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If We Keep Our Ethical Wits, We Can See Over Into a Great Enrichment

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For millions of years mankind lived just like the animals. Then something happened which unleashed the power of our imagination. We learned to talk and we learned to listen. Speech has allowed the communication of ideas, enabling human beings to work together to build the impossible. Mankind's greatest achievements have come by talking, and its greatest failures by not talking. It doesn't have to be like this. Our greatest hopes could become reality in the future. With the technology at our disposal, the possibilities are unbounded. All we need to do is make sure we keep talking."

Stephen Hawking

The discouraging results of Philip Tetlock's inquiry into *Expert Political Judgment*, showing how poor in predictions the experts have been, leaves us hesitant to make predictions, especially, as Yogi Berra once said, about the future. We are sure of only two things fifty years hence, in the year 2065: there will be rumors of a Rolling Stones reunion tour, and Douglass C. North will be working on another book explaining economic change. Everything else is guesswork. Yet – though Prudence counsels preparation – the end is probably not nigh. (*New Yorker* cartoon of some years ago: a couple passes a bearded prophet holding a sign declaring "The End is Nigh," and one says to the other, "Wasn't that Paul Krugman?") Back up your hard drive, yes. Set up a *Foundation* to hasten the galaxy's recovery from a chaotic interregnum, no.

Readers of McCloskey's just-completed trilogy on the "Bourgeois Era" will know that people are by historical standards astonishingly rich today because northwestern Europeans in early modern times slowly adopted what she calls "The Bourgeois Deal." "Let me get rich with a trade-tested betterment in the first act, and in the third I will make all *you* rich." People got richer not because of empire or investment or exploitation or institutional change, but because they changed their *ethics* and how they *talked* about betterment and competition and cooperation in trade-tested betterment. If people welcome betterment and competition and the amiable cooperation that both require, it turns out that they live longer, and mightily prosper in body and soul. The Deal worked wonders in Europe and its overseas extensions in the eighteenth and nineteenth centuries, surviving the clerisy's rebellion against bourgeois life after 1848, and even Europe's seventy-five-year suicide attempt, 1914-1989. It turned even places like Hong Kong, Taiwan, South Korea, and Singapore from economic backwaters. The outcome was the Great Enrichment – disdained on the socialist left and the conservative right – of a thirty- or *one-hundred-fold* increase since 1800 in the real incomes of the poorest among us. The Great Enrichment is nowadays causing in India and China humanity's largest exodus from poverty, and now even in parts of sub-Saharan Africa, such as Botswana.

The cause of the bourgeois betterments was an economic liberation and a sociological dignifying of, say, a barber and wig-maker of Bolton, son of a tailor, messing about with spinning machines, who died in 1792 as Sir Richard Arkwright, possessed of one of the largest bourgeois fortunes in England. The Industrial Revolution and especially the Great Enrichment after it came from the liberation of commoners from compelled service to a hereditary elite, such as the noble lord in the castle, or compelled obedience to a state functionary, such as the economic planner in the capitol. And it came from according honor to the formerly despised of

Bolton – or of Ōsaka, or of Lake Wobegon – commoners exercising their liberty to relocate a factory or invent airbrakes.

In view of the importance of how people talk, the new and even more egalitarian technology, belying the recent pessimism of Robert Gordon and Tyler Cowen, is talk on the internet and the smart phone. As it gets cheaper, and as more minds once wasted in illiteracy and poverty join the Great Conversation, a bourgeois future looms. At a modest world growth rate of 3% per year, easily attainable with economic liberation and sociological dignifying in now tyrannical and hierarchical nations, the real per-capita income in the world, now at about \$33 a day, will quadruple by 2065 (in the year of the Rolling Stones Reunion Tour and North's latest), equal to US income now. Some will get richer faster than others, yet everyone will be much, much richer. Even with widening inequality of wealth and income – we don't think it will happen, but let the Pikettys have their say – there will be, as there has been in Germany and Japan since 1800, radically narrowing inequality of genuine comfort *in consumption*. Everyone will have indoor plumbing, the future cure for malaria, and university educations. Sub-Saharan Africa, with greater genetic variability than the rest of humankind, arising from what geneticists call the founder effect, will produce the new Rumis and Mozarts and Einsteins.

