waves of immigration, only 3.3 per cent of the world's population lives outside their homeland. People thus rightly assume that they are far more rooted than globalists would have them believe. Their personal fate is tied up with that of their society. It is therefore logical for them to put their country first.

Many have claimed that “Putting America First” is a fascist slogan, identical to “Germany Above All Else”; they are, however, mistaken. Rather than expressing a sense of supremacy this slogan expresses a desire to regenerate a sense of commitment among fellow nationals. And there are many ways of putting one's nation first. Bernie Sanders' call to America's billionaire class, “You cannot continue to take advantage of all the benefits of America, if you refuse to accept your

“LIBERALISM EXPECTED INDIVIDUALS TO LIVE BEYOND THEIR PSYCHOLOGICAL MEANS.”

responsibilities”, is as inwardly focused as JFK's summons: “Ask not what your country can do for you, ask what you can do for your country.” This is a liberal nationalist voice that liberalism has lost and must recover.

People are more pessimistic and less trusting than ever. The fear of losing internal hegemony leads to brutal internal competition.

In an ever-growing economy dominated by optimism, immigration and social mobility are regarded as blessings. Not so in an age of pessimism, when the less educated and less skilled are exposed to greater risks and diminishing opportunities. The less ‘well-off’ fear that their state will no longer defend them; they dread misplacement, exploitation and, most of all, losing control over their lives. Hence they are likely to seek ways to thicken their identity, forcing fellow nationals to stick together, obliging their state to invest in the common good. They seek to slow down globalisation by erecting higher and more impenetrable national borders, as they dread that newcomers will take their place.

Despite Marx's best hopes the workers of the world have no power or will to unite; their plight forces them to constantly compete with each other. The workers want governments to put their interests first – not because they are supremacists or chauvinists, but because they have rightly noticed that the social contract has been broken and they are left unprotected. Their nationalism is more economic than cultural or racial and more rational than emotional.

Ironically, it is the elites of the world who have united. They have deserted their homelands, rejecting their social and economic obligations: they send their children to international schools and then to Ivy League universities; they buy and sell commodities in the international stock exchange; they live in several countries in order to avoid taxes; they ski in the Alps, sunbathe in Honolulu, enjoy London theatre and Parisian restaurants. They have become citizens of the world and believe that these benefits are morally just.

Liberalism must reject this sense of privilege and offer some guidance for a better distribution of social and political power. It should recover the cross-class coalition characteristic of the nation-state and promise citizens they will not be left alone.

The demand to prioritise one's nation, if accepted, could be the beginning of a productive alliance fostering a more just and inclusive distribution. It could also lead to internal chaos, class struggles and racial and ethnic schisms. The onus then is to lead it in the right direction, constructing a more just distribution of risks and opportunities, giving citizens new reasons for acting together to promote the common good. ●

Yuli Tamir is President of Shenkar College and former Minister of Immigrant Absorption and Education, Israel.

INTERVIEW

BUILDING BRIDGES IN THE TIME OF TRUMP

ARLIE HOCHSCHILD,
PROFESSOR EMERITA,
UNIVERSITY OF CALIFORNIA,
BERKELEY

INTERVIEW BY ELLY BROWN

As political fault lines deepen across the United States, many are searching for answers on how American society became so deeply divided, and how it might begin to reverse the trend. Professor Arlie Hochschild, renowned sociologist at UCL Berkeley, California, has been at the forefront of academic thought in this field. Best known for her work on emotions and the family, her 2016 book *Strangers In Their Own Land* chronicled the five years she spent immersed in Republican country in Louisiana, studying the role of emotions in political beliefs.

MPP student Elly Brown sat down with her to discuss her latest work, and the light it sheds on how we can better bridge the gaps opening up across our societies.

EB: *The theme of the Blavatnik School's 2017 Challenges of Government Conference was 'bridging the gap'. What are the biggest gaps you see in American society today?*

AH: I see three big gaps we are contending with: the first is the racial divide, particularly between blacks and whites. The second is class, between rich and poor. The third is political, between left and right. While we've always had the first, and the second has been growing in leaps and bounds over the past few decades, I believe the third is the fastest-growing divide across American society. It's why I left Berkeley California, a Democratic stronghold, to spend five years studying a Republican stronghold in south-west Louisiana. I wanted to see if I could bridge the gap – at least in understanding, and empathy.

EB: *At the Conference, you talked about the concept of 'deep stories'. What do you mean by a deep story, and how does it drive the political divides we are experiencing?*

AH: There is a deep story underlying each person's political beliefs. This isn't unique to the right – there is a deep story for the left too. A deep story is a situation that feels true to you. It's a little like a dream, with the language of the deep story manifesting as metaphor. In this way, it is closer to the realm of emotion than reason, and you draw facts and moral judgements from your deep story.

The deep story of the right is: *You're standing in line, as if on a pilgrimage, facing a hill on top of which is the American dream. Your feet are tired, and the line is not moving. You feel a strong sense of desire to get there; that you deserve to get there. Then suddenly, you see people cutting in front of you in line. Blacks, women, immigrants, refugees; even the brown pelican of Louisiana, with its oil-soaked wings, seemed to get more preferential treatment to you. You see Barack Obama, who should be supervising the line, waving to the line cutters. He's their President, and has bought their votes. Finally, someone ahead of you in line – someone with a higher education, perhaps a more sophisticated place to live – turns around to you and calls you a backward, racist, homophobic redneck, even though you've been working hard and waiting your turn in line for the American dream. At that point, you truly feel like a stranger in your own land.*

With a deep story like this, it's no wonder Trump is appealing. He speaks directly to you, telling you he will take you back to the America where you were further ahead in line. And you fall in love, with all its irrationalities.



“WE’RE NEVER GOING TO GET TO THE BOTTOM OF THIS DIVIDE IN POLITICS IF WE AREN’T TEACHING PEOPLE HOW TO IMAGINE THEMSELVES IN DIFFERENT STORIES.”

My method was simple. I listened first – a great deal, to a lot of people over a long period of time. I then put what I was hearing into a story, and played it back to those I had spoken with. One said, “you read my mind”; another said, “I live your analogy”.

EB: *You also speak of traditional 'bridges' in society that help people climb the 'empathy wall' towards understanding each other's' stories – groups such as labour unions, churches, sports teams, and community organisations. Given many of these groups are on the decline, do you have any ideas for how we might rebuild, or create new bridges?*

AH: It's becoming apparent that we need new bridges, and a lot of people are out there building them. For example, there's a website called www.bridgealliance.us, which is an umbrella group of more than eighty community organisations who, in their different ways, are all trying to bridge the gap. It's very exciting really – it's civil society bubbling up.

What I'd particularly love to see would be bridges being built from high schools. For example, we could create an exchange programme for high school seniors, where kids from different regions swap places for a while. I also recently participated in a project called 'Living Room Conversations', where left and right are brought together to see if they can find common ground. It was a powerful way of bridging the gap through storytelling. There are many more examples out there – we're in the worst of moments, but it's bringing out all kinds of creative ideas from people of goodwill, of whom there are many.

EB: *Your journey was a very immersive, personal one. What would it take to scale this understanding and bridging of the divide?*

AH: The whole premise of my work is that we're never going to get to the bottom of this divide in politics if we aren't teaching people how to imagine themselves in different stories.

It's not just a gap in beliefs, but a gap in the capacity to hear someone's story, and identify with the person in that story. Even when we hear stories, we often guard against identification. We guard our deep stories, and come to deflect certain kinds of knowledge that don't fit with them. The deep story has fur and bristles – it protects itself when threatened by conflicting information. Knowledge itself is neutral, but our relationship to it is anything but.

