



Stanford eCorner

The Rise of the Superclass

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Video URL: <http://ecorner.stanford.edu/videos/1997/The-Rise-of-the-Superclass>

We can't legislate against historical trends in the global age, but we can look more closely at the well-networked superclass - those who have broad influence across international borders on a regular basis. The Superclass has money, power, and influence - but it's woefully short on ethics in the global interest. Author David Rothkopf (*Superclass: The Global Power Elite and the World They Are Making*) describes this influential core of the global power structure and stresses that economic prosperity can't be the only metric of a civilization's success.



Transcript

"Is this the system that we want? What's the purpose of the system? What's the objective of the system?" Because for a long time, we believe that the metric to judge, whether society is successful, is economic growth. And the metric within economic growth is sort of net gains in GDP per person or some other thing like that, but this relative inequality is what causes political tension. And throughout history, the story of mankind is elites rising up, overreaching, and then being brought back down. They've been brought back down in revolutions. They've been brought back down in innovation. In Ancient Greece, the tyrants rose up, so on. And Pliesthenes came along and they created what is the forebearer of democracy as a way of balancing out this power. It happened in China. It happened in the United States in the 19th century when the robber barons got too much and the trust-busters came in and they pulled back. What's the problem? Those all happened under the umbrella of sovereignty of the nation state or a city state or a principality.

There is no global umbrella of sovereignty. There are no mechanisms to countervail. I'm not saying you want to change it all and I'm not saying that one wants to expropriate it all. But I am saying that we're inviting backlash and we're seeing signs of backlash everywhere. Hugo Chavez in Venezuela, Mahmoud Ahmadinejad in Iran, Vladimir Putin in Russia. In the United States, we're seeing signs of backlash. The backlash takes many forms because many people associated these inequities and these imbalances with globalization itself. And so you've got the absurdity of us trying to build a 700-mile wall and a 3,000-mile border, which to me is the great metaphor for our time and exercise in futility, where not only are you trying to keep people out against the border but you're not willing to build the fence along the whole border. But you're really trying to keep out isn't people, it's the future. We're trying to legislate against a historical trend.

It's like if you in 1836 decided to hold a referendum in the UK determining whether or not you wanted the Industrial Revolution to move forward. It's not an option. We can't opt out of globalization. There are technological trends that are irreversible in that regard. But there is unease, and that unease suggest that somebody is going to propose a solution to make the system work better. And that's what led me to say, "Well, let's look at the superclass. Let's look at this group of people." And so we came up with a definition. There was a fairly simple definition. The definition was "people who have influence over the lives of millions of people across borders on a regular basis." Three criteria: influence over millions, has to be international, has to be ongoing. And we thought that we would take a look at this group and we counted it up.

And we looked at business, we looked at finance, we looked at the military, we looked at culture where many of the leaders were from the areas of technology that you folks are working in today and we can talk about that a little bit more. Two, we came

up with 6,600 or so people, which interestingly is one out of a million. One person in this group for every million people on the planet Earth. And we looked at the nature of the group. We, sort of, broke it down. We looked at the demographics. 60% came from one side of the Atlantic or the other, 60% came from business. What is the most egregiously underrepresented group on this power structure? Any thoughts? Who on the planet Earth? What group on the planet are the most underrepresented in this power structure? Women. Women! 94% of this group is male, 6% is female. So the majority population of the Earth isn't represented appropriately in this power structure.

And even in countries where women are allowed an active role in the political life of the country, and I'm just talking now in a national basis, the average percentage representation of women in legislature is 17%. Now, there are other things which may please you in this room. One of the few rooms that will please people. 30% of this group went to one of 20 universities. Yes, yes, yes, this was one of them. And I think and I gone and made a 30 or 40 universities. It would have been 50% of the group and that's stunning. 180 countries, 6,600 people, and a huge number come up through a few universities. Why? Why? Because that's where the networking starts to take place and networking is one of the great force multipliers in this group.

That's where people are trained. It is not, apparently, however where people are trained in terms of the ethics of leadership because this is a group which is woefully short when it comes to thinking about or acting upon the ethics of leadership. So that's something that comes up and you see other things in this group other traits that are different from the past. More of them from the private sector. In the past, the international world was left to the public sector. Power is more transient. In the past, much of it was inherited. That's less the case. Now, to say it's more transient and people actually can get it by coming to the head of an institution does not mean that it's necessarily a meritocracy. I know all of you in this room like to believe in a meritocracy because that's a good set of rules for you guys.

But the reality is that, first of all, even in a society like the United States which has the most mobility of any society in the world or has historically, if you're born in the bottom 60%, there's only a 1 in 20 chance that you end up in the top 5 or 10%. So the likelihood that you can break out is very low. But if people were born in most parts of the world with the DNA that you've got, the energy that you've got, the aspirations that you've got, they're out of luck. Because just as gender is destiny in the global power structure, geography is destiny in the global power structure. And in fact, one of the big factors in this which you're not going to hear about in an economics class in all likelihood, is the fact that luck is destiny in this to a large extent.