

# Is anybody in charge around here?

## A conversation with Moisés Naím

“Power has become easier to acquire, harder to use and easier to lose”

Today’s leaders in business, politics and technology might have **less power than you think**. In this exclusive interview, Moisés Naím, author of the best-selling book *The End of Power* and one of the world’s most distinguished commentators on international economics and politics, explains why being at the top **just isn’t what it used to be**.

*In your book, The End of Power, you make a very bold claim. At a time when many people feel that business and political power is more concentrated and entrenched than ever, you argue that it is in fact becoming increasingly transient and constrained. Why do you believe this is the case?*

I spent seven years researching this book. My conclusions are based on the best statistical data and research available, and on innumerable conversations with leaders in multiple spheres of activity around the world.

The evidence overwhelmingly shows that individuals and institutions in positions of power today are finding that they have more rivals who are challenging their capacity to act, and who are in many cases denying the exercise of options that were previously taken for granted. Established individuals and institutions are also becoming the subjects of power – sometimes for the first time – as alternative players emerge who can ignore them, push back or even rebel against them. This is happening in national and international politics, business, media, technology, culture and sport, even in religion and in the military. It’s happening in Asia, Europe, Latin America, Africa and the United States – basically, everywhere that power is a valuable currency.

Today, power has become easier to acquire, harder to use and easier to lose. I see this historically unprecedented situation as the result of a proliferation of new actors, or microplayers, who are effectively challenging and confronting the traditional powers, who I refer to as megaplayers.

*Does this mean that every traditional center of power will cease to exist?*

I do not believe that megaplayers are going to disappear – at least, not all of them. For example, I am convinced that nation states will be around for a long time to come. And we shouldn’t forget that there still exist enormous concentrations of power in the world: the US government, the Chinese Communist Party, the Vatican, the oil and gas supermajors, Goldman Sachs and Google, to give just a few examples, all continue to exert enormous influence. My argument is simply that megaplayers will be increasingly constrained, and often to a very significant degree. Micropowers will be able to deny them options and force them to do things in different ways. In fact, sometimes they will even block the megaplayers completely.

*Why is this happening now? What are the drivers at play here?*

I identify three revolutionary forces behind the end of power – the More revolution, the Mobility revolution and the Mentality revolution. Each of these is a category that includes multiple variables, but their overall effect is to make the shields that have traditionally protected the powerful more vulnerable and fragile.

The More revolution essentially captures the fact that we now live in a world of profusion and abundance. The things that make a difference are more plentiful than ever before – there are more political parties, more NGOs, more companies, more technologies, more people. In terms of average population age, this is the youngest planet that has ever existed. It’s the most urbanized, the most educated, the best-fed and the most connected.





ERICSSON

“Getting caught unawares may be the defining theme of the corporate world in the coming years”

Then there’s the Mobility revolution, which basically says that everything moves more. People, information, ideas, churches, criminals, philanthropists, universities, artists, culture, sports – all these things are no longer confined to a single location, but cross borders at an unprecedented speed.

Finally, the Mentality revolution encapsulates the major shift that humanity has undergone in terms of aspirations, values, hopes and frustrations. We see things with different eyes than before, and expect a lot more from the world and those around us – and maybe from ourselves too.

Naturally, it’s much easier to wield power over populations that are isolated, static and unambitious. But the More revolution overwhelms the barriers that shield the powerful; the Mobility revolution helps challengers circumvent these barriers; and the Mentality revolution lets them undermine the barriers. When you combine these three forces, shake them up and let them loose, you get a world in which smaller players often have the upper hand, and in which having power really isn’t what it used to be.

*In other words, you’re applying the economical concept of barriers to entry to the distribution of power.*

I see the whole academic discipline of industrial organization as a very useful tool in thinking about the question of power. Constructs that help us understand the behavior and prospects of companies in an industry can also uncover new aspects of political and social phenomena, and this is exactly what this book aims to achieve.

*Predicting the end of anything seems a perilous enterprise. What if the More, Mobility and Mentality revolutions are historically anomalous? They are certainly unusual in the context of human history as a whole. These forces could be the result of a*

*very specific historical and developmental context, and may not be as powerful in 50 years’ time.*

This is a very valid question to ask. And I agree that there’s probably too much end-of-something literature being written today. But my response is simply to point to the factors that lie behind these three revolutions. Population growth, technology development, an enlightened global middle class – it’s very hard to turn developments like these around. There will always be an ebb and flow, and trends will sometimes slow down as well as accelerate. However, in general the direction is clear, and in many cases I think it is irreversible. This is what will ultimately ensure that More, Mobility and Mentality are relevant forces from a long-term perspective.