What I found in Louisiana is that people might know something, but they would hold that knowledge at a distance. They knew all the issues facing Louisiana. They're not ignorant, they are very smart. But they didn't know where to place the information within the context of their deep story, so they held it away. Therefore, you need certain conditions to facilitate the exchange of stories in a way that encourages you to access and empathise with another's deep story. It's a little like what psychiatry does, or mediation. We need an education system that imparts a mediator's skillset – one that encourages us to make sure not only that messages are given, but that they are received. ●

To visit the community initiative building bridges of understanding between people of different political persuasions in the US, please see www.bridgealliance.us

IN DEFENCE OF THE PEOPLE FROM SOMEWHERE

TOM SIMPSON

I was recently part of a colloquium on immigration to the UK. I got rather overexcited by the programme: I was to share the panel with, among others, a Professor of English Identity and Politics. Who knew? The idea that English identity could be worth taking seriously runs counter to the unstated assumption that it's somehow a *bit crass* or perhaps a *bit racist* to take pride in one's being English. That's the sort of thing that happens on the football terraces, along with bawdy chants and unhealthy amounts of Fosters lager. It's not quite what academics go in for.

John Denham – the Professor in question – did take English identity very seriously indeed. But I was wrong, of course, to think that this meant he might see some value in being English. As his reason for taking the post, he cited some polling evidence from the UK's recent EU Referendum. This showed that those who identified as 'English more than British' or 'English not British' were twice as likely to vote Leave as Remain. And those who identified as 'British more than English' or 'British only' were twice as likely to vote Remain.

Viewing oneself as English was, for Denham, a proxy indicator of regressive attitudes. He had left Parliament, including service as the Secretary of State for Communities and Local Government, in order to pursue a reconstructive project. How can 'Englishness' be recalibrated, so that 'being English' is an available identity for everyone who lives in England, including foreign-born immigrants, almost all of whom currently identify as 'British not English'? Can Englishness be reconstructed as an inclusive identity, rather than an exclusive one?

Plainly enough, these questions are not unique to England. Something like this cleavage is behind the USA's electoral earthquake in 2016; is a significant factor in the political turmoil elsewhere in Europe; and is played upon by those nationalist leaders taking their countries in more or less illiberal directions, but with democratic mandates.

The cleavage has, I think, been best described by David Goodhart. Analysing clusters of attitudes revealed by polling data, he divides people between those from 'Anywhere' and from 'Somewhere'. Anywhere folk are geographically mobile; feel at home where they find themselves; embrace openness and diversity; and tend to be socially liberal. Somewhere folk value their rootedness, so tend to live close to where they grew up; embrace order and are at home in homogenous societies; and tend to be socially conservative. Above



“THE DIVERSITY OF OPINIONS FOUND IN THE POPULATION SHOULD BE REFLECTED IN THE CORRIDORS OF POWER.”

all, Anywhere attitudes are found dominantly among the tertiary educated; and Somewhere attitudes dominate among those who are not. There is evidence to suggest that the within-culture differences along this spectrum are more significant than the between-culture differences. The 'Anywhere' from Istanbul has more in common with the professional IT worker in Delhi than with the peasant farmer in Anatolia. And that peasant farmer in Anatolia may well have more in common with the steel worker in Sheffield, in terms of social attitudes. Part of the significance of the analysis is that it upends Bill Clinton's slogan: the clue to understanding current ruptures is that it is *not* about the economy, stupid. It's about meaning, not money.

So part of the 'elite-people' divide is an attitudinal one. As the task is to bridge the gap, I wish to draw three outline lessons on how to do this, for people like us: tertiary-educated folk, in positions of power and influence now or in the future, likely to have cosmopolitan prospects and cosmopolitan tastes.

Legitimacy. All the indications were, during our panel, that John Denham is a man of integrity, intelligence, sympathy, and committed to public service. But his project left me with a sour taste. *By what right* do you seek to take away a nation's sense of itself, to mould it in an image you prefer? *What makes it that the English* are not permitted a sense of cultural identity, but everyone else is? *By what right* do you impose your cosmopolitan preferences on a people who value who they are and where they come from? *By what right* do you try to make incomers 'feel at home', by taking away the sense of home of those already here? On Goodhart's analysis, Somewheres outnumber Anywheres by *about two to one*; they are 50 per cent of the population to Anywheres' 20–25 per cent, with a remaining group of 'in-betweeners'.

A useful intellectual habit for us would be to ask: when I espouse policy positions which have the nice result that they fit my cosmopolitan preferences, are my arguments mere rationalisations for a result that I find congenial? For those who do *not* share my preferences, are the arguments persuasive? Is what I view as a matter of justice merely the imposition of my preferences on those who do not share them?

Representation. The Brexit vote revealed the astonishing level of under-representation of 'Somewhere' preferences among those in the UK's structures of governance. I predict that the same is true in other countries. A harsher description of the situation, but accurate, is: cosmopolitan capture. This is not just in the political parties, although it is plainly true there. It is dramatically true in

the culture-creating institutions of the media and the academy. In the UK, about eight out of 10 journalists in junior management and below are liberal or left-leaning. And about nine out of 10 academics are. There is a critical under-representation of what is now termed social conservatism, but was the common sense consensus of a generation ago. Change is not always progress.

This is not an argument for an alternative orthodoxy. Rather, it is an argument for the actual diversity of opinions and outlooks found in the population to be reflected, and to be reflected where it matters, in the corridors of power. Remedying this will have the added advantage of improving social mobility.

Humility. A third lesson is to learn what the world looks like 'from the other side'. This is perhaps the hardest to achieve, because it requires adopting a stance of humility towards one's own outlook. *It may not be the final truth.* Achieving this is also the most important. When one is able to engage with sympathy with those one disagrees with, real compromise and bridge building happens easily, because trust is possible. Needless to say, the psychological tendencies that can be successfully exploited on the internet exacerbate affective polarisation. *The Guardian* will carry on serving up click-bait for cosmopolitans, and the *Mail Online* for nationalists. Neither helps. Breaking out of the online filter bubble is a start towards a gentler, more civil politics. Doing so will probably require reiterated face-to-face dialogue.

In conclusion, what are the consequences of a failure to bridge this divide? It is possible that cosmopolitan powerbrokers double-down on their prejudices, and enact policies that are discordant with the majority's hopes, further angering them as they do. This is probably what is happening now, and the process of radicalisation is symbiotic. But the wider disconnect between the curated public conversation and the population's actual sentiments, the greater the opportunity for radicals and charlatans to fill the void. Democracy is designed to allow the people to hold elites to account. But it is not guaranteed what form that will take.

R. R. Reno recounts hearing a young woman from France tell of how her Muslim neighbours annually return to Tunisia or Algeria to visit family. The trips are cherished opportunities to go "home". Her voice breaking with emotion, she asked, "If I lose France, where can I go?" Reno observes, correctly: There is no more explosive political fear than homelessness. ●

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RESPONDING TO AN AGE OF DISCONTENT

KARTHIK RAMANNA

A NEW CONTRACT BETWEEN CAPITAL AND SOCIETY

Capitalism and democracy have been the cornerstones of Western society, at least since the end of the Second World War. The glorious decades of economic rejuvenation – “*Les Trente Glorieuses*” from the mid-1940s to the mid-1970s – are often attributed to the unique blend of democratic capitalism prevalent in these societies.

With Communism’s slow decline through the 1980s, most transitioning countries across the world saw democratic capitalism as their only steady-state objective. Indeed, for a brief moment in the early 1990s, as the Soviet Union ignominiously disintegrated, it appeared that Francis Fukuyama was correct – that we would witness “the end of history” with a triumph of liberal democracy and free markets.

But if the end of history ever were within our grasp, we have apparently since squandered that moment. In last few years, especially since the financial crisis of 2008, we have witnessed steady erosion in support for democratic capitalism, particularly in the US and Western Europe, and particularly among the young.

