

Book Review – Peter Warburton

The Decadent Society: How we became the victims of our own success

By Ross Douthat

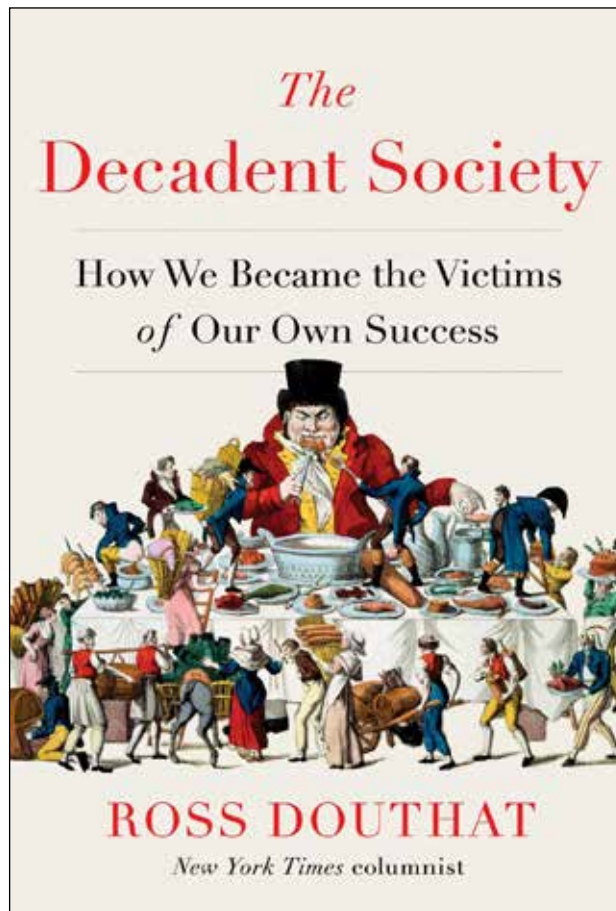
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In *The Decadent Society*, Ross Douthat, a columnist for the New York Times, presents a grand, overarching critique of western civilisation. He asserts that we are “aging, comfortable and stuck, cut off from the past and no longer optimistic about the future, spurning both memory and ambition while we await some saving innovation or revelation, burrowing into cocoons from which no chrysalis is likely to emerge, growing old unhappily together in the glowing light of tiny screens.”

For Ross, decadence – literally, falling away – refers to “economic stagnation, institutional decay and cultural and intellectual exhaustion at a high level of material prosperity and technological development”. He summarises his argument that western society has become decadent under four headings: stagnation, sterility, sclerosis and repetition. Stagnation, meaning that the pace of innovation and economic growth has slowed; sterility in the literal sense of a birth rate that has fallen below the replacement rate needed to keep the population constant; sclerosis describes a state of political and institutional gridlock; and repetition, a society and culture that is going round in circles, losing spiritual ambition in the process.

The book has three parts, containing the diagnosis of decadence and its characteristics, its apparent

sustainability for long periods and the three typical ways in which decadence ends: catastrophe, renaissance and providence. The first of these requires no elaboration: nuclear apocalypse, an over-heated climate, cyber-terrorism, meteor strike – take your pick.



Renaissance – re-birth – is considered in four ways: from geography, such as the increasingly dynamic and populous African continent; from a technological revolution that breaks our current constraints; from politics; or from human religion. Providence refers to divine intervention.

What makes this book relevant to business are the incisive observations contained in the early chapters regarding the contorted business models that have emerged alongside distorted forms of economic and financial development. Reckless speculation, mingled with deception, is nothing new. During the South Sea Bubble of 1720, one company sought to buy the Irish bogs, another to manufacture a gun to fire square cannon balls and the most ludicrous of all, “for carrying-on an undertaking of great advantage, but no-one is to know what it is!!” This latter company raised £2,000, which was a great deal of money 300 years ago!

The Decadent Society opens with the stories of three enterprises: Billy McFarland’s Fyre Festival, a calamitous music event on a private island; Elizabeth Holmes’ Theranos, an internet start-up promulgating a dodgy revolutionary blood test; and Garrett Camp and Travis Kalanic’s Uber, a perennially loss-making company based around a taxi ride-hailing App.