*Does this mean that stability is a thing of the past? Or conversely, will the constant appearance and disappearance of micropowers lead to paralysis?*

If the trends that I describe in the book are taken to extremes, then both of these scenarios become possible. I don’t really see a big problem with micropowers destabilizing the private sector, because that should lead to more competition. But I think it is much more worrisome in national and international politics. There is already too much gridlock in our political systems, and adding more players who can veto or block decision-making action only reduces the possibility of carrying through a vision – especially on a global scale. In this case, paralysis can actually be a cause of instability, since effective government becomes harder. That said, I think we will learn to handle these situations in a reasonably effective manner. The emergence of micropowers will lead to a major surge in constructive political innovations, and the way we make decisions, organize ourselves, participate

in society and pick our leaders will all change – and in massive and surprising ways.

This change will be uneven and sometimes unruly, and it will come from unforeseen places and take unexpected forms. Social activism and technology will play a much more significant role in government. On the whole, disruption will happen quickly and have major transformational consequences.

Of course, things will play out at different speeds around the world. In fact, innovation may not even happen at all in some places, and just as the 20th century was a century of state creation, the 21st might be a century of state failures. But overall, political innovation is inevitable, and I am hopeful that it can have a positive impact on both our governments and societies.

*Is this optimism justifiable? What are the political and social risks associated with the end of power?*

In the book, I identify a series of concrete challenges – disorder, deskilling and the loss of knowledge, the banalization of social movements, impatience and shortened attention spans, and alienation. Each of these should be taken very seriously indeed. If history teaches us anything, it's that while revolutions bring new people and new ideas to the fore, they can also be a huge waste. Something valuable is always lost, no matter how hard we try to preserve it, and collective experience and cultural memories often become endangered species during major dislocations in power. By definition, the revolutionary ethos is hostile to established ways of doing things – even if there are existing practices that are useful and worth retaining.

*So how can we prevent the situation from turning destructive?*

I think the key is to turn back the tide of anti-politics. I mentioned alienation as a major risk of the end of power, and it's always concerning when people start feeling deep revulsion towards everything political. The fact that this particular outlook has a long history doesn't make it any less toxic.

We should do everything to bring political parties back to the center of our conversations – both on a national level and at the family dinner table. Parties should be a locus of activism and the natural home of idealists who want to change the world for the better. Since the end of the Cold War, the political field has largely been left to opportunists and careerists, while activists have gravitated towards non-governmental organizations. That trend needs to be reversed. Some parties are corrupt, bureaucratic and exclusionary, and we can do without them. But others can be modernized, energized and redefined for the 21st century, and can take on some of the positive attributes that have made non-governmental organizations so attractive for so many.



MOISÉS NAÍM

*But are political parties still relevant in a landscape filled with multiple micropowers?*

Yes, and for a very simple reason – leadership. It's clear that a great many recent disruptions have been driven by leaderless initiatives. Who was the leader of the Arab Spring, for example? But this

“Social activism and technology will play a much more significant role in government”

## Background Check

**MOISÉS NAÍM** is a distinguished fellow at the Carnegie Endowment for International Peace, Washington D.C., US, an internationally syndicated columnist and a contributing editor to *The Atlantic*. Naím was the editor-in-chief of *Foreign Policy* magazine for 14 years and is the author of many scholarly articles and more than 10 books on international economics and politics.

His most recent book, *The End of Power* (2013), a *New York Times* bestseller, was selected by the *Washington Post* and the *Financial Times* as one of the best books of the year. Former US President Bill Clinton has said that *The End of Power* “will change the way you read the news, the way you think about politics, and the way you look at the world.” The book was also Facebook CEO Mark Zuckerberg’s

inaugural pick for his 2015 “A Year of Books” initiative.

In 2011, Naím was awarded the Ortega y Gasset prize, the most prestigious award in Spanish journalism. The British magazine *Prospect* named him one of the world’s leading thinkers in 2013, and in 2014 the Gottlieb Duttweiler Institute of Switzerland ranked him among the top 100 global thought-leaders.