According to a 2016 survey published in the *Journal of Democracy*, the proportion of U.S. residents who believe it is “essential” to live in a democracy has declined from over 70 per cent for the 1930s birth cohort to about 30 per cent for the 1980s birth cohort. In Europe, the equivalent proportions have declined from over 50 per cent for the 1930s birth cohort to about 40 per cent for the 1980s cohort. Among US citizens aged 18 to 29, another 2016 survey from Harvard’s Institute of Politics found only 42 per cent support capitalism as a way of organising economic society. Support for socialism was at 33 per cent in the same group.

The 2017 Edelman Survey reports that about 60 per cent of Britons and Americans believe “the system is not working”. The general population’s trust in four key institutions – business, government, NGOs, and media – has declined broadly, a phenomenon not reported since Edelman began tracking trust among this segment in 2012.

What went wrong? Why has the general public in so many Western societies lost trust in democratic capitalism?

Primarily, I believe because of structural mismanagement by elites in our societies – a mismanagement born of three factors: a simplistic ideology, greed, and a lack of leadership. Let me take these in turn.



First is the ideology that capitalism is the natural order of man; a self-sustaining and seemingly indestructible system of economic organisation. The critical assertion here is that an “invisible hand” guides individual self-interested behaviour in markets toward a social optimum. This is often represented by quoting Milton Friedman, who argued famously in the *New York Times* in 1970 that “the social responsibility of business is to increase profits.”

Taking Friedman’s quote in isolation, the implication is that self-serving behaviour by all – elites included – is not only permissible, it is desirable. This ideology, which does have some empirical validity in liquid and competitive markets, has been extended to all areas of society, including corporate lobbying in political processes. Indeed, such political processes have come to be seen as “political markets.”

In my 2015 book, *Political Standards*, I argued that this ideology, when applied in the context of esoteric regulatory institutions that govern the very foundations of capitalism (e.g. the accounting rules in society), justifies and even encourages business to undermine free and fair markets.

The result is a systemic subversion of capitalism’s original objectives – enabling individual liberty and economic prosperity – into a crony capitalism that enriches elites who have the technical capabilities and scale to operate in these “thin” political markets.

Ironically, Friedman himself is often selectively quoted in this endeavour – as he warned that the “responsibility [...] to increase profits” was subject to the “rules of the game.” I do not believe that he intended his words to justify the manipulation of the very rules that define capitalism.

But a misunderstood ideology is not entirely to blame for decaying public trust. Next, layer on greed – as elites viewed this ideology as an excuse for ever-more profit accumulation.

Time after time, while important issues in public policy in the West were being crafted, some businesses simply saw an opportunity to push for more profits. For instance, as America and

“NOW IS THE MOMENT TO HOLD ELITES TO ACCOUNT FOR UNRESTRAINED GREED.”

Britain grappled in the 1990s with the implications of free trade with poorer countries and a laxer immigration policy, particularly on low-skilled immigrants, many businesses welcomed the cheap labour, failing to consider what this meant for their current employees or even their customer base.

Perhaps nowhere is this phenomenon of greed embracing ideology more prevalent than in the shaping of corporate tax policy. In the US, corporate tax law is now a cesspool of opportunism – with exception after Byzantine exception crafted to lower corporate obligations to the state. In lobbying for this perversion, corporations have often euphemised their tax evasion as being “tax efficient” – wilfully co-opting the notion of “economic efficiency” as an excuse for their avarice.

The final ingredient in explaining capitalism’s loss of goodwill is a lack of leadership – for not all business leaders have fallen victim to a simplistic ideology or embraced unfettered greed. Indeed, many such leaders have long recognised the nuance that capitalism is fragile: that “free and fair markets” are not inherently natural to man, but rather a social construct, useful in many settings, where they must be actively preserved through good laws.

But many of these leaders plead an inability to act in the broader public interest, arguing that doing so would put them at a competitive disadvantage versus their more profit-minded peers. In my book, I describe being at a conference at Harvard Business School that had assembled some of the titans of corporate America to discuss the crisis in capitalism. Their verdict: yes, there is a problem; no, business can’t be expected to do much about it.

The sentiment in the room: “The business of business is business.”

The need for bold leadership

If the data on the declining trust in capitalism is accurate, the stakes are high. Inequality in the Western world is rising, and belief that the political system is unfair is likely delegitimising liberal democracy itself. Now, more than at any time in recent history, is the moment to correct the narrative on capitalism, to hold elites to account for unrestrained greed, and to call for bold leadership from those most capable of delivering it.

History has not been kind to generations who have previously ignored this moment.

The work starts here – in schools of leadership like Oxford’s Blavatnik School; in how we seed a habit of empathy; in how we cultivate critical analytical thinking; in how we empower moral duties; in how we inspire courageous action. ●

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WANTED: A NEW THEORY OF PUBLIC VALUE

GERALD Z LAN

Moving into the 21st century, the problems of our world seem to show no signs of diminishing. The list is long: the growing disparity between the rich and the poor, mass migration, the emerging anti-globalisation trend, the withdrawal of traditional global powers from significant global affairs, tension in Asia, imbalances between EU nations, changing population structures, and the threat of AI-supported robots to people’s jobs. Today’s world is no safer than it was a century ago.

The global order established after the Second World War is under serious threat, and a possible new order has not yet emerged. Two important issues facing today’s global community are the direction in which human civilisation is heading and where leadership will come from.

Since the 1980s, decades of bureaucratic reform have weakened public trust in government, even as increasing social issues require state intervention. We are at a crossroads: the gap between our problems and our institutional capacity to address them is increasing, as is the gap between the return to capital and that to labour. There is a need to improve public trust but a lack of the means to do so. We need more global collaboration just when interest in global issues is diminishing.

What are the root causes of these problems, and where do their solutions lie? We can look to the United States, China and the UK to identify the sources of both.

1. Reform theories were wrong and reform efforts failed to be on the right track

The reform rhetoric of recent decades glorified privatisation almost to the point that it seemed like its advocates wanted government disbanded. Ronald Reagan once forcefully claimed that his measures were not intended to change the government, but to do away with it. There is of course nothing wrong with emphasising individual rights and private efforts. However, downplaying the forces that coordinate those private efforts, and inflating the importance of self-interest way beyond that of the public interest, tipped the balance of society. It accelerated the growth of the gap between social classes, legitimised extreme self-serving behaviour, and demoralised those engaged in civil service. Ideally, the Reagan-Thatcher privatisation and decentralisation reforms should have helped alleviate bureaucratic red tape, correct



governmental failures, and reignite public-service enthusiasm. However, the consequences took the world in a different direction, where the spirit of public interest became less valued and civil service capacity was eroded. Trust in government as well as in society has declined because of this rhetoric that government is rarely the answer. The theories guiding the reform were grounded in maximising self-interest (public choice theory) and market failure theory (only when there is market failure should the government take action). The massive global financial crisis was a direct consequence. US Congressman Henry Waxman put it to Lehman Brothers' CEO Dick Fuld that "your company is now bankrupt and our country is in a state of crisis. You get to keep \$480m. I have a very basic question: Is that fair?" The fact this question even has to be asked tells us the business world has got something seriously wrong.

2. We need a new theory of governance and government intervention

The global financial crisis provided today's society with a serious lesson about Wall Street greed. French economist Thomas Piketty's important book *Capital in the 21st Century* uses decades of data to show that the return on capital has always been larger than the return on labour except during some times of war. Therefore, regardless of how hard people work, the gap between social classes is bound to increase. This suggests that the classical theory that government should intervene only when there is market failure is problematic, for markets are doomed to fail without the political and economic structures provided by government. The key, therefore, is how to make government more efficient.

"MARKETS ARE DOOMED TO FAIL WITHOUT THE POLITICAL AND ECONOMIC STRUCTURES PROVIDED BY GOVERNMENT."

