

When everything we know changes, what comes next?

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Trump is trying to break government, the USA, world peace and much more. We could despair, or we could, as happened in WW2, plan for a better future. I suggest this is the time to plan.

<https://www.youtube.com/watch?v=nbpu3gFYqJA?si=a0cRYRmY54lgn-03>

This is the audio version:

https://www.podbean.com/player-v2/?i=mz9fv-18102f0-pb&from=pb6admin&share=1&download=1&rtl=0&fonts=Arial&skin=f6f6f6&font-color=auto&logo_link=episode_page&btn-skin=c73a3a

This is the transcript:

Our rules of thumb are broken. So, what now?

Let me explain what I mean. During most parts of life, we use what are technically called heuristics, or in practice are called rules of thumb, to help us make decisions. We need to, because there is far too much data flowing our way, most of the time, for us ever to be able to analyse it in detail.

Instead, what we've learned based on experience is that there are some things that we can rely upon, and therefore, we can react to them without having to do too much deep

thinking.

Just think about when you're driving a car, if you drive a car. There are so many situations that you come across that if you had to really think about them, you would look as tortured as the average learner driver.

But the precise point is that you don't have to think about them anymore.

You know what to do on the roundabout.

You know when to give way.

You know when to slow down.

You know when to slam on the brakes.

All of those things are going on because you've learned a rule of thumb.

Now, there are rules of thumb in other parts of life as well. And one of the rules of thumb that matters is that the USA hates Russia and Russia hates the USA.

I offer it as a rule of thumb because, basically, throughout my life, that's what we've known to be the case. Whatever Russia wanted, the USA would oppose, and vice versa. We could pretty much rely on it in anything that we looked at, whether we were looking at politics from the day-to-day basis of the discussion that we have in the street, or in my own career, as I once was, a professor of international political economy, we can look at that as one of the givens.

These two power blocks will oppose each other. After all, ever since the Second World War, that is what we have known to be the case. The USA has built its whole political idea, their ideology, on the basis that Russia is communist; communists are bad; the left is terrible; it is right-wing; it is in favour of capitalism, and therefore, there is never going to be common ground.

And then, Donald Trump came along. And now, in the last week or so, J. D. Vance and Donald Trump have turned everything that we thought we knew about international relations on their head.

* D. Vance says that actually what has been going on in Ukraine is fundamentally wrong. Europe has misread the situation. The USA is going to go in and negotiate a peace deal without the involvement of Ukraine itself, which is almost so bizarre one can't work out what the heck they're thinking.

And, Trump is weighing in by saying basically that Putin is now his friend, the person who he can do a deal with, and Russian and American negotiating teams are sitting down in Saudi Arabia, literally negotiating a peace deal for Ukraine, without either

Europe or Ukraine itself being represented in the room, even though this is clearly a European issue, and it matters most of all to Ukraine.

So, what is going on here?

Well, first of all, let's be clear. The heuristic has been torn up. What we thought we knew is no more. And that's absolutely fundamental.

This is true right across the board with Trump. Whatever we thought we knew about having sane people in government, about having rationality in government, about having responsibility in government, all of those things - I could keep going, but I don't need to - all of them have gone.

It's very clear that the normal boundaries of responsibility that government has been so associated with, even to the point of being boring, so that it didn't deliver, those have all disappeared. Instead, we have Trump doing his best to wreck international relations as we once knew them, and Musk doing his best to break government.

So, we are in what Thomas Kuhn, a philosopher who wrote about this issue in 1962, described as a situation of paradigm shift. Paradigm shift describes a situation where what we knew ceases to be and something new comes into its place instead.

His argument was quite straightforward. Kuhn argued that instead of progress being gradual, the world lived in steady state situations for quite some time. And then there was a moment of revolutionary change when everything that we thought we knew would disappear and something else comes along in its place. And I think it's fair to say we are literally living in the middle of a paradigm shift right now.

We have to get at why this is happening.

Is it possible, for example, that Putin did actually help Trump get into office in 2016, as many people think, and as a consequence he's now calling back the favour?

Is it that these two people, who are both dedicated to rule for their own benefit and not for anybody else, see common ground for just that reason?

Or is it that Trump is now declaring that the US and Putin's Russia share an ideology which could only be described as fascism if that is the case?

Whatever the reason, what we knew has gone. We are suffering a paradigm shift. And not surprisingly, a lot of people around the world are deeply confused as a result.

I am. I don't know who isn't confused by what is happening right now. But what I do know is that paradigm shifts provide opportunity.

One of the biggest paradigm shifts that went on in the last century was the reframing of

world politics as a consequence of the breakout of World War II.

World War II was, let's be blunt about it, a fight against fascism. That is exactly what happened. It wasn't a fight between the UK and the USA and other countries and Germany per se. It was a fight against a fascist government in Germany and elsewhere, in Italy, and, let's be honest, also in Japan at that time, which was in a very odd state.

But, whatever it was, that Axis - and that's what they called themselves - were trying to impose a worldview that was alien to the positions of the UK and France and the USA and many others.

So, this was an ideological war. And in the middle of that ideological war, which is not that different a situation to the one we're now in, there were those who took the opportunity to stand back and say "What do we want as the outcome of all this? Could we do things better once this mayhem has ended?"

We are suffering mayhem now, let's be clear about it. What Trump is doing is meant to be chaotic. It is chaotic. It is totally disruptive. It is not sustainable. This will end in tears, as my mother used to say, and I wouldn't be surprised if yours did too.

There is nothing good that can come out of the situation that Trump is creating, in my opinion, and that of many others. He is out to destroy and destroy he will.

But this, then, is the moment when we can think about what we do want. And what we do want is a fairer, better world, where the focus of government attention should not be on the prospering of business and should not be on the flourishing of the wealthy but should be on the delivery of well-being for everyone.

And that is precisely what happened in World War II. J. M. Keynes rewrote the whole logic of economic management, so that full employment of people on at least a living wage became the focus of government for decades to come.

And Beveridge wrote his report which became the foundation of the welfare state. The welfare state provided us with, in the UK at least, free education for everyone, and free health care for everyone, and a social safety net so that those who were not able to work would be provided with benefits to ensure that they did not have to live in destitute poverty. We changed the whole structure of our society as a consequence, and we built half a million homes a year for people so that they could live decently instead of in slums.

Fundamental social change was the consequence of the paradigm shift that had given rise to the fight against fascism that led to World War II. That could be the outcome of what is happening now if we grab the opportunity to think about what it is that we want.

That is what this channel is about. I want to think about that better world.

I want to talk about how we can achieve it, what economics can underpin it, and what the benefits could be.

We have to grab this opportunity in the midst of confusion because if we don't, we will miss a chance to create a better outcome for everyone. And that would be truly disastrous.