

Degradation of the mechanism of social development

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In the article (Polterovich, 2018) it was shown that monocausal theories of social development do not achieve their goal, and an attempt was made to describe the mechanism of social development of Western countries in the XIV - XX centuries as the interaction of four factors - technological progress, civic culture, institutions and the level of welfare. For several centuries, this mechanism provided a positive evolution of the Western world. However, its possibilities were gradually exhausted, and since the end of the twentieth century, signs of its degradation have become increasingly clear. To explain this process, it is natural to turn to analyzing the interaction of the same four factors that were used to explain the process of development. This is the task of this paper. Let us present a brief description of the relevant effects.

1. Degradation of competition institutions

This effect has been discussed in detail in (Polterovich, 2021), and we do not dwell on it. Let us formulate only one of the most important conclusions that follow from the analysis of the ‘dirty hands problem’. Institutions of political competition degrade because incumbent leaders are beaten not by those who offer the best program of social development, but by those who are more capable of defaming competitors and convincing citizens of the feasibility of unfulfilled promises. As a result, welfare growth rates fall and the most important characteristics of civic culture, such as indicators of trust in political leaders and state institutions, deteriorate.

2. Degradation effects associated with technological progress

Gold (Gold, 2021) provides a literature review showing that over the last hundred years, the costs of creating substantially new technologies have been exponentially increasing, while the return on innovation per unit of investment has been declining. The author identifies three factors contributing to the slowdown in technological progress: the growing complexity of science, the inability of existing institutions to stimulate innovation and the ‘balkanisation’ (fragmentation) of knowledge. This trend is predicted to continue at least in the near future.

The second effect associated with technological progress and leading to degradation is so-called distorted innovation (see (Acemoglu, Johnson, 2023), (Acemoglu, 2023)). This includes automation, which reduces the need for workers and generates profits for entrepreneurs, but does not take into account the costs of unemployment benefits, retraining and possible conflicts, and is therefore inefficient from a societal point of view. The significance of this effect is confirmed by modelling studies and econometric calculations. We emphasize the role of the competitive market in its realization.

The third effect is associated with the spread of the Internet and the formation of electronic social networks. The ease of contacts between large groups of participants and superficial control over the dissemination of information (combined with the effect of cultural dissonance - see below) facilitate the formation of destructive movements and enable political leaders to directly address ‘the people’, using micro-targeting technologies, making impossible promises and contributing to the ‘ochlocratization’ of the political system.

Finally, the fourth effect: modern technological progress (robotization, use of artificial intelligence, etc.) leads to increased differentiation of rewards for labor, as the wages of more

educated workers grow faster, while those of less educated workers may even decrease (Acemoglu, 2023). This is one of the significant reasons why Western countries have failed to reduce inequality; in many of them it has increased in recent decades (Makhlouf, 2023), contributing to the degradation of civic culture.

3. Degradation of civic culture

Increasing inequality against the background of a slowdown in the growth of remuneration for low-skilled workers and even a decrease in their pay has exacerbated the problem of cultural dissonance (Fitzpatrick, Berman, 2016), which results in disproportionately small share of representatives of some national minorities (blacks, coloureds, descendants of indigenous peoples of colonized countries) among teachers, researchers, and specialists in modern technologies. This has led to the intensification of protest movements and the strengthening of the influence of the philosophy of postmodernism, according to which any white person is a racist and modern Western society is organized in such a way that the interests of minorities are constantly infringed. This philosophy denies the objectivity of scientific knowledge and demands 'diversity'. Essentially, it is that minorities (which includes sexual minorities, feminists, transgender people, etc.) should be favoured in university and government admissions and employment (Pluckrose, Lindzi, 2022).

It is surprising that the postmodernists' demands, which contradict the principle of meritocracy, one of the foundations of modern civilization, did not arouse resistance and, moreover, found support from the professors and management of many leading universities in the USA, Canada, and a number of European countries. Courses on 'diversity' have become a common elective, and in some cases have become part of university programs. The willingness of professionals to sacrifice the quality of their environment and the level of teaching is apparently due to a genuine sympathy for members of 'oppressed' minorities. I call this effect destructive altruism.

One of its consequences is the educated strata's opposition to stricter immigration laws, even though a sharp increase in the number of immigrants exacerbates the problem of cultural dissonance, often makes the local population uncomfortable, and increases crime rates.

Another cultural phenomenon that generates the degradation of international relations is the imperial syndrome characteristic of the American elite.

4. The Paradox of Affluence?

The effects discussed above lead to slower growth or even lower welfare, which in turn reinforces them. It is worth noting another phenomenon that contributes to degradation and is possibly related to high levels of wealth. I call it the apathy effect. It manifests itself as a decrease in students' motivation to acquire knowledge (King, Bunce, 2020), which should lead to slower economic growth.

The paper discusses the problem of preventing degradation and alternatives for further evolution of the mechanism of social development.