Naím has served as Venezuela’s minister of trade and industry, director of Venezuela’s Central Bank, and executive director of the World Bank. He is a board member of the Open Society Foundation and the National Endowment for Democracy. Naím holds MSc and PhD degrees from the Massachusetts Institute of Technology, Cambridge, MA, US.

isn't the only way of effecting change, and I believe leaders will remain indispensable. And in that sense, political parties will continue to be relevant, because they are the places where leaders are formed, educated and become capable of guiding others.

*The world is without doubt an increasingly complex place. Most micropowers, on the other hand, appear to focus on a relatively narrow set of interests. This means the micropower may have some difficulties in handling complexity – or maybe even in accepting its existence. How can this tension be resolved?*

Being monothematic is nice for at least two reasons – it focuses and energizes you; and it cuts out the trade-offs and thorny dilemmas that confront everybody else. It's the preferred approach for many non-governmental organizations, some of whom have been very successful in highlighting their specific concerns. But given the proliferation of micropowers and their associated agendas, I would argue that the capability to balance priorities and weigh alternatives will become a much more important asset in the long term. And anybody with serious ambitions of exercising responsible government will still need to have opinions and policies about everything from education and economics to agriculture and nuclear power, via war and peace and all kinds of things.

*The question of capabilities seems to be a key one. In particular, what skills do businesses – of any size – need to master in order to thrive in this new environment?*

The most important asset – and one that is often overlooked – is peripheral vision. I completely buy the argument that in today's hyper-competitive world, you have to be obsessive to be successful. There's no question that companies need an unwavering, laser-like focus on their core mission, and should center on the very essence of their business in a highly disciplined, rigorous and committed fashion.

But the big problem with this approach is that new competitors and micropowers are likely to come from highly improbable places and use completely different playbooks. Getting caught unawares may well be the defining theme of the corporate world in the coming years. So be obsessive and concentrated, but at the same time beware of excessive specialization, because it can blind you to where the real threats are coming from.

*Throughout the book, you take aim at the contemporary fixation with the internet as the only relevant explanation for changes in power, especially in politics and business. This is the commentator Evgeny Morozov's favorite territory, of course. How is the role of the internet being exaggerated or misunderstood?*

It would be foolish to deny the significance of

the internet, and I capture this fact in my concept of the Mobility revolution. However, I would like to see a more nuanced understanding. Some commentators forget that the internet is only a tool that requires a user, and it is the preferences and aspirations of the user that are the ultimate drivers of change. It's interesting to reflect that while the events of the Arab Spring are often explained in terms of social media, a recent study has shown that much of the tweeting going on at the time came from people outside the Arab world trying to participate in the conversation, rather than from the activists themselves.

The internet is a crucially important factor in creating change, but we should be very careful about assuming it's the only one. Globally speaking, it may not even be the most transformative technology of the past 25 years, given that phone cards have connected billions of people in the developing world who lack access to electricity, broadband networks or computers. But in both cases, we need to look beyond the technology to the users if we really want to understand why things happen the way they do.

*In my personal view, The End of Power is actually quite a positive book, despite the dramatic title and the seriousness of its themes. Is this a reasonable response?*

Absolutely – I think the book is very optimistic. It argues that we live in a world that is increasingly uncomfortable for dictators and monopolies, where teenagers in a garage can develop technologies that can compete with corporate behemoths and where people on the streets can topple tyrants. Sometimes we forget our sense of perspective – take just about any indicator that traces the human condition today, be it life expectancy or literacy or the position of women, and it will almost certainly have skyrocketed since the early 1990s.

I'm very aware of the problems that are still not being tackled, the challenges that are not being surmounted and the vast, unimaginable tragedies that seem to follow every step we take as a species. Positive change is unevenly distributed, and we only have to look at the situation faced by people in Syria or Iraq to get a sense of just how far we have to go. But on average, this is a better world than it used to be. The trends and drivers I talk about in the book are pushing society, business and government in the right direction, and I believe that solving the difficulties that remain should not be beyond us. The end of power might be the start of something very positive indeed. ●

INTERVIEW BY NICHOLAS SMITH

**Naim on... the mega-players that have most to worry about in the next 10 years**

"Autocratic nation states. It's very hard to assume that the current governance and political structures of these countries can remain intact, given the impact of the More, Mobility and Mentality revolutions."

**Naim on... the most important micropower in the next 10 years**

"Individuals. Around the world, populations have awoken and are looking for opportunities to participate and change things for the better. I think there will be a lot of surprises along the way."