

Slouching Towards Utopia
*An Economic History of the Long
Twentieth Century*
J. Bradford DeLong

Basic Books

New York

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*To the next generation: Michael, Gianna,
Brendan, Mary Paty, Matthew, Courtney,
Brian, Barbara, Nicholas, Maria, Alexis,
and Alex.*

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Introduction: My Grand Narrative

What I call the “long twentieth century” started with the watershed-crossing events of around 1870—the triple emergence of globalization, the industrial research lab¹, and the modern corporation²—which ushered in changes that began to pull the world out of the dire poverty that had been humanity’s lot for the previous ten thousand years, since the discovery of agriculture. And what I call the “long twentieth century” ended in 2010, with the world’s leading economic edge, the countries of the North Atlantic, still reeling from the Great Recession that had begun in 2008, and thereafter unable to resume economic growth at anything near the average pace that had been the rule since 1870. The years following 2010 were to bring large system-destabilizing waves of political and cultural anger from masses of citizens, all upset in different ways and for different reasons at the failure of the system of the twentieth century to work for them as they thought that it should.

In between, things were marvelous and terrible, but by the standards of all of the rest of human history much more marvelous than terrible. The one-hundred and forty years 1870-2010 of the long twentieth century were, I strongly believe, the most conse-

¹ Steven Usselman, “Research and Development in the United States since 1900: An Interpretive History”, Economic History Workshop, Yale University, November 11, 2013 https://economics.yale.edu/sites/default/files/usselman_paper.pdf; Thomas P. Hughes, *American Genesis; A Century of Invention and Technological Enthusiasm, 1870-1970*, Chicago: University of Chicago Press, 2004

² Alfred Chandler, *The Visible Hand: The Managerial Revolution in American Business*, Cambridge: Harvard University Press, 1977.

quential years of all humanity's centuries. And it was the first century in which the most important historical thread was what anyone would call the economic one, for it was the century that saw us end our near-universal dire material poverty.

My strong belief that history should focus on the long twentieth century stands in contrast to what others—most notably the Marxist British historian Eric Hobsbawm—have focused on and called the “short twentieth century,” which lasted from the start of World War I in 1914 to the fall of the Soviet Union in 1991.³ Such others tend to see the nineteenth century as the long rise of democracy and capitalism, from 1776 to 1914, and the short twentieth century as one in which really-existing socialism and fascism shake the world.

Histories of centuries, long or short, are by definition grand narrative histories, built to tell the author's desired story. Setting these years, 1914–1991, apart as a century makes it easy for Hobsbawm to tell the story he wants to tell. But it does so at the price of missing much of what I strongly believe is the bigger, more important story. It is the one that runs from about 1870 to 2010, from humanity's success in unlocking the gate that had kept it in dire poverty up to its failure to maintain the pace of the rapid upward trajectory in human wealth that the earlier success had set in motion.⁴

³ Eric Hobsbawm, *Age of Extremes: The Short Twentieth Century, 1914–1991*, London: Michael Joseph, 1984.

⁴ Also seeing a “long” twentieth century as most useful is the keen-sighted and learned Ivan Berend, in *An Economic History of Twentieth-Century Europe: Economic Regimes from Laissez-Faire to Globalization*, Cambridge: Cambridge University Press, 2006.

What follows is my grand narrative, my version of what is the most important story to tell of the history of the twentieth century. It is a primarily economic story. It naturally starts in 1870. I believe it naturally stops in 2010.

As the genius Dr. Jekyll-like Austro-English-Chicagoan moral philosopher Friedrich August von Hayek observed, the market economy crowdsources—incentivizes and coordinates at the grassroots—solutions to the problems it sets.⁵ Back before 1870 humanity did not have the technologies or the organizations to allow a market economy to pose the problem of how to make the economy rich. So even though humanity had had market economies, or at least market sectors within its economies, for thousands of years before 1870, all that markets could do was to find customers for producers of luxuries and conveniences, and make the lives of the rich luxurious and of the middle class convenient and comfortable.

Things changed starting around 1870. Then we got the institutions for organization and research and the technologies—we got full globalization, the industrial research laboratory, and the modern corporation. These were the keys. These unlocked the gate that had previously kept humanity in dire poverty. The problem of making humanity rich could now be posed to the market economy, because it now had a solution. On the other side of the gate, the trail to utopia came into view. And everything else good should have followed from that.

Much good did follow from that.

⁵ Friedrich A. von Hayek, “The Use of Knowledge in Society,” *American Economic Review* 35, no. 4 (September 1945): 519–530.

