

'Updating Democracy' – Japan Times 04.11.20

'Millennials' is the label used to describe the generation, mostly in the U.S. and the U.K., who were born around 1980 and began to enter adulthood, and go to university, as the millennium year 2000 arrived.

According to the Centre for the Future of Democracy, part of Cambridge University, they are now, when questioned about democracy, saying that they are losing faith in it.

Of course this is a vaguely-phrased question and therefore gets a confused answer. What this generation, now in their thirties, is really saying is that the system of government under which they live is no longer working — for the them at least — and therefore they would like to see something much better at delivering a higher and fairer quality of government.

It could still be called democracy, but of a new and much more connected and trustworthy kind, with the benefits more widely shared and with political leaders much less out of touch than they seem today.

As the world's greatest show of what is now called democracy unfolds in the U.S., this question of declining faith in the system — and therefore respect for its outcomes — lies centrally before us.

If today's forms of democracy cannot deliver the quality government people want, if democracy — and there are many varieties — instead of providing government by consent, as it is supposed to do, provides government by endless quarrel and bitter division, coupled with plain inefficiency, then what? Where are the millennials, and the so-called GenerationX born after them, all going to turn?

The same generational skepticism appears to extend towards capitalism, or at least what is currently labelled as capitalism — especially the feeling of growing inequality and apparent concentration of wealth in fewer hands. Special bitterness is reserved for the perceived wealth bubble of the millennials' older predecessors, who seem to have all the cash. This, they feel, is not a democratic outcome at all and it is certainly not the right kind of capitalism for them.

So is the answer, some ask, to be found now in booming Asia rather than in the disoriented and divided West? After all, Asian economies are not only growing faster but seem to have handled the present pandemic better. This applies to the strongest Asian democracies, such as Japan, as much as to its autocratic giant neighbor, China, which talks of itself as socialist while fostering capitalism of a kind on massive scale — even though democracy remains a dirty word. There is a real irony here that the PRC, having been in most people's view the source of the virus, has emerged fastest and is now presenting itself as the economic locomotive to rescue the battered global economy. One leading London columnist (in The TIMES) is even claiming that COVID "is killing faith in Western democracy."

But of course, just as what we continue to call democracy in the West seems to many not very democratic any longer; what the Chinese call socialism is not really socialist either.

The Chinese people are in fact being offered something quite different. The target, which has just been repeated at the recently completed Fifth Plenum, is a vast new middle class, with income per head of \$30,000. Some form of capitalism, far from collapsing, will be in the ascendant. As for the state withering away a la Marx — not a chance. So much for the victory of the proletariat!

The reality is that the economic, social and therefore political mixtures ahead in all continents will turn out to conform neither to the “isms” of the past nor to the cliches of 20th century European political discourse. Technology has sent a torpedo through the old ideological line-ups. What the disappointed younger generations all round the world now want is not old ideologies but competent government presiding sensitively over a framework of careful state regulation, market innovation, with a good dose of freedom, fairness and justice added in to make it work.

Indeed, what the younger generations, whether in the West or East, North or South, are all demanding is not all that dissimilar.

The Chinese plan for a future mixture of millions of small free enterprises, a vast and enriched middle class and a diminished role for slothful state-owned firms could just as easily be called “capitalism with Chinese characteristics.” While the growing Western demand among the young for a future with much greater equality, much wider sharing of rewards and benefits and far greater social responsibility on the part of all corporates could just as easily come to be described as “socialism with Western characteristics.”

In the end the Chinese leaders will have to concede more freedom and people power, call it democracy or call it what you will. And in the end Western governments will have to engineer much wider sharing of income and wealth and a stronger role for the state in some areas and for the market in others.

Wise leaders will avoid attaching the old ideological labels to either of these emerging models, and recognize instead that revolutionary technology has fundamentally changed the behavior of individuals to one another, of businesses, of economies and of nations. A new kind of populist connectivity will push its way through just about everywhere, regardless of the doctrines and labels to which officials may cling.

A prize for the genius, in the vanguard of thinking, who can come up with the new language needed to explain to, inspire and guide confused millennials and the younger generation everywhere. Just as our forefathers invented the words “capitalism” and “socialism” less than a couple of centuries ago to describe the new industrial world emerging, so we need the same inventiveness to describe the digital world that has replaced it. It’s a challenge for thinkers and leaders both East and West.