

Collapse

Ross Welcome to Renegade Inc. Stephen Vizinczey said: "All great power has to do to destroy itself is persist in doing the impossible." Like bankruptcy, societies and complex systems collapse slowly and then all at once. The cycles that civilisations go through are well documented. And whilst in hindsight it's glaringly obvious to understand what drove the breakdown, in real time we're often too close and too invested to recognise our own demise.

Ross Indi Samarajiva, welcome to Renegade Inc.

Indi Samarajiva Thank you.

Ross We should reference him. You've got a friend just over your right shoulder there. What's the dog's name?.

Indi Samarajiva She's Lily. Right now, she's chewing a child's toy, which is not supposed to. But I'll leave her alone because I'm on TV.

Ross You talk about collapse a lot and you've written extensively about it. In your own life, you've experienced collapse, economic collapse, societal collapse on a on a daily basis, if you like. You're in Sri Lanka. When you look over and comment on America and what America is going through at the moment - maybe more broadly, the West - how do you define collapse and how does it occur? What is the anatomy of collapse?

Indi Samarajiva So I think it's probably simpler to say, like, what else would you call it? So in Sri Lanka, we had about 100,000 people die. It's screwed up our economy for 30 years and that happened over thirty years. Whereas in America you've had 225,000 people already die and that's in the space of months. And it's not stopping. It's only accelerated. They've had the worst economic contraction in their recorded history. So rather than giving you a positive definition of collapse, I could simply say, what else would you call this?

Ross So you've also said that collapse is just a series of ordinary days in between extraordinary B.S., most of it happening to someone else. That's quite a pithy depiction.

Indi Samarajiva So I must be clear that I'm giving in that article one perspective on collapse, which I must say is a very privileged perspective with that sort of audience in America. So in Sri Lanka, there were people who were actually completely displaced. There were people who had family killed. And for them, collapse is highly obvious. It can be as obvious as your house coming down. But I think it's also like two galaxies colliding, like it's actually a lot of empty space. So for a lot of people, especially privileged people, you kind of go on with your daily life. Like during the troubles in Lebanon, restaurants were open. In Sri Lanka, we would go out to hotels and so on. Like, life actually goes on and you still wake up. You're still hungry. You still fall in love. You still have your daily life go on throughout these events, which is, I think, what a lot of Americans miss in that they think collapse is going to sort of personally come and punch them in the face. And that's sort of not what it is. What it is, it's bad stuff going on around you. And it does often intersect with your life. But you can

go long periods without and you think about the same stuff you normally would. You think about food. You think about a girl you like. You think about the same things.

Ross So our mental picture of collapse is somebody standing with the plunger and the dynamite and this building sort of dropping, you know? But actually what you're saying is what the German writer Goethe says, which is, "man can suffer anything but a succession of ordinary days." And basically what you're getting at it isn't gravity which is the greatest pull on earth, actually it's inertia. And we're all trapped in this as it ratchets down?

Indi Samarajiva Yes, absolutely. So there's a quote in *The Sopranos* where Svetlana is telling Tony: "That's the trouble with you Americans. You expect nothing bad ever to happen when the rest of the world expects only bad to happen and they're not disappointed". So the rest of the world, I think, is used to things around them sort of falling apart to some degree, and they're used to recovering from that. I lived in America for 12 years and the worst thing that ever happened to me was a snow day. So I think Americans are not used to something bad happening to them when in fact it is. Two hundred and twenty five thousand people (and increasing) dying is bad. People who are living with this sickness is bad. The economic collapse around them is bad. These are very bad things that are happening to them. We had less people die in a much longer period of time. It was incredibly traumatic for us. And I think Americans have this trauma. They are impacted by this trauma. These aren't just numbers, these are people that have died. But on a societal level, they simply can't believe that it's happening to them. And just as an outsider, as many people all over the world could tell them, yes, this is happening to you and you have a generational struggle to get better again.

Ross So really, when you talk about collapse in these terms, is it the case that it doesn't really matter who the president is. Regardless of who fills that role, they're not going to be able to turn this supertanker around because, structurally, this collapse that you speak of is already determined?