Barry Bozeman, an American professor, wrote a book called *All Organisations Are Public*. His argument is that this is true, only to differing degrees. All organisations are subject to public scrutiny, are not supposed to harm society, are regulated by public policy, and are obliged to pay taxes. In this sense, in today's entangled world, the behaviour of organisations is bound to have impact on the public's life. The Lehman Brothers' bankruptcy made a few people rich but destroyed the lives of many, and left behind a huge problem for the government to handle. Bozeman argues that we should not wait until the market fails, and instead proposes a theory of Public Value Failure, which allows governments to intervene at an earlier stage.

In our new century, we surely realise that harmonious coexistence, global warming, a shared global economy, and sustainable development are among society's most powerful drivers. The key emphasis of public service is no longer economic development and technological innovation, which are now automatically built into our processes: the average per capita GDP is 17,000 US dollars and technological breakthroughs occur on a daily basis. But the world is still riddled with poverty and homelessness. As time goes by and economic structures stabilise, our world and our governments face fresh challenges and priorities. Bridging the gap seems to be a critical concern of our time, and public policy has a great role to play.

3. Reasserting public values, infrastructure building, public service delivery, and justice in distribution are the key to governmental success

The evidence of recent decades shows us that privatisation and decentralisation are not enough. A shared belief in the promotion of public interest is the key to social success. In order that our human society eventually triumphs over our basic instinct for self-interest, and that we elevate ourselves to a new level of civilisation, we need leadership and robust government that asserts public values, builds infrastructure, delivers public services, and ensures justice in the redistribution of social wealth. Only when all individuals live with freedom and dignity, can the gaps that split our society be filled and our world become a sustainable and harmonious global village for humankind. ●

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INTERVIEW

HOW POPULISM CAN FIX AMERICA

RUSSELL FEINGOLD,
FORMER U.S. SENATOR

INTERVIEW BY SAI GOURISANKAR

Russ Feingold is on a mission to renovate and protect democracy in the United States. A former three-term United States Senator representing Wisconsin, Feingold has been writing and speaking about how to restore public trust in institutions.

SG: *It's sometimes hard to make sense of the variety of anti-establishment and/or populist narratives across the globe. Which aspects do you think unite them, and what do you think is different about the situation in the United States?*

RF: Well, if you're from the type of political background I'm from, you don't begin with the premise that populism is a dirty word. I come from a state with a very positive association with the great Progressive movement, which was a populist movement of that era. I can understand, given the role that populism has played in other countries, that it can be the basis of fear. But populism reflects the will of the people, when people feel that their government has cut them out.

This isn't about stamping out populism, but instead about addressing legitimate grievances that the populist movements have, and disregarding those grievances or approaches that are illegitimate, if they relate to race, outrageous anti-immigrant sentiment, and religious discrimination.

Indeed, Wisconsin pioneered various progressive reforms in the 20th century, including workers' compensation, unemployment insurance, public employee bargaining, workplace safety, and environmental protections. Although Republicans controlled state politics until the 1960s and Reagan won the state in 1980, Wisconsin supported Democratic presidential candidates in 2000, 2004, 2008, and 2012. That makes the state's sharp turn to the right in the 2010 and 2016 elections puzzling.

SG: *You served Wisconsin in the Senate for 18 years, but were defeated by Senator Ron Johnson, a Tea Party favourite, in 2010. What happened to cause such a stark re-orientation of Wisconsin politics, in a state with a healthy tradition of liberal and progressive politics? Does*

that have any broader lessons for what factors widen the gap between the governed and the governing?

RF: Eighteen years in the Senate, and 10 years in the state senate, so a total of 28 years. The truth is Wisconsin has had two populist traditions – one on the right, and one on the left – and they've changed hands for 100 years. The two most famous Senators in the history of Wisconsin were Fighting Bob La Follette [Robert M. "Fighting Bob" La Follette, Sr., Progressive, 1906–25] and Joe McCarthy [Joseph R. McCarthy, Republican, 1944–57].

In 2010, the entire economy was in a terrible pit and we had a Democratic president, a Democratic United States Senator, a Democratic governor in Wisconsin, a Democratic Assembly, a Democratic State Senate in Wisconsin. [My loss then] is easier to understand than what happened in 2016, which went against all the electoral patterns in a presidential year. And I think it had to do with this disconnect that we're talking about at the Challenges of Government conference. People associated, whether fairly or not, Hillary and Bill Clinton with the 'establishment'. You know, I have opposed free trade agreements throughout my political career: I had a feeling that they were going to leave people displaced with very little, and that's exactly what happened. Unfortunately, the Democratic party went along with them, and a lot of the Democratic base that had got Democrats elected in the past no longer felt that they could trust the Party to represent the values of the average worker.

SG: *We now recognise that technology – automation and AI – has also contributed to a lot of manufacturing job losses. What is the role of the government in helping workers respond? Is it reskilling and education? How do you rebuild confidence?*

RF: Anyone who is honest about [manufacturing job losses] admits that a lot of it has to do with technology. I've been on many tours of the General Motors plant in Janesville, where I grew up, and the last few times it was these incredible machines doing what my



“I HAD A FEELING FREE TRADE AGREEMENTS WERE GOING TO LEAVE PEOPLE DISPLACED WITH VERY LITTLE, AND THAT’S EXACTLY WHAT HAPPENED.”

neighbours used to do! So that’s part of it. But I’m also convinced that the part we could have done better was to avoid crafting unfair trade agreements that did not provide proper retraining to people. The TAA [Trade Adjustment Assistance] programme wasn’t ever properly funded and it didn’t work properly.

Maybe prices are lower in general. But it doesn’t work for the person who has lost their living and lost their sense of self-worth. That loss of status and self-esteem – as well as economic loss – has to do with this trust gap.

SG: *What would you recommend policymakers work on going forward?*

RF: We now have an opportunity to do what Trump claims he wants to do – revise NAFTA – but also to create a Trans-Pacific Partnership that would actually be fair and transparent. The unthinkable happened: one of these big trade agreements actually got stopped. And the sad irony for the Democrats is that this happened with Trump.

SG: *I want to ask you about gerrymandering, a subject you’ve written about. It’s an example of an issue with low awareness among everyday voters but of huge consequence. Could you talk a little bit about why gerrymandering worries you so much, and what other threats to democracy in the US concern you most?*

RF: These attacks on the legitimacy of the basic institutions of government preceded Trump, and they will follow Trump. Other than the right to vote, they include, first, the destruction of our campaign finance system by Citizens United [Citizens United v. FEC]. The second is the Electoral College: I’ve concluded that it has to go. It was set up as a racist institution, rigged for the slave states, and is fundamentally anti-populist. I think the Electoral College has become a real delegitimising force in our country. The third is the theft of the Supreme Court by not allowing President Obama to appoint his chosen justice in 2016.

But to many people most important is the conscious effort to attack the right to vote, from about 2010, by the Right. It involves not allowing felons, who have served their time, to vote; limiting early voting; requiring voter ID cards, intimidating people not to vote, and gerrymandering. This has disenfranchised minorities and locked out older people who have voted all their lives.

SG: *In your Senate career you successfully acted on campaign finance reform (the 2002 ‘McCain-Feingold’ Bipartisan Campaign Reform Act). Can we learn from the past?*

RF: It’s a huge problem. As a result of the Tea Party movement, Republicans, in particular, are afraid to work with Democrats. When John McCain and I did, people loved that I was doing it and he was doing it. But then people started referring to those who cooperated with Democrats as ‘RINOS:’ Republicans in Name Only. So of course they became terrified, and continue to be terrified, of being thrown out by the Right. Senator Richard Lugar (R-IN) was thrown out of the Senate. Senator Bob Bennett (R-UT) was thrown out of the Senate. Senator Orrin Hatch (R-UT) came close to losing. That has created a very serious disincentive to do bipartisan initiatives. Maybe some ways to encourage bipartisanship include asking for a commitment to work on a bipartisan initiative during the election. We have to create a populist effort to demand that.

