

Who's in Control?

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It's not just exotic species like the white rhino which are going extinct. Over recent decades, studies in Western Europe have found that numbers of flying insects have dropped by three-quarters and bird numbers have fallen by a third. And it's not simply a matter of whether you like birds and insects, these losses show the catastrophic changes in our ecosystems and environment that will make life increasingly difficult for our own children and grandchildren. Estimates suggest that hundreds of thousands of people are already dying as a result of climate change. Add in terrorism, international conflict and growing inequality, and the future looks like a pretty frightening place.

But there is another side to the coin. Hidden in plain view, the opportunities for improvement are just as real as the threats of disaster. Rather than collapse, our societies could be transformed to produce much higher levels of real and sustainable human wellbeing. The opportunities to transform the quality of human life for the better are there for the taking.

What stops us realising these possibilities is that our societies have developed what psychologists call an 'external locus of control'. Instead of believing that what happens to us in the future is under our control, a matter of our decisions and our efforts (an 'internal locus of control') the future is seen as if it was imposed on us by external forces beyond our control. It is as if the course of technological change and how it shapes the future is determined, not by human beings, but by some unknown force of fate. So, for example, an issue like how many jobs will be lost as a result of automation and how much unemployment that will create, is treated as if we were guessing what the weather will be like next week. The same is true when we worry about how much further inequality and child poverty will rise, or whether CO₂ emissions will trigger runaway global warming and destroy the planet.

But the great force which makes all this feel beyond our control, and to which we have become subservient, is in fact the market. What happens is simply the unintended consequence of leaving decision making to the pursuit of profit and the price mechanism. Rather than the economy existing for humanity, we increasingly feel that we exist to serve the economy. The idiocy of our situation has become a theme for cartoons. One shows a CEO lecturing his staff *"And so, while the end-of-the-world scenario will be rife with unimaginable horrors, we believe that the pre-end period will be filled with unprecedented opportunities for profit"*. Another shows a father sitting with his children in a desolate future telling them *"Yes, the planet got destroyed, but for a beautiful moment we created a lot of value for shareholders."*

It's as if we were already in a science fiction future in which an infinitely clever artificial intelligence had already taken over. We fail to recognise that we have already allowed our ability to control the future rationally for human benefit to be usurped by the market.

What makes this so tantalising is that our future could be transformed for the better by just a few key policies that would not only lift the threat of calamitous climate change but also bring major improvements in the quality of life. Achieving sustainability is not a matter of belt-tightening, of doing without, it is instead a transition to a better way of living.

Large reductions in income and wealth differences are fundamental to this necessary transition because inequality prevents us acting together. People have always intuited that it is divisive, but now we have data and research that shows how inequality leads to political polarisation, to dramatic reductions in trust, a loss of community life, and a decline in public spiritedness. It makes societies dysfunctional. The social bonds between us, that research demonstrates are essential to health and happiness, are replaced by a pumped up desire for status. Bigger income differences make class and status divisions so important that they become the measure of a person's worth and we all become more worried about how we are seen by others. As our egos become increasingly fragile, the result for some is low self-esteem and an epidemic of depression, while for others it is narcissism and an inordinate focus on self-advancement.

That the effects are large means that reducing inequality gives us a powerful lever for change. For example, one of the important obstacles to sustainability is insatiable consumption. But consumerism is driven by status competition that is, in turn, intensified by inequality. Research shows that reducing inequality is a key to reducing status consumption. Inequality makes money the key to self-worth and, as a result, people work longer hours and get into debt more. But because community life is stronger in more equal societies, people are more concerned with the common good. Business leaders attach more importance to environmental issues and the public at large are willing to recycle more of their waste.

Crucial, however, is also to recognise that economic growth in rich countries no longer drives increases in health, happiness or wellbeing. As societies have got richer, having more and more of everything has made less and less difference to human wellbeing. An individual who manages to increase their income relative to others can increase their own sense of self-worth, but we cannot all increase our status in relation to each other. One person's gain is another's loss. But the quality of life is determined as much by our social as our material circumstances; we are fundamentally social beings, and it is to social relationships that greater equality makes most difference. It creates a more friendly society in which people trust each other and are more willing to help each other, a society in which community life is stronger, violence declines and people are less divided by status.

As well as greater equality and the rapid development of a carbon neutral economy, there are many other ways in which overcoming the constraints of the market would allow us to enjoy higher levels of wellbeing. For example, digitization means that all music, films, literature, computer programmes and art could be made available to almost everyone at virtually no cost. All that is required is a system for paying the people who produce it which does not restrict access to the benefits of their work. Digital technology has the potential to make a huge swathe of goods into public goods, access emphasising our shared citizenship rather than the division between haves and have nots.

The same is true of the potential benefits of automation. Rather than resisting it because it threatens to raise unemployment, we should be welcoming it to reduce the need for the most burdensome and objectionable work so that we could all enjoy more leisure – more time for friends, family and community and to pursue our own interests.

Rather than serving the whims of the richest, production should be refocused to meet the more pressing needs of the poorest. At the moment, there is no effective demand for medicine and public health provisions in the poorest countries where life expectancy is lowest and need is greatest; there is simply no profit to be made there. But even in the USA the mismatch between what serves human wellbeing and what is profitable is so great that it was convincingly argued (even before the scandal over diesel emissions) that the greatest threats to human health are produced by the motor industry, food and alcohol manufacturers, pharmaceuticals companies and the firearms and tobacco manufacturers – each producing tens of thousands of preventable deaths.

Big corporations not only exist to meet our needs – despite the strong anti-social slant to the way they do that. They also exist to concentrate wealth and power in the hands of a tiny unelected elite – to such an extent that they serve as huge engines of inequality. A crucial part of the transformation we need to bring about then is to extend democracy into these institutions. Many European countries have legislation – albeit often weak – for employee representation on company boards. As well as making these more democratic forms of governance universal and stronger, we also need incentives to increase the employee owned sector of the economy. Studies from business schools show that these more democratic models produce reliable improvements in productivity and, of course, they also lead to substantially smaller income differences. Without the same undemocratic hierarchy, these companies also produce a stronger sense of community among employees and make them more responsive to the wider society.

What stands in our way is a free market fundamentalist ideology and a perverse desire to believe that all this is impossible. Accordingly, human beings are regarded as inherently hierarchical and essentially out for themselves. But this is not what comes out of the anthropology and archaeology of hunting and gathering societies. The evidence suggests that for well over 90 percent of the time we have existed – looking as we do now with brains their current size – human beings have lived in highly egalitarian societies, based on

food sharing and without hierarchy. However, as well as being equipped to live in egalitarian societies, we also have the psychological imprint of the pre-human ranking systems of our ape ancestors. We have the psychological strategies to deal with egalitarian and hierarchical relationships. We use both all the time - each triggered by whether we find ourselves with friends and equals or facing status difference in a hierarchy. The balance between the two is highly responsive to the extent of inequality in society.

We really could replace the vision of a threatening future with the prospect of a sustainable society based on much greater equality, enjoying stronger community life, higher levels of wellbeing, more leisure and universal access to cultural creations as a human right. If the government had put even a fraction of the effort into pursuing these objectives that it has wasted on Brexit, we could now be making real progress in the right direction.

Several of the themes in this article are developed more fully in our book, *The Inner Level* (Allen Lane, 2018) and also in *A Convenient Truth: a society better for us and the planet*, a pamphlet published by the Fabian Society (2014).