Indi Samarajiva Look, a lot of the deaths that are to come are already baked in. Like, these infections that are coming, those deaths are fated, those deaths will come. You can't just turn it around. Like, the time to stop it was in the first few months. And what you see with Trump is not just one bad president in one bad job. This is a culmination of years of them hollowing out their state and hollowing out even the idea of having a state. I think Americans are so scared of socialism that they've neglected to have a society. And this is the work of generations. My personal experience in Sri Lanka was that when things got really bad in 1983, I was zero years old. I was about 11 months. And for that war and that cycle of conflict to end took 30 years, essentially my entire lifetime. And I should clarify, the war ended the conflict is still, in many ways, here.

Ross One of the things, though, is the level of corruption now in the US - lobbying, corporate interests, incredible sort of special interest groups. I mean, they've got a hell of a job on their hands to try and dig out, root out, all those interests who are pushing politicians and policy makers in certain directions. I mean, where do you begin with that?

Indi Samarajiva So you're talking about their traditional sorts of corruption. Trump is taking it to another level, right? Like, even our guys would never launder money for a hotel with

their own name on it. Like, this is just next level corruption. In places like the New York Times or whatever, I make fun of them because they use it in one editorial, but they generally don't use the word corruption. It's like corruption is for brown people or for black people or for Slavic people.

Ross Which word do they use?

Indi Samarajiva So they'll say norms are being violated for like essentially, like, this is unusual and it's like, no, no, that's just corruption. There's a good word for it. And like, when they talk about Africa or other countries that use corruption in every article, even if it's somewhat unrelated. But for them, it's just a list of like things which keep happening. And you're like, no, no, this is one story. It's just corruption. And I think what a lot of people don't realise is you see that the CDC is like screwed up. Every American institution is like that, from the State Department to every institution. Good people have left. They've been replaced by lackeys. There's been centuries of institutional knowledge that has been lost. So that's going to take a long time to rebuild.

Ross So do you see parallels from your experience growing up and what's going on in the US? Because we hear a lot about actually the US is going to crash into civil war or civil war is already in the US. There are great swathes of disenfranchised people and they're simply unhappy with the political class. They're very unhappy with the employment situation and underemployment. Is that the tinderbox that you're talking about? And what are the parallels between Sri Lanka and the US?

Indi Samarajiva When I wrote that article or in those articles, what I wrote about it is a feeling. So I would say that our situations are very different, but we're all humans. And I think the feeling is very much the same. Like whether you die in a civil war or whether you die in a pandemic. I mean, what's the difference? Like if your family member dies in these different ways, what's the difference? Like, you still feel the pain. And I think that pain is common. I do know that in Sri Lanka there is just a bunch of tension, a bunch of little skirmishes, things you see like in the US where people are walking around with guns. I'm not making any predictions there, but what I will say is take that stuff seriously, because in my parents generation, they didn't think it could get as bad as it did. They didn't believe it, just as Americans don't believe what's happening to them now.

Ross And are you saying that from today, just say to 2020, that by 2050 America will have gone through this? Are you saying that it's a scientific sort of measure of 30 years? I don't think you are saying that, but you are saying that they don't have the resilience. The Americans don't have the resilience built into the system. The system is incredibly fragile. It's not distributed. It's centralised. It's managed. Is what you're saying is the resilience isn't there to be able to get through this so, therefore, naturally, you're going to have to go through that cycle?

Indi Samarajiva I will say that when human systems break down, God systems take over and God systems is just some of us die. So what Max Planck said is new science only proceeds because old scientists die. I think it's the same for politics. I think politics only proceeds because old politicians die. It is simply like if humans can't work it out, then God will and then you'll just get generational change. But obviously, it's better if you can work

these things out. I hope it happens for America, but it seems very difficult because a good 40 percent of their population is like totally insane. Like things just like taking care of each other. Things that other countries where we differ on very many issues, but if someone comes to school and shoots people, we would be like maybe we shouldn't allow people to buy these guns. If people die of a preventable disease, we'll be like, oh, maybe we should wear a mask. These things are all debated in America. So when you're having these debates, I think it's very hard to get down to the real structural problems without generational change.

Ross They often say that economics only progresses one funeral at a time, which is basically the same idea. They have grazed on a diet of neo liberalism in the US for the best part of 45 years now. Is it the case that.....