SG: *A lot of young people today have little faith in the establishment. What do you feel needs to change in our institutions to build back trust among young people, in particular?*

RF: The way in which Democrats have continued to defend unlimited campaign contributions, unfair trade practices, and Wall Street has made younger people just as sceptical of the Democratic Party as the Republican Party. So we need to create a politics that is, frankly, more populist. I embrace the word populism for the future of the Democratic party. ●

THE FUTURE OF LABOUR

JONATHAN WOLFF

When I started work in 1977 here is how I wrote a letter. On my desk were two phones, one for calls, the other a little green Dictaphone. I would start with the words ‘A letter please, typist,’ spelling out the name and address of the lucky recipient. My stumbling words would be recorded on to some sort of re-usable disk, in a distant, open plan office. The disk would be removed from the recording machine and put on a rack, to be typed up and sent back to me in a couple of days’ time. Inevitably corrections would be needed but after a week or so it would be ready to be dispatched by second-class post.

In the 40 years since a range of technological developments have rendered most of the jobs in the process obsolete, including what was my own as the person writing the letter in the first place. And I could tell a similar story about the manufacture of the car I drove at the time (a little green MG, self-deceivingly envisaged as the first in a line of flash motors). Technology moves on relentlessly and with it the workplace is regularly transformed.

With the advent of the self-driving car many worry that something new is afoot. Estimates have suggested that a seventh of all jobs in the US are at risk, and those who will lose out are already disaffected. But futurology is a risky business. In an essay published in 1931 John Maynard Keynes predicted that as a result of scientific progress and the miracle of compound interest by 2031 we would have ‘solved the economic problem’. No one would need to work more than three hours a day, which they would do largely because of the satisfaction of work rather than out of economic need. Around the same time the Danish artist Johannes Holtenberg, considering this future (welcome) lack of work owing to automation, proposed universal basic income as a way of allowing people to enjoy their newfound freedom.

Every generation seems to think it is going through unprecedented technological change. Some have greater claims than others. Marx and Engels, in the 1840s, pointed to the explosive power of the capitalism of their age. Euston station, the first inter-city station in London, had opened in 1836 and over the next decade transport was transformed. Journeys that had taken a week could now be accomplished in a day, and vast quantities of goods distributed rapidly. Together with the thunderous power of industrial manufacturing, no wonder Marx thought that capitalism had unleashed technology that it would struggle to control.



Marx, as much as anyone, was a theorist of technological change. He predicted that whenever wages started to rise capitalists would invest in labour-saving machinery, plunging workers into unemployment. Cutting labour would reduce costs, but, when all capitalists do this together, it gives rise to lower demand in the economy and prompts a crash. Hence, Marx thought, the natural functioning of capitalism is boom and bust. Notably, in good times politicians and economists report that they have mastered the economy and finally managed to achieve sustainable growth, but when we are in recession they swiftly remind us that the cycle will come to our rescue.

Marx suggested that the move out of the cycle comes partly from entrepreneurs finding new forms of low-wage employment for the unemployed in emerging sectors of the economy. But the newly employed will not necessarily be those who have lost their jobs. Those who are too old or stubborn to retrain, or think the new working opportunities beneath them, will struggle, possibly very noisily. Technological change will bring winners and losers in patterns that we cannot safely predict. What should we do? We can take a leaf out of the book of Jeremy Bentham, who was appalled that Tripoli and Greece had not yet introduced the printing press, and still employed legions of scribes. Of course, Bentham argued, it was essential to introduce the printing press. But the scribes, low-paid and downtrodden, must also be looked after. If they couldn't be retrained then they must be compensated in some other way. After all, if a change is introduced for the general good, then it is an essential maxim of justice that those towards the bottom of the income distribution should not be made still worse off while those already far ahead wallow in new sources of wealth. ●

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“EVERY GENERATION SEEMS TO THINK IT IS GOING THROUGH UNPRECEDENTED TECHNOLOGICAL CHANGE.”

BRIDGING THE DELIVERY GAP

THE BRASILIA EXPERIENCE – GETTING POLICY RIGHT

LEANY BARREIRO LEMOS

Brasilia is the modernist archetype city planned by Lucio Costa and Oscar Niemeyer in the late fifties. Designed to be an administrative city of around 500,000 people, its urbanistic plan was supposed to reflect an egalitarian utopia. About 60 years later, Brasilia has a population of three million people – 4.2 million if you count its metropolitan area – the highest per capita income (around USD 21,000 per year) and the worst Gini Index (measuring wealth distribution) of the country. It has the best access to infrastructure (water, electricity, sewage, internet), while the basic health programme reached only 20 per cent of the population in 2014, causing emergency rooms to be constantly overbooked. From an electorate of two million, 20 per cent never went to school or didn't finish elementary level, whereas 24 per cent have college level education. Rich and poor, Brasilia needs investment in critical areas.

It is a huge challenge to any government to engage and respond satisfactorily to a society with such strong social and economic cleavages. But let's add complexity. As is well documented, social pressures on the delivery of public services are on the rise. Brazil had its own "Spring" in June 2013, when millions of citizens went to the streets signalling strong dissatisfaction with government. Also, Brazil is undergoing unprecedented political and economic crises – on the one hand, corruption scandals and presidential impeachment, on the other, facing since 2015 the worst recession in its history. The drop in revenues has represented a serious constraint on investment.

So this is the picture – a heterogeneous society with all sorts of needs, extremely dissatisfied and mobilised, in a moment of fiscal crises and disputes about the legitimacy of political agents and institutions. The question is how to deliver under these conditions, and under pressure from different (and legitimate) interests?

First step: Build the roadmap and acquire the necessary tools

In Brazil, candidates have to register plans for government before elections. A candidate, Rodrigo Rollemberg, now Governor of the Federal District, produced a strong plan to rebuild society. The 90-page proposal rested on three foundations: a) social participation – four seminars were held in different sectors of the city, during which more than 1,616 people debated and contributed; b) strong data – a database was built with microdata from different statistics agencies and specialists were interviewed; c) a method – a problem tree was used to trace clear cause/effect problems and design

objectives. The result was a plan with 467 commitments divided in three axes – *City, Citizen, Citizenship*, comprising 14 issue areas.

After Rollemberg won the election with 55 per cent of the votes cast, information gathering and social dialogue continued. During the three-month transition period, staff prepared a risk matrix, since the city's fiscal situation was extreme and many services had stopped. When the government was inaugurated, a 120-day plan for recovery was in place, running parallel to a positive agenda. It was necessary to negotiate with strikers and contractors, accelerate procurement and reduce the impact of the various crises, as well as delivering.

Having a strategy was crucial. The first secretariat meeting focused on building the strategic plan, using a Balance Score Card and the government plan legitimated by the election. In less than 60 days, the cabinet validated a strategic map, with three foundations – reducing inequality, making Brasilia a model of sustainable development and regaining trust in the State. Seventeen objectives and 252 indicators were in place. A managerial model was institutionalised, with the map, yearly Results Agreements with each secretary, and regular meetings with the Governor to assess their development and the strategy. All this information – map, agreements, indicators – is fed into a system. We also established, under the Planning, Budget and Management Secretary, a team devoted to monitoring and supporting. This also coordinates a network of 50 specialists, one in each agency or unit, responsible for monitoring its result agreement and updating the system. These 50 have been receiving constant methodology training and support. One year on, a Project Office was created in the Governor's office to manage top priority projects.

