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Review of *The Future of Capitalism: Facing the New Anxieties* by Paul Collier

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trusted advisor to many families, particularly white families. Medical, social and legal interventions were imposed amid conflict and violence during the Civil Rights Era, and the Affordable Care Act was enacted amid conflict in 2010, but substantive justice is not yet served. It is the current era's task to insist health care earn the trust of racial/ethnic minority families, as it did for white family in the last century. Matthew relies on legal history to call courts and legislatures toward a substantive justice in health care. She relies on courage in a critical mass of people to eradicate status quo health penalties for black and brown patients in the United States.

*Karen Flint Stipp and Trista Smith
Illinois State University*

Paul Collier, *The Future of Capitalism: Facing the New Anxieties*. HarperCollins (2018), 256 pages, \$29.99 (hardcover).

What has gone wrong with global politics? Massive inequalities, globalization, social media manipulation, and other factors have delivered us the likes of Donald Trump, Brexit, Victor Orban in Hungary, and Jair Bolsonaro in Brazil. Although we cannot know whether the rise of authoritarian populism across the world will continue, the most important question to ask is why is this happening, and what should we do to restore a democratic future? In his new book, renowned economist Paul Collier suggests that the center-left social democratic parties that created the postwar global order have lost their way. They failed to respond to the new economic, social, and cultural challenges posed by the most recent wave of globalization, and the upshot has been a political backlash against party elites, experts, free trade, migrants, and racial and ethnic minorities.

Collier contends that prevailing ideologies today on the left and right are fundamentally flawed. The conservative belief in minimal state intervention, premised upon the autonomous individual, ignores both the social and moral bonds of human life and the practical benefits of government intervention for the economy and social welfare. It also mischaracterizes what motivates people—not greed as such, but self-respect and being

part of something larger than oneself. As for the left, in Collier's view, today's liberals are overly enamored with utilitarian and Rawlsian ethics. The former, deriving from Jeremy Bentham and John Stuart Mill, posits that an action is justified according to whether it benefits the "greatest good for the greatest number." Classical and neoclassical economics are based on utilitarian assumptions. John Rawls' modernized social contract theory proposes an ethics derived from the choices we would likely make from within what he called a "veil of ignorance." According to this thought experiment, these are the choices one would make if one's social position is unknown, but according to the numbers, is not likely to be among the elites. Within such limits, Rawls believes that most of us would advocate for the moral priority of the poor and marginalized for public policy formation.

The problem, Collier argues, is that neither utilitarianism nor Rawlsian ethics comports with ordinary moral intuitions. For example, most people want to be compassionate to the less fortunate but care more about those near and dear to them. It is difficult to avoid us/them thinking based on ideology, race, ethnicity, nationality, religion and so on. Fundamental perceptions of fairness often lead to suspicion that those deemed as *other* are not playing by the rules. Thus, identity politics on the left simply reinforce many voters' view that liberals and social democrats care mainly about marginalized minority groups, including immigrants, and not about them. Whether this perception is accurate is less important than the fact it is widely held.

In Collier's view, free trade and mass migration in recent decades may have enhanced the general welfare in purely utilitarian or economic terms, but they have also generated both greater inequality and a populist backlash among those threatened by cultural change and economic insecurity. Milton Friedman's writings and the Reagan-Thatcher 1980s ushered in our unfortunate era of shareholder capitalism, in which the pursuit of short-term profits and the highest share price is the primary corporate objective. This shift away from an earlier broader stakeholder model of corporate governance absolved CEOs and boards of directors from any perceived sense of responsibility to their workers and local communities. The economic and social decline of rural communities, non-metropolitan cities, and workers without college degrees has resulted from the relentless, global search for profitable opportunities. Meanwhile,

agglomeration economics, globalization, and cultural amenities have led to thriving large cities and a growing chasm between them and the struggling hinterlands of rural towns and small cities. Collier believes that compensation for highly-skilled workers in wealthy cities is excessive, reflecting unearned economic benefits from location effects.

In this book, Collier also intriguingly examines the state of the 21st century family. Here Collier finds another dangerous divide, in this case between the life chances of the children of the affluent and those of the working class and poor. It is not just finances. The intensive, cultivation-style parenting of the educated classes, with violin lessons, tutors for college entrance tests, foreign travel and other affluent life opportunities contrasts sharply with the far more limited cognitive, social, and educational opportunities offered by less-educated, often single-parent families. In today's *uber*-meritocratic world, children of the lower sectors can hardly compete with their affluent, far better-prepared peers. Assortative mating within the highly skilled classes reinforces these racial, regional, and socioeconomic inequalities, relegating the losers and their children to low-paid menial jobs or worse.