Indi Samarajiva I grew up in America. I'm a recovered neo liberal to a large degree, but like it obviously doesn't work, right? Like you have Twitter, but no health care. What's the point? So I'm pretty hard on Americans, right? But someone corresponded with me on Twitter and I was talking about generational change. And she was, like, oh, what can I do? My children, like, think I'm useless. And I tried to talk to her. And then she came and told me that she was homeless so she didn't know where she was sleeping each night and she was separated from her children. And, you know, I felt terribly sad about that because that's the sad thing about collapse, right? It doesn't fall on the people that caused it. It falls on the poor. It falls on the most vulnerable, the people that I have great solidarity within America. And yet then I thought of this. My wife actually pointed this out to me. She said, oh, they have homeless people, but they have Twitter. So something has gone wrong there.

Ross And do you think it's justified? You do go in very hard on them, but a lot of people, a lot of Americans, are very well-meaning, do the right thing and try, daily, to live their lives in a way that is helpful, productive and creates value. Do you think you go in too hard on them because basically a lot of America now is sort of hamstrung, straitjacketed, into this economic situation. A lot of them listen to you and go, we can't do anything about it?

Indi Samarajiva Look, God bless them. But personally, I think American drones are going too hard on weddings, you know? I think America has gone pretty hard on the rest of the world. They can take it from one random blogger in Sri Lanka. I think this pandemic is changing the world. And part of that is America's position as a lone superpower. What have they done with that power? They've just been killing Muslims for sport. Like, they could have gone to Mars. They could have given health care to their own people. What have they spread across the world? They're the most responsible for climate change and they're the one country that's withdrawing from the Paris Accords. So as to what American people should feel, I don't know. But I'm not going to sugarcoat the truth for them. I'm not going to try and make them feel comfortable. They should feel uncomfortable. Collapse doesn't feel good.

Ross Matthew Ehret, welcome to Renegade Inc.

Matthew Ehret Thank you for having me on.

Ross Mathew, when you think about unipolarity, one world power verses multipolarity, a multipolar world, which is what the megatrends are pushing towards now, where do you see we are on that cycle, if you like?

Matthew Ehret Well, I think that right now where I situate us is sort of in an in-between moment. We're sort of at the end phases at the end of a system which you could say had a milestone moment with the floating of the US dollar off the gold standard or the gold reserve onto the floating exchange rates. That was amplified by the petrodollar in 1973. And there's been an ongoing process of deregulation, of associated geopolitical decisions that enmeshed the world in a policy of very short term, myopic thinking for speculative gains, outsourcing of our manufacturing sectors from the industrialised nations to impoverished nations that would be the producers for the Western consumers. And that type of division of the world between a producer class and a consumer class resulted in really one of the biggest transfers of wealth into the upper point zero one percent, and really the inability for formerly industrial nations to supply their own needs, relying more and more like drug addicts on increasing flows of cheap labour. So I think that that system, with all of its associated economic bubbles built upon unpayable debts is coming to an end. The bailouts are no longer working. And we're at a moment where the new system, which will be brought online replacing this, is highly under defined. There's sort of a race between either those who have a unipolar outlook who would like nothing more than to extend the logic that got us into this crisis into the new system, which involves basically a one centre of command above nation states. And then you have an opposing view that no nation states under a multipolar system, which we see coming out of the Russia, China alliance. And many nations joining the Belt and Road initiative are saying, no, and they have a very different paradigm.

Ross How do you see this panning out? How do you see the next five, 10, 15 years because one Chinese billionaire founder said, problem with America, too much war, not enough investment? Would you subscribe to that?

Matthew Ehret Yeah, no, absolutely. That makes perfectly good sense. It's a reasonable assessment. And I think that there's a lot of soul searching that has to happen amongst Western countries, especially the United States. And I think it's an irony that when you look at Franklin Delano Roosevelt, the founding of the UN Charter or UN Declaration of Human Rights, or even John F. Kennedy's policy doctrines, what his policy fights were for changing US policy from the Dulles approach, the Cold Warrior approach of his State Department, FDR, as well as JFK, largely had a very multipolar view to help use American reductive power to help other nations in Africa and South America and stand on their own two feet in a sort of multipolar alliance that used to be what America's foreign policy outlook was. But that's been forgotten. It's been sort of scrubbed out of a lot of the American history books. So even most Americans are not aware that they used to have this more sane foreign policy outlook. I've written an article recently called How a Wise Decoupling May Be a Good Thing for both China and the West. And I think that under the conditions that, for example, we look at January 2020, when the US trade deal was signed under the condition that China would purchase two hundred billion dollars of US manufacturing goods, that was the right orientation because it's true that China and Russia wish to work with Europe. They wish to work with America. They want to see us as allies and partners. But they don't see very viable, trustworthy partners right now because we have not been acting in our own self-interest now for decades.