In three years, there have been 69 agreements, with a total of 1,591 deliveries, and the success rate has been above 50 per cent. Sixty-four per cent of the government plan commitments have been delivered or are on the way. We have had good results in spite of the economic crises, precisely because there was clear problem identification and a strategy that made it possible to focus on what matters most. A combination of state capacity, methodology, trained and committed human resources, technology and leadership were the foundations for achieving the goals.

Second step: Getting back to the people

The government has reassessed many of its policies. The Governor himself has a programme called "rodas de conversa", informal town hall meetings with hundreds of people in gymnasiums, schools and tents. In the first two years 5,700 people participated.

In the Planning Secretariat, we have developed local meetings for pluri-annual planning, the "voz ativa" (active voice). Besides, every year, when drafting budget laws, we hold a public meeting and open social media channels for contributions for 30 days. With that, in two years we have reached 1,870 contributions.

There are at least two other ways to stay connected. First is the ombudsman ("ouvidoria"). Citizens can use a call centre or the internet to register complaints and suggestions at any time. This system has just received an Innovation award from the National School of Administration. Secondly, we are constantly conducting surveys on public services, which are used to improve delivery quality.

Getting back to the people is an important democratic exercise, but presents its challenges. On the one hand, demands sometimes lack tangibility ("better health") or sustainability ("a hospital in my region", when epidemiological studies would not justify it). On the other, Mancur Olson's collective action problem comes up

"THE PRESSURES ON THE DELIVERY OF PUBLIC SERVICES ARE ON THE RISE."

frequently: organised groups have more resources and get more, whereas the non-organised, who are sometimes needier, get less. More importantly, public goods, which are by nature non-excludable and non-rivalrous, might not be provided due to a free-rider rationale.

Third step: Delivery decisions – three types of demand-delivery policies in Brasilia

The first type is "I want it, I get it". Citizens get the policy exactly as demanded. One example is "more childcare". Sixteen new childcare facilities for children aged up to three are now in place, prioritising economically vulnerable families. This has allowed more than 2,000 children to enrol. Also, we are buying slots in non-profit childcare, allowing 18,000 new registrations of 4–5 year olds, which meets 100 per cent of demand.

The second type is "I want it, I get differently". Citizens ask for a policy ("more hospitals"), but it is reinterpreted ("better prevention and basic attention in health"). In this case, although there is a 220-bed children's hospital being built, the main policy is to increase the coverage of the Family Health Strategy (multi-professional teams that visit families in the community) from 30 per cent to 55 per cent in two years.

The third type is "I did not ask for it, but I get it". This speaks directly to the non-provision of public goods dilemma. Citizens rarely ask for pure air or clean and treated water. But some actions are extremely important to avoid disaster.

There are two examples of non-demanded but delivered policies. First, the deactivation of a dump that has been in place for 60 years, causing environmental and social distress. A new landfill started operating on 17 January, 2017, designed to receive the 27 million tons of waste produced yearly in Brasilia. Second, the construction of the Corumbá water production system, which will ensure the water supply for 30 years. Though not demanded, they emerged from the data-designed plan as crucial - if these initiatives were not delivered, it would affect environmental and hydric safety in the city for decades, a tremendous hazard.

Conclusion

Reaching out is not an easy job. Who will be listening, how frequently, and to what extent? Equally difficult is to translate words into policies that fit fairness criteria, especially when operating under political, economic or technical constraints. In Brasilia's case, it was essential that the plan was built with an understanding of society, strategy and state capacity. It was vital to prioritise demands, attending not only to the pressing ones, but also to those responsible for collective well-being. Delivering good policies during fiscal crises is achievable, but only with hard work and a strong, constant commitment to citizenship. ●

Leany Barreiro de Sousa Lemos is Secretary of State for Planning, Budget and Management, Brasilia.

HOW TECH CAN BUILD BETTER CITIZENSHIP

SRIKANTH VISWANATHAN

The idea of citizenship is central to a democracy. The meaning of citizenship and what its practice would look like in an open, democratic society is still evolving. Beyond bestowing rights on citizens, what else should governments do to cultivate citizenship? Besides voting in elections and exercising their rights, what else should citizens of a democracy practise in their daily engagement with other citizens and with the state? Discovering practical answers to these questions will be key to strengthening the idea of democracy. The pathway to this discovery does not exist in any finished form, and will need to be created with deliberate and often hotly contested and messy efforts. Cities are most likely to be the places that will witness or even catalyse this discovery.

In 2007, for the first time, more people around the world lived in cities than in villages. By 2050, two thirds of the global population is expected to live in cities. Demographically, economically and environmentally, cities are beginning to rise to global significance on a historically unprecedented scale. Particularly in democracies, the challenge will be to envision cities as economically vibrant, equitable and environmentally sustainable habitats, within a governance framework that builds trust between citizens and city governments.

India's cities and its democracy

India's population in its cities is over 400 million, and expected to breach 800 million or 50 per cent of the total population by 2050. The country's ability to meet the socio-economic aspirations of hundreds of millions of its citizens will depend on how well we manage our cities and their growth. As a democracy, quality of infrastructure and services alone cannot be a barometer of quality of life in our cities. Quality of citizenship is an end in itself, besides arguably being a means to better quality of infrastructure and services. We will therefore need to transform the quality of citizenship in Indian cities at a massive scale to transform quality of life, and through that the lives of hundreds of millions of our citizens.

Civic technology and citizenship

India's cities are not *per se* recognised by the constitution as independent units of governance or economy. A constitutional amendment in the early 1990s only walked half the distance and



has not been implemented fully by state governments. The result has been a lack of formal platforms and processes for citizen participation in cities.

Technology and social media have however opened up new possibilities. Through its promise of connecting citizens to city governments on a transformative scale and in real time, technology holds out the promise of a two-way communication system, of geo-spatial civic analytics, of hyper-local civic engagement and of data-driven engagement and accountability.

Connecting citizens to governments

The Janaagraha Centre for Citizenship and Democracy's civic technology platforms www.ipaidabribe.com and www.ichangemycity.com have demonstrated that this promise is real.

Launched in 2010, [ipaidabribe.com](http://www.ipaidabribe.com) has clocked 15 million visits and was launched in 30 countries. In India, [ipaidabribe.com](http://www.ipaidabribe.com) has recorded 140,000 bribe reports across 1,071 cities. We expect [ipaidabribe.com](http://www.ipaidabribe.com) to continue to grow in size and impact. [ichangemycity.com](http://www.ichangemycity.com) is a social change platform that seeks to demonstrate a sustainable model for hyper-local civic participation. It now has 500,000 registered users in Bengaluru city.

Deeper penetration of smart phones and falling mobile internet prices combined with the proliferation of easy-to-use mobile applications have further accentuated the power of civic technology. Public Eye, an app for citizens to report easily on traffic violations, was developed by [ichangemycity](http://www.ichangemycity.com) in collaboration with the Bengaluru Traffic Police, a state government agency. Swachhata, an app for citizens to report garbage hotspots, was developed in collaboration with the central government.

Public Eye was launched in 2015 and has received over 90,000 traffic complaints with a 64 per cent resolution rate. Swachhata was built following a request from the Government of India, and is the official mobile application and web platform of the Swachh Bharat Mission across Indian cities. Built under Prime Minister Modi's flagship mission, the app has witnessed over six million complaints across 1,500 cities since its launch in August 2016. Today, more than 4,000 engineers are trained to use the Swachhata app to resolve complaints in real time – 500,000 garbage dumps have been cleared across hundreds of cities in less than a year.

Both these applications have demonstrated that civic technology can enable large-scale citizen participation in India's cities.