In their 2012 book *Abundance*, Peter Diamandis and Steven Kotler agree that the Great Enrichment is our future, because of the billions of people who will over the next decade or so connect to the internet. Our knowledge of human cognition is as yet of a meager and unsatisfactory kind. But it seems that the more we learn about neurodiversity – anticipated in Hayek's theories of knowledge – and the more spaces online and off we create in which people of all types can thrive in market-tested betterment, the richer we get, literally and figuratively. Online communication is sweet for introverts, and the explosion of internet communities and sub-communities and sub-sub-communities is sweet for people with unusual preferences. Who

would have guessed, for instance, that so many people love *elevators*? Carden wouldn't have before his N-year old son discovered the online Elevator Community on YouTube).

The Arab Spring demonstrated the power of social media, and also, in the face of the government's monopoly of violence, its limits. Yet where previous generations had information sanitized by parents, politicians, preachers, and professors the Generations Y and Z can check it with a few taps on a keyboard. In the virtual world anyone can self-author, self-create, self-politicize. It runs from the mundane (Minecraft videos) to the struggle for human rights – as exemplified by the “My Stealthy Freedom” Facebook page, which has an international following and which is part of an Iranian woman's pushback against compulsory hijab. The internet is even more of an equalizer than the printing of books or the democracy in church governance or the accidentally successful revolts and revolutions of the sixteenth through eighteenth century in northwest Europe. And those, after all, made the modern world.

Watch out, though. It's possible that the internet will be used to bring back the *anti-bourgeois* revolution that spawned nationalism and socialism and (if you like those two, then:) national socialism. Yet we are hopeful that more people will want to emulate Steve Jobs, Elon Musk, and Milton Friedman than Kaiser Wilhelm, Stalin, and Noam Chomsky. Rest easy if the person on the plane next to you is reading on her Kindle *The Art of War* – or even *The Art of the Deal* – in order to become a better manager in a company that specializes in pine straw installation. Lose sleep only if she is reading even these books in order to better lead a revolution against the commercial social order or to make actual, non-metaphorical war, in a program of populism of the left or right.

As Adam Smith said, there is much ruin in a nation, and governments are not getting notably better at managing the people's money. The social-engineering notion that the government's responsibility is to internalize externalities and provide public goods is a mite

better, to be sure, than the frankly extractive notions of earlier times, the Aristocratic Deal: “You honor me, an aristocrat by natural inequality, and give me the liberty to extract rents from you in the first act, and in the second and in all subsequent acts. I forbid you under penalty of death to seek competitive ‘protection.’ By the third act of the zero-sum drama, if you have behaved yourself, and have pulled your forelock or made your curtsy as I ride by, I will not at least have slaughtered you.” As an economic historian put it, reacting in 1971 to the claim by an economic theorist that feudal lords had offered “protection” to peasants, rather similar to the claims of internalizing externalities and providing public goods in recent times, “The possibility that the main, if not the only, danger against which the peasant very frequently was in need of protection was the very lord is not mentioned.” The government are in most countries beyond northern Europe “the very lord.” Look at the unhappy results of the the zero-sum worldview of politicians and pundits, quite sure from the left that foreigners will take our jobs or quite sure from the right that prosperity for some relies on poverty for the many.

Yet with Marx and Engels we remain optimistic that there are enormous productive powers slumbering in the lap of social labor, led by the bourgeoisie, and that with a little luck even the government can’t stop it. We are therefore, like Matt Ridley, rational optimists. One would have expected the Stephen Hawking remark at the beginning of our essay to come from an address to an august non-profit body like the Royal Society. But it comes from a 1994 British Telecom commercial, and was sampled in Pink Floyd’s song “Keep Talking” – which was in turn part of an album that preceded one of the largest and most commercially successful tours of all time. Of such things – commerce and betterment, supported by praise for bourgeois virtues – we urge you: keep on talkin’.

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