Whereas the Fyre Festival was a pure Instagram fantasy and Theranos was a naked fraud (as documented in John Carreyrou’s riveting book, *Bad Blood*), Uber is a by-word for internet-era success with a stock market valuation of US\$100bn. Another company that is not featured in the book, but has many of the same traits is Elon Musk’s Tesla, valued at a colossal US\$800bn. (For context, Ford is

valued at US\$4.3bn and General Motors at US\$7.2bn). While Tesla has generated net profits in the past year or so, this was not from selling its electric vehicles but from the sale of zero pollution credits to other car manufacturers, as required by eleven US states.

Yet Uber and Tesla are the poster children for the technological revolution that is, allegedly, disrupting the old order and ushering in the new.

After ten years of rapid growth, Uber has created a great low fares deal for its customers, but it has done so without any market discipline. It keeps fares low by running at a loss (\$8.3bn in 2019). It has used the awesome power of venture capital to build a company that would collapse if that capital were withdrawn. It has no obvious competitive advantages, apart from the huge subsidy in effect provided by the investors; the technology it uses is neither proprietary nor complex and all of its

paths to actual profit – charging higher prices or paying its drivers less – would destroy the low fare/high driver supply system it has built.

The internet economy is an impressive example of 21st century growth and innovation, and many tech companies have real customers, real revenues and a solid business model, but the financial markets are gambling on a degree of future success that borders on the fantastic.

Ross observes that “the people with the most experience in starting businesses and getting rich look around at the

available investment opportunities and see many more start-ups that resemble Theranos and the Fyre Festival than resemble Amazon or Apple”. He quotes a 2019 paper by Daniel Greenwald, Martin Lettau and Sydney Ludvigson titled “How the Wealth was Won”

which finds that 54 % of the growth of US companies’ stock market value reflected “a reallocation of rents to shareholders in a decelerating economy” (i.e. shareholders’ dividends

were increased at the expense of employees’ wages or capital investment in the company), while actual economic growth accounted for just 24 %. From 1952 to 1988, less than half as much stock market wealth was created, but economic growth accounted for 92 % of it.

As we, in the UK, observe the hollowing out of the High Street as online companies pounce for the brands and franchises of

established names but not their premises nor their employees, should this not trigger a deep sense of unease?


What makes this book relevant to our faith is that Ross has emerged as one of the most provocative and influential voices of his generation. In a previous book, *Bad Religion*, he delivered a hard-hitting account of how American Christianity has gone off the rails – and why it threatens to take American society with it. Ross’s thesis is that Christianity’s place in American life has increasingly been taken over, not by atheism, but by heresy: debased

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versions of Christian faith that breed hubris, greed, and self-absorption. The derailment of the faith, he argues, has crippled America’s ability to confront its most pressing challenges and accelerated the decline of the West.

In arguably the most powerful and final chapter of *The Decadent Society*, titled Providence, Ross concludes that no civilisation has thrived without a confidence that there was more to the human story than merely the material world. If the liberal dream of progress, no less than its Christian antecedent, has succumbed to a corrosive scepticism, then perhaps it is because we have come to an end of our own capabilities, and we need something else that can only come from outside our present frame of reference. He wonders if, having met the challenge of the admonition to “fill the earth and subdue it” (Genesis 1:28), it will not fall to us to determine what follows.

Provocatively, he muses on the opinion of the early Christians who regarded the rise of Rome – the original global civilisation – as a divinely ordained development, a necessary precondition for the Birth of Christ. Could it be that our global civilisation has reached its moment of success, a long-sought arrival that also feels like a dead end? Is our civilisation ripe for another important intervention of the Almighty?

The Decadent Society is a call to arms rather than a counsel of despair. In common with almost all meta-narratives, it is much too ambitious in its scope. Yet, it serves the valuable purpose of gathering many facets of the western predicament into a credible framework and explores the most likely paths out of decadence. 



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