Some defining features

There are specific defining features of civic technology that are enabling wider citizen participation in India's cities. Independent civic technology platforms are making two-way communication possible. Government platforms in India are notorious for being black boxes, facilitating only one-way communication from citizens to government without any effective response mechanism. Web and mobile platforms have made real-time two-way communication possible. While the right-to-information legislation opened up government records to public access over a decade ago, civic technology has genuinely democratised this information through wide dissemination in a ready-to-access format and channel. The deepening of civic learning, a stepping stone to citizen participation, is taking root in cities. Civic analytics are powering the leap from open data to actionable insights, where citizens are able to effectively use neighbourhood-level quality of life and budget data to engage with governments on hyper-local

“CIVIC TECHNOLOGY CAN ENABLE LARGE-SCALE CITIZEN PARTICIPATION IN INDIA’S CITIES.”

civic issues. Such data, when tailored into stakeholder dashboards, is empowering citizens to hold their elected councillors and municipal officials accountable between elections. Geo-locations and real-time communication of photos and videos is further redefining the accountability of civic officials. All of the above features can also be tailored differently for different stakeholders through customised mobile apps for citizens, municipal officials and elected councillors.

Three ingredients for success

Civic technology will be a transformative change agent when accompanied by three ingredients: systematic civic learning, neighbourhood-level community organising, and government adoption. Civic learning is necessary to move citizens through the ladder of citizenship from passive to an interested participant. Neighbourhood-level community organising and civic technology can reinforce each other. While civic technology can enable neighbourhood-level platforms for citizen participation through customised applications, such platforms are necessary to throw the citizenship net wider and engage a larger number of citizens. Government adoption of civic technology is a game-changer, irrespective of whether the government builds its own platform or adopts independent third-party platforms. Government responsiveness is key to sustaining citizen engagement in civic technology platforms. In an increasingly urban democracy with exponential mobile and data penetration, governments are increasingly adopting technology to connect with citizens even if as a signal of political proactiveness.

The future

India's journey of socio-economic growth will be unique and collaborative. As Swati Ramanathan and Ramesh Ramanathan argued in their recent paper in the *Journal of Democracy*, India will not have the luxury of evolved state capacities to deliver on human development, but would need to home-grow innovative models of partnership and collaboration. Cities will be at the centre of such innovative models. A multi-stakeholder collaborative model of delivering socio-economic growth at the scale of India's needs will need an ecosystem of trust. We are weaving this fabric of trust and in the process discovering citizenship in all its colourful dimensions, and deepening democracy in India's cities, all through civic technology. ●

Srikanth Viswanathan is Chief Executive Officer at Janaagraha Centre for Citizenship and Democracy.

INTERVIEW

RESTORING MORAL LEADERSHIP TO AFRICA

AIGBOJE AIG-IMOUKHUEDE, CHAIRMAN OF THE AFRICA INITIATIVE FOR GOVERNANCE

INTERVIEW BY AIDA HADZIC

AH: *The theme of the Challenges of Government Conference was ‘Bridging the Gap’. There are multiple gaps in many areas. What is the gap between the private and the public sector and how is it relevant?*

AA: I think the principal gap lies in the fact that in the private sector there is greater common alignment, given the common perspective on profit. However, in the public sector, it is harder for us to agree on the common perspective.

In the private sector, we have a market-oriented approach to resolving challenges, whereas the public sector tends to be rather – let's use the term – political. It is also more influenced by power when it comes to the way of approaching issues.

AH: *Who do you think should be most responsible in terms of overcoming this gap – who has more power?*

AA: Certainly, I have found that the hands are not equal. The government is the one who has more power in this relationship – the constitutional power rests with the government. To have any meaningful impact, the hand of partnership offered by the private sector must be accepted by the public sector.

AH: *A public official can do good and bad things – for example, prevent business from taking place by just signing a piece of paper. How do we protect the private sector from the government when the latter fails to carry out its responsibilities?*

AA: That is almost impossible. This was one of the motivations that led me to found the Africa Initiative for Governance. It comes from the frustrating reality that there is no safety net. If you have poor public policy the results are disastrous.

AH: *This brings me to my next question. What are the goals of the Africa Initiative for Governance and how can it have an impact for change?*

AA: The first thing that I wanted to create was constructive engagement, where the public sector accepts its faults and weaknesses, and welcomes partners who would like to make it perform better. The next thing was to ensure that, at least as far as Africa is concerned, this engagement is not an emotional one. We want a reasoned dialogue based on enlightened thinking and intellectual rigour, which is why we chose partners like the Blavatnik School of Government, where we can subject ideas to research and debate, but also learn from others across the world and how they have approached these issues.

If you were to ask what are the indicators by which we would measure whether the Africa Initiative for Governance was successful, we have a few things we look at. Firstly, how many competent and highly skilled men and women can we attract to work for the government? Secondly, as a result of the number of skilled men and women going into government, how has public policy improved in terms of impact on the people? Thirdly, can we change the narrative about public policy? In Nigeria, has the narrative around the public sector changed from being seen as a disabler of progress to an enabler of progress?

AH: *Many post-conflict African states are now facing a transitional justice era. How do you ensure the observation of ideals such as integrity and moral values in this challenging era?*

AA: It is not that these values are absent in African states, it just happens that they are not very present in the lives and character of most of those in leadership positions at this point in time. Some things happened to change concepts of morality in African society. One is military rule and conflict. As we know, dictatorial systems of government can very easily abuse the position of privilege and power. So, many of those values are submerged within society and we must find a way to elevate them, re-establish and institutionalise them. This is not going to happen organically. We have to make deliberate efforts to bring them out, which is why partnerships



“I LOOK AT MY GENERATION AND THINK: ARE WE GOING TO BE REMEMBERED AS ONE THAT PROVIDED SUCH POOR LEADERSHIP AND DESTROYED THE HOPE FOR SUCCEEDING GENERATIONS?”

between civil society, NGOs, academic institutions like the Blavatnik School and platforms like the AIG working with people in government are the key.

AH: Since you mentioned the Blavatnik School of Government, we as MPP students have had this year a public service week, with the theme ‘How do I serve?’. Your profile represents an entrepreneur with a commitment to public service. What is your message, how do you serve?

AA: First of all, I have to devote a lot of my time. I am still an active entrepreneur so there is significant opportunity cost. The first thing you have to be is truly committed to bringing about change. What drives that change? Those same values I want to see in a public servant – values of selfless service, integrity, and of course the courage to sometimes take on vested interests and face difficult situations.

Everything that is required for a good leader in the private sector is also required for a good leader in the public sector. The difference is that the reward is not measured in financial terms but rather in terms of the impact that you are creating in the community. You also have to learn that as a leader in the public sector, you cannot seek the lifestyle of the private sector player; that should not be important to you. You have to desire to make people’s lives better. I do not think though that the definition of selfless service is one where your service is without ambition. No, I believe you should be driven by the need to be appreciated for the contribution you make, it is just that your measure is not profit but lives changed.

AH: All around the world, the business sector is viewed with suspicion because of its influence and lobbying. How do you as someone from that sector see an opportunity to protect the government from this approach?

AA: You know, the concept of impartiality really has its roots in the rule of law. The key thing for us is to ensure that the rules of the game are followed and people are held accountable to play by the rules. For the referee, which is government, we must also ensure it is held accountable in its role. When those lines are blurred, people get away with a lot of things. However, I am sure most advanced countries would not be ready to swap their current challenges regarding corporate abuse with the challenges we face in African countries.