My estimate—or perhaps my very crude personal guess—of the average worldwide pace of what is at the core of humanity’s economic growth, the proportional rate of growth of my index of the value of the stock of useful ideas about manipulating nature and organizing humans that were discovered, developed, and deployed into the world economy, shot up from about 0.45 percent per year before 1870 to 2.1 percent per year afterward, truly a watershed-boundary crossing difference. A 2.1 percent average growth for the 140 years from 1870 to 2010 is a multiplication by a factor of 21.5. That was very good: the growing power to create wealth and earn an income allowed humans to have more of the good things, the necessities, conveniences, and luxuries of life, and to better provide for themselves and their families. This does not mean that humanity in 2010 was 21.5 times as rich in material-welfare terms as it had been in 1870: there were six times as many people in 2010 as there were in 1870, and the resulting increase in resource scarcity would take away from human living standards and labor-productivity levels. As a rough guess, average world income per capita in 2010 would be 8.8 times what it was in 1870, meaning an average income per capita in 2010 of perhaps \$11,000 per year. (To get the figure of 8.8, you divide 21.5 by the square root of 6.) Hold these figures in your head as a very rough guide to the amount by which humanity was richer in 2010 than it was in 1870—and never forget that the riches were vastly more unequally distributed around the globe in 2010 than they were in 1870.⁶

A 2.1 percent per year growth rate is a doubling every 33 years. That meant that the technological and productivity economic underpinnings of human society in 1903 were profoundly different from those of 1870—underpinnings of industry and globalization

⁶ Hans Rosling *et al.*, *Gapminder*, <http://gapminder.org>; Max Roser *et al.*, *Our World in Data*, https://ourworldindata.org/grapher/globalization-over-5-centuries?country=~OWID_WRL

as opposed to one that was still agrarian and landlord-dominated. The mass-production underpinnings of 1936, at least in the industrial core of the global north, were profoundly different also. But the change to the mass consumption-suburbanization underpinnings of 1969 was as profound, and that was followed by the shift to the information-age microelectronic-based underpinnings of 2002. A revolutionized economy every generation cannot but revolutionize society and politics, and a government trying to cope with such repeated revolutions cannot help but be greatly stressed in its attempts to manage and provide for its people in the storms.

Much good, but much ill also flowed: people can and do use technologies—both the harder ones, for manipulating nature, and the softer ones, for organizing humans—to exploit, to dominate, and to tyrannize. And the long twentieth century saw the worst and most bloodthirsty tyrannies that we know of.

And much that was mixed, both for good and for ill, also flowed. All that was solid melted into air—or rather, all established orders and patterns were steamed away.⁷ Only a small proportion of economic life could be carried out, and was carried out, in 2010 the same way it had been in 1870. And even the portion that was the same was different: even if you were doing the same tasks that your predecessors had done back in 1870, and doing them in the same places, others would pay much less of the worth of their labor-time for what you did or made. As nearly everything economic was transformed and transformed again—as the economy was revolutionized in every generation, at least in those places on the earth

⁷ Karl Marx and Friedrich Engels, *Manifesto of the Communist Party*, London: Communist League, 1848; Jonathan Sperber, *Karl Marx: A Nineteenth-Century Life*, New York: Liveright, 2013; Marshall Berman, *All That Is Solid Melts into Air: The Experience of Modernity*, New York: Verso, 1983.

that were lucky enough to be the growth poles—those changes shaped and transformed nearly everything sociological, political, and cultural.

Suppose we could go back in time to 1870, and tell people then how rich, relative to them, humanity would become by 2010. How would they have reacted? They would almost surely have thought that the world of 2010 would be a paradise, a utopia. People would have 8.8 times the wealth? Surely that would mean enough power to manipulate nature and organize humans that all but the most trivial of problems and obstacles hobbling humanity could be resolved.

But not so. By 2010 it had been 150 years. We did not run to the trail's end and reach utopia. We are still on the trail—maybe, for we can no longer see clearly to the end of the trail or even to wherever the trail we are on is going to lead.

What went wrong?

Well, Hayek may have been a genius, but only the Dr. Jekyll-side of him was a genius. He and his followers were extraordinary idiots as well. They also thought the market alone could do the whole job—or at least all the job that could be done—and commanded humanity to believe in the workings of a system with a logic of its own that mere humans could never fully understand: “The market giveth, the market taketh away; blessed be the name of the market.” They thought that what salvation was possible for humanity would come not through St. Paul of Tarsus’s *solo fide* but through Hayek’s *solo mercato*.⁸

⁸ Friedrich A. von Hayek, “The Pretence of Knowledge,” *Nobel Prize Lecture*, 1974, www.nobelprize.org/prizes/economic-sciences/1974/hayek/lecture.

But humanity objected. The market economy solved the problems that it set itself, but then society did not want those solutions—it wanted solutions to other problems, problems that the market economy did not set itself, and for which the crowdsourced solutions it offered were inadequate.

It was, perhaps, Hungarian-Jewish-Torontonian moral philosopher Karl Polanyi who best described the issue. The market economy recognizes property rights. It sets itself the problem of giving those who own property—or, rather, the pieces of property that it decides are valuable—what they think they want. If you have no property, you have no rights. And if the property you have is not valuable, the rights you have are very thin.