Ross Does this come back to the soul searching that you talk about, actually, Western nations now need to stop this imperialist expansion, stop stealing other people's resources, have some introspection and work out how to become good neighbours?

Matthew Ehret Dear God, yes. Yeah, that's exactly it. And again, you brought back the good neighbour policy. That was Franklin Roosevelt's security doctrine and economic doctrine was to basically see the world as a community of mutual interests where people would be good neighbours. And it's like that in your own neighbourhood, right? If you live in a community where everybody hates and fears you because you might have the richest looking house, but you've got it by stealing from everybody on your block, you are definitely not secure. You need to have a lot of private security at your house. You're always kind of paranoid, leaving your house, letting your kids leave your house. Not a very secure state of mind. I think that level of fear and paranoia really saturates the mind of the elites currently. And I don't think that they necessarily sleep well at night. You're dealing with certain psychological types that would rather rule and serve in heaven, which I think is a dangerous thing considering that we have a world laced with nuclear warheads. The military industrial complex didn't get less independent since John F. Kennedy was killed over half a century ago. This thing has become more dangerous in many ways and I think a wounded animal in a corner is more dangerous than an animal free in the forest. So you can't expect necessarily logical self-interest to be the operating system in the case of the elites currently. But at the same measure, the script that they had been operating on for decades is no longer working. The things that they thought that they could get by the snap of a finger is being challenged and not working the way that they wanted it to. And there will be no smooth transition in the conventional sense. But they're better pathways to get at this in a more natural way. And I think one way is acknowledging like any drug addict should, that they have a problem is the first one. The financial system is one giant heroin overdose waiting to kill the patient. And we have to if we're going to get out of the oncoming economic meltdown, that will unleash greater devastation onto humanity that people can realise. So they have to admit that there's an un-payability, that the system is bankrupt and have an orderly discussion like grown ups with Russia, China and other nations who have a single form of banking practise, a single financial architecture associated with the investments going into the belt and road, the polar silk road, the space programmes that Russia and China are working on together, which is winning over so many countries that had been under the grips of the IMF and the World Bank for many, many years. So we have to have a sane discussion with these nations as partners. The way that the 1944 Bretton Woods conference happened, you have to have this sort of emergency conference where agreements were reached to break up the too big to fail banks that are going to fail anyway. So they might as well be broken up in an orderly way that protects the legitimate capital, the savings of the people, the productive parts of the economy, which really represent probably a fraction of what we're going to be looking at, which will be cancerous tissue that has to be separated. And unfortunately, a debt jubilee of some sort will have to occur in some way as you wipe out this derivative bubble and all of the speculation associated with it. And then we have to come to bilateral treaties to say, OK, we have Arctic resources, we have the need for Chinese investments for America's high speed rail system. So is Canada and Europe, too. So what can we do that are going to benefit everybody's children five, 10, 20, 50 years in the future and do those things now with new banking practises more in alignment with human civilisation and dignity?

Ross Matthew Ehret, thank you very much for your time.

Matthew Ehret Thank you for having me on.

Ross Indi, in that first half, you were unvarnished going in very hard on the Americans. Jack Ma, the founder of Alibaba, pithily described the problem with America recently at one of the, I think, global forums. He said, you know, "too much war, not enough investment." Would you concur with his sentiments there?

Indi Samarajiva Yeah, I think since essentially the Reagan era, the United States hasn't invested in its people. So I think Americans understand white people better, so I'll refer to Europe. But in Europe, they invested in health care, in public services. These were all considered part of being a wealthy country. And America had never made that investment. They said, oh, if we give money to rich people, they'll make cool stuff. And that's true. You do get like a huge range of consumer goods in America. You can get as many toothbrushes as you want, but if you're in West Virginia, your teeth are rotting out of your skull because you don't have dental care. They haven't invested in themselves, in their people. And it's also led to a society where, as you can see in Covid-19, where just wearing a face mask, it's an act of caring for someone else where that is seen as like somehow unmanly or un-American - not by many Americans - I think many Americans are doing that, but by enough of them that it causes a huge problem. So, yes, you need to invest in people. The thing is America didn't even win wars. It's the only empire in history, I think, that has made a career out of losing wars. I think Americans are also unaware of how hurtful their wars are to people. There's this Brown Costs of War Project, which says that over a million people have been killed in one way through America's terror wars. Over 37 million people have been displaced. And I would just invite Americans to consider that these are families who also love their children and who also love each other. These are also people who liked being in their homes. So it's not just like, oh, you're like Raytheon and people made out with some money. It's like, no, you destroyed many lives. Many people have been hurt. And there's a sort of like arrogance about Americans that, hey, we're the good guys and you're not. Like, you're the baddies. This is what America needs to realise. And now it's happening to you. Now, these same troops that were going to other countries are now on your streets in Portland, in Wisconsin, and it doesn't feel so good. But it never felt good for the rest of the world.