I grew up in Nigeria in the 1970s when so many things were available to us and we took them from granted. I look around today at the life of an ordinary Nigerian, and all those things I took for granted are no longer available. Each time I look back at those people who led our public service then, I have even more respect and admiration for them. I look at my generation and think: are we going to be remembered as one that provided such poor leadership and destroyed the hope for succeeding generations? I don’t want to be remembered in that way at all. I have a strong and abiding desire to create a legacy where at worst, Nigeria and Africa return in relative terms to the way they used to be in my time. At best, I wish to create a Nigeria and Africa where there is no difference from the life you live in advanced countries. ●

BECOMING TRI-SECTOR ATHLETES

NICK LOVEGROVE

When Josh Gotbaum graduated with a master’s degree in public policy, he did what he had always intended to do – he went into government, initially as a regulatory official in the Carter administration. But soon afterwards, Ronald Reagan won the 1980 presidential election, and Gotbaum found himself looking for what he thought of as an “interim job”. “I fully expected Reagan to be a one-term president, so I went looking for the opportunity to learn as much about business as I could in four years, so that I could bring that knowledge back into government”.

As events transpired, he ended up spending the next twelve years out of government, initially as a speech-writer to legendary Wall Street icon Felix Rohatyn, and then as an investment executive focused on corporate restructuring and turnarounds. He successfully restructured a series of steel companies, electric utilities, and especially airlines. So when he came back to government in 1992 – this time in the Department of Defense – he had a whole new set of skills to contribute. In what he calls “the biggest industrial enterprise in the world outside of China’s Red Army – i.e. the Pentagon – he worked on property disposals, base closings and openings, housing privatisation, and partnerships with the private sector. That’s how he came to design the model for military family housing stock that exists to this day.

Around this time, Gotbaum made a commitment to himself – he would always make himself available to serve in a Democratic administration, whenever one came to power in Washington. He didn’t know it then, but this simple decision has resulted in him spending roughly half his professional life in government (most recently as head of the pensions regulator), and the other half in business or in nonprofits. During the non-government half, he spent two years in New York leading the 9/11 Fund after the 2001 attacks – and another two years in Honolulu, leading Hawaiian Airlines’ recovery from bankruptcy.

Gotbaum is one of a small but significant band of *tri-sector athletes* – people who have built their careers at the intersection of government, business and the non-profit sector, and are comfortable in all three. There may not be many of them – but they include people like Hank Paulson, Tim Geithner, Mark Carney, Paul Tucker and Adair Turner, who led the response to the 2008 global financial crisis; or Steve Ratner, Ron Bloom and Diana Farrell, who helped turn around the automotive industry in the teeth of this crisis; or David Hayes and Carol Browner, who led the

response to the Deepwater Horizon crisis in the Gulf of Mexico, drawing upon their experience in business and social activism.

Then there are other remarkable leaders – Justin Welby, who started his career in the oil business and is now Archbishop of Canterbury; Paul Farmer, who started as an epidemiologist and became a leading social entrepreneur with Partners in Health; and Jim Yong Kim, another doctor who worked alongside Farmer at PIH, and went on to lead Dartmouth University and the World Bank.

The need for such tri-sector leaders seems evident when we consider the most vexing problems of our time – international terrorism, income inequality, climate change, infrastructure, education, healthcare, crime, and corruption. Complex, multi-disciplinary issues like these typically have multiple stakeholders who hold contrasting and often conflicting views on cause and effect, and have even greater disagreements about viable solutions. Problems such as these cannot be solved by governments alone, nor by commercial or social enterprises, nor by any other single sector of our society. They can only be addressed by government, business and civil society, working together to provide lasting, sustainable solutions. For that to happen, we need more leaders to be tri-sector athletes – able to engage across the divisions between the public, private and non-profit worlds.

Yet, as tri-sector leaders who are needed to address such challenges are becoming more valuable, they are also becoming increasingly scarce and harder to develop. There are all manner of structural and cultural factors that push the sectors further apart – reducing both the supply and demand for people to move between the sectors and build tri-sector capabilities. Perhaps most pernicious is the widening disparity between salaries in business, governments and non-profits, which compound the inherent differences in incentives and cultures between the three sectors. As Jack Donahue, a professor at Harvard Kennedy School has observed, “government is impermeable and business is sticky”.

In most parts of the world, tri-sector leadership is not the prevailing model of success. So for those who are willing to embrace the challenge – as people like Josh Gotbaum have done before them – it requires tough choices, sacrifices and discipline. In the research for my book *The Mosaic Principle*, I interviewed more than 200 tri-sector leaders – some celebrated, others less so. While few have pursued a clearly defined life plan to be a tri-sector athlete (often protesting that “it just happened that way”), it’s evident that most have made intentional choices in favour of breadth and diversity of experience; and all have adopted a series of coping strategies and disciplines to overcome the barriers consciously and sub-consciously placed in the way of a tri-sector life.

Other than financial compensation, the most persistent barrier has been uncertainty about whether skills gained in one sector can and should be transferred to another. After all, professionals in each of the three sectors do quite different things – business executives allocate scarce resources to capture attractive market opportunities; government executives create legal and policy frameworks to execute the prevailing political philosophy; and non-profit leaders devise creative ways to further the social good. Josh Gotbaum has become quite pessimistic about the challenge of transferrable skills – “I’m just not convinced that there is much demand in government for skills learned in business.”

So people like Gotbaum have to work doubly hard to *transfer skills* gained in one sector into another – skills like financial analysis, budgeting, and change management. Gotbaum and other tri-sector leaders have overcome these barriers by underpinning their generic

skills with an *intellectual thread* – an area of specific expertise that is of evident (and sometimes premium) value to another sector. In his case, it was his expertise in corporate turnarounds, especially in the airline industry, that government needed when it came to releasing funds from military housing stock, and later in handling the pension consequences of airline bankruptcies.

Even where these “hard skills” are appreciated and valued, there may still be a resistance barrier when it comes to “soft skills” like *culture and values*. I have certainly witnessed at first hand the cringe effect that unfolds when business executives start talking to government officials about “leveraging their assets” or “optimising their portfolio”. This is not just a matter of speaking in different languages – governments, and especially non-profits, are mission-driven institutions, and need to be respected as such.

Roger Sant, a veteran tri-sector athlete, who started in government and went on to build a world-leading electric utility and run several environmental non-profits, cautiously observes: “You know there is an element of truth in the belief that business leadership skills can be transferred to political leadership – but it’s probably best not to exaggerate it. I did have leadership roles that could be relevant – but I realise that doesn’t give me all the tools. I know I don’t have all the answers”.

And more than a few budding tri-sector athletes run aground in the domain of cultural values and norms – even of morality and ethics. Real or perceived conflict of interest has bedeviled those who have gone through the revolving door between government and business for centuries – it was, for instance, a persistent criticism of Alexander Hamilton and several of America’s founding fathers. And recent corporate scandals – with or without the specific taint of conflict of interest – have only strengthened the resistance to business experience in government.

That’s a shame – but it will only be overcome by successive generations of people with a proven *moral compass*, making the transition into and out of government without blemish. And what such people will need above all is what Louis Pasteur famously called a *prepared mind* – or more fully: “In the fields of human observation, chance favours only the prepared mind.”

Successful tri-sector athletes like Josh Gotbaum have a mind prepared for the moral complexity and ethical conflict that tend to accompany a tri-sector career. They have a set of generic core skills that travel with them between different sectors, reinforced by a specific intellectual thread – a mix of broad and deep expertise that is best characterised as the *T-shaped Approach*. And they know how to adapt quickly to different, even contrasting, cultures – recognising the important differences and similarities with what they have experienced before.

To paraphrase President Kennedy, we choose to be tri-sector leaders not because it is easy, but because it is hard. But for those who are willing to take it on, life as a tri-sector athlete can be rich, fulfilling and fun. As Steve Ratner observed after his experience as the “Car Czar” in government, “What I have observed about myself is that I like having a multi-dimensional tri-sector life and career. It may not be the best way to knock the cover off the ball in any one thing. But it allows you to translate what you’ve learned in one arena into another. And you get to serve.” ●

Nick Lovegrove is the author of *The Mosaic Principle: The Six Dimensions of a Successful Life and Career*, and a senior fellow of the Harvard Kennedy School and the Brookings Institution.

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