In response to this dismal picture, Collier advocates a return to communitarian values that were, he believes, the moral foundation of the postwar international order. The liberal and social democratic parties that established welfare states and fostered global economic growth gained wide popularity with effective government activism based on moral reciprocity and enlightened self-interest. He proposes changing corporate laws to curb shareholder capitalism, imposing higher but non-confiscatory taxes on the rich and high-skilled, affluent residents of wealthy metropolitan areas, and transferring the funds to innovative rural economic development programs. He also advocates the creation or expansion of community child development centers to work directly with low-income, single-parent, and distressed families.

In his view, the upsurge in immigration and racial and ethnic diversity in recent decades has undermined the social solidarity underpinning welfare states, contributing to the rise of nationalistic populism. As a development economist, Collier believes that the negative effects of the brain drain for poor nations are substantial and that the destination countries should reestablish reasonable limits on annual levels of immigrants,

refugees, and asylum-seekers. Collier explicitly recognizes a "duty of rescue" but argues that most refugees should be cared for in locations closer to their home countries.

On the international side, Collier believes that the multilateral organizations that guided the postwar liberal order have enlarged to the point of near-dysfunction or have fallen into mission-creep. In his view, the keys to development in the poorest nations are good governance, technical assistance, and foreign investment, and he argues that UN/IMF/World Bank assistance conditioned on unrealistic human rights and environmental standards is counter-productive. On the model of GAVI's work on immunization and the Global Fund on AIDS, he proposes the creation of smaller, more nimble organizations to address development challenges in a less quasi-imperialist manner. This reminded me of a TED talk at the State Department a decade ago in which Collier argued that groups like *Bricklayers Without Borders* should be formed to assist the reconstruction of post-conflict nations.

Collier's primary theme is the need to reduce reliance on bloated governmental or multilateral bureaucracies and instead strengthen and improve key mediating institutions like the family, the corporation, and nongovernmental organizations. This involves not simply changing laws and public policies, but reestablishing communitarian norms based on reciprocal obligation. He is crankily skeptical of do-gooders on the left, dismissive of free market ideologues on the right, and contemptuous of populists of both left and right. His snarky condescension toward those who see things differently from himself is off-putting, yet I do believe his reform program is worthy of attention.

There are multiple blind spots, however. Although Collier praises the achievements of postwar welfare states, he seems to take for granted that they will survive the current right-wing assault. We don't benefit from any specific ideas on the future of social insurance and public assistance programs, yet their design is crucial for addressing poverty and economic insecurity in all nations. His argument that rich nations must strictly control immigration to preserve social solidarity suggests that over time the forces of xenophobia and racism must be accommodated, not challenged. In addition, the manifold causes of the upsurge of migration in recent years, such as economic collapse, gang wars and armed conflicts, rising ethno-nationalism, and climate change, receive little sustained attention.

The Future of Capitalism is a highly informative and intellectually stimulating book. Its unique blend of economics and ethics, creative ideas for policy reform, and political advocacy from "the radical center" make this work highly recommended for students, teachers, and concerned citizens of our troubled world.

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Michael Reisch and Charles D. Garvin, *Social Work and Social Justice: Concepts, Challenges, and Strategies*. Oxford University Press (2016). 448 pages, \$60.00 (hardcover).

This book addresses a missing piece in the social work literature. Although social justice is one of the core ethical values of the social work profession, few works have addressed how to integrate social justice into social work research, education, advocacy and practice. Part I of the book discusses historical and cultural conceptions of social justice, while Part II turns to an examination of social justice within the social work profession, including the historical evolution of social justice and social work, as well as social justice in social work practice with individuals, families, groups, organizations and communities, policy advocacy, research, and program evaluation. In this discussion, the authors not only address how social workers can achieve socially just ends in their practice, but they also emphasize the importance of maintaining socially just goals and processes to achieve such ends. Further, the book identifies a gap in the social work literature by addressing ethical challenges that may be faced when incorporating social justice into social work practice.

Reisch and Gavin have a great deal of experience and knowledge in integrating social justice into the social work profession. They recommend that this book may be particularly beneficial for social work educators preparing courses on social work practice, social policy, social work theory or philosophy, and courses that examine human behavior, multiculturalism or diversity. Because the book has such a wide scope, specific classes may benefit more from some sections of the book than others. Rather than a deep dive into how to incorporate social