Ross Let's get to solutions. There's a meme out there which says it takes a generation to earn it, a generation to spend it and a generation to pay for it. I think now we're in the generation having to pay for it. What do you then say to the millennials, the younger Americans who are coming through eventually who will get themselves into positions of leadership? What do you say from the Reagan era till now, just explain what's happened and locate those people in the story?

Indi Samarajiva There's many people you can read on this. But my general sense is - what I kind of grew up with - is this idea that government is bad, that government is not efficient, but businesses in the private sector are more efficient and then government should just get out of the way. And I think future generations maybe need to think about, first off, just this idea that governments and markets are not these two separate things and making government worse does not automatically make markets better. These things interact. You can see in like communist countries like China and Vietnam, like I've been there, they're very capitalist, like markets and governments coexist. So Reagan's idea was small government. And that doesn't

make sense because the government also got bigger anyway. What you want is good government. Like it's not a size thing that's open and that people could understand. You want good government which would have good people in it and which would do things and which you would spend money on. And there's certain things that government should do that maybe markets shouldn't do and vice versa. But you have to exercise discretion in that. I think Americans are just been going on government bad and then they end up like dying in a pandemic because they don't have a functioning government.

Ross It's quite a narrative to change, though, isn't it? And because, ultimately, it's the biggest hearts and minds sell ever. And you get those sort of free marketeer, free libertarian types who say, don't you dare touch any of this government stuff. We want you to stay well clear of it. We're self-governing. We can smaller state, absolutely efficient. How do you start to get into people or is it people start to understand this because they see the failure and then they're open a more receptive to ideas?

Indi Samarajiva So younger people, I think, are actually far more receptive to these ideas because they are somewhat logical, like just the idea that, hey, maybe we should share the cost of health care. I think that's what I mean about government is just maybe we should take care of each other. You know, maybe we shouldn't have to work to live. Maybe everybody could live like a rich person because like so in America, rich people don't live for their next meal. They don't live so that they can get medicine. That's simply the life which rich people enjoy, which should be extended to everyone, because that's also better for your economy. Because the American economy grew in the fifties and sixties, not on the backs of the one percent or the five percent, but on a large middle class, which also left black people out to a large degree. But they grew on the backs of a large middle class. So why invest in the top, which will maybe buy a watch that they don't wear when you could invest in people at the bottom, when you can invest in mothers, so you can invest in children, when you can invest in working people and people who are part of a community and who spread money around? And that's actually what grows the economy. I think America is being blinded by the idea of GDP, which is basically a pretty direct correlation to climate change as well. Personally, I think rich countries should be defined as do you have room at your table? Like, do you have room for a poor person at your table? Do you have a room for a refugee? That to me as well. I've been reading Mengzi who's a Chinese philosopher and he essentially says so that sort of confucian philosophy is you sort of start in your home and you sort of practise virtue and goodness within your home and you find what he calls, sprouts - the sprouts of goodness - and you just sort of encourage those to grow. And I would take my experience with the Sri Lankan civil war is like, I don't know how it ended. I don't understand what happened. But I do know that during that time I don't remember the news, but I do remember the way my parents were and the way my grandparents were. So my only advice to Americans would be just try to practise whatever small kindness and whatever decency you can in your life and try to stand up for what's right, even though it seems like it makes no difference because the young people around you and the children around you, that's all they'll remember. And the future is really in their hands. We are the ones who broke this thing, you know. We're kind of not going to fix it.

Ross Indi Samarajiva, thank you so much for your time.

Indi Samarajiva Thank you very much.