But people think they have other rights—they think that those who do not own valuable property should have the social power to be listened to, and that societies should take their needs and desires into account.⁹ Now the market economy might in fact satisfy their needs and desires. But if it did so, it did so only by accident: only if satisfying them happens to conform to a maximum-profitability test performed by a market economy that is solving the problem of getting the owners of valuable pieces of property as much of what the rich want as possible.¹⁰

So throughout the long twentieth century, communities and people looked at what the market economy was delivering to them and said: “Did we order that?” And society demanded something else. The idiot Mr. Hyde-side of Friedrich von Hayek called it “social justice,” and decreed that people should forget about it: the

⁹ Karl Polanyi, *The Great Transformation*, New York: Farrar and Rinehart, 1944.

¹⁰ Takashi Negishi, “Welfare Economics and Existence of an Equilibrium for a Competitive Economy,” *Metroeconomica* 12, no. 2–3 (June 1960): 92–97.

market economy could never deliver social justice, and to try to rejigger society so that social justice could be delivered would destroy the market economy's ability to deliver what it could deliver—increasing wealth, distributed to those who owned valuable property rights.¹¹

Do note that in this context “social justice” was always only “justice” relative to what particular groups desired: not anything justified by any consensus transcendental principles. Do note that it was rarely egalitarian: it is unjust if those unequal to you are treated equally. But the only conception of “justice” that the market economy could deliver was what the rich might think was just, for the property owners were the only people it cared for. Plus, the market economy, while powerful, is not perfect: it cannot by itself deliver enough research and development, for example, or environmental quality, or, indeed, full and stable employment.¹²

No: “The market giveth, the market taketh away; blessed be the name of the market” was not a stable principle around which to organize society and political economy. The only stable principle had to be some version of “The market was made for man, not man for the market.” But who were the men who counted for whom the market should be made? And what version would be the best making? And how to resolve the squabbles over the answers to those questions?

Throughout the long twentieth century, many others—Karl Polanyi, John Maynard Keynes, Benito Mussolini, and Vladimir Lenin serve as good markers for many of the currents of thought,

¹¹ Friedrich A. von Hayek, *The Mirage of Social Justice: Law, Legislation, and Liberty*, vol. 2, London: Routledge and Kegan Paul, 1976.

¹² Arthur Cecil Pigou, “Welfare and Economic Welfare,” in *The Economics of Welfare*, London: Routledge, 1920, 3–22.

activism, and action—tried to think up solutions. They dissented from the pseudo-classical (for the order of society, economy, and polity as it stood in the years after 1870 was in fact quite new), semi-liberal (for it rested upon ascribed and inherited authority as much as on freedom) order that Hayek and his ilk advocated and worked to create and maintain. They did so constructively and destructively, demanding that the market do less, or do something different, and that other institutions do more. Perhaps the closest humanity got was the shotgun marriage of Hayek and Polanyi blessed by Keynes in the form of post–World War II North Atlantic developmental social democracy. But that institutional set-up failed its own sustainability test. And so we are still on the path, not at its end. And we are still, at best, slouching toward utopia.

* * * *

Return to my claim above that the long twentieth century was the first century in which the most important historical thread was the economic one. That is a claim worth pausing over. The century saw, among much else, two world wars, the Holocaust, the rise and fall of the Soviet Union, the zenith of American influence, and the rise of communist China. How dare I say that these are all aspects of one primarily economic story? Indeed, how dare I say that there is one single most consequential thread?

I do so because we have to tell grand narratives if we are to think at all. Grand narratives are, in the words of that bellwether twentieth-century philosopher Ludwig Wittgenstein, “nonsense.” But, in a sense, all human thought is nonsense: fuzzy, prone to confusions, and capable of leading us astray. And our fuzzy thoughts are the only ways we can think—the only ways we have to progress. If we are lucky, Wittgenstein said, we can “recognize . . . them as nonsensical,” and use them as steps “to climb beyond them

... [and then] throw away the ladder”—for, perhaps, we will have learned to transcend “these propositions” and gained the ability to “see the world aright.”¹³

It is in hopes of transcending the nonsense to glimpse the world aright that I’ve written this grand narrative. It is in that spirit that I declare unhesitatingly that the most consequent thread through all this history was economic.

Before 1870, over and over again, technology lost its race with human fecundity, with the speed at which we reproduce. Greater numbers, coupled with resource scarcity and a slow pace of technological innovation, produced a situation in which most people, most of the time, could not be confident that in a year they and their family members would have enough to eat and a roof over their heads.¹⁴ Before 1870, those able to attain such comforts had to do so by taking from others, rather than by finding ways to make more for everyone (especially because those specializing in producing, rather than taking, thereby become very soft and attractive targets to the specializers in taking).

The ice was breaking before 1870. Between 1770 and 1870 technology and organization gained a step or two on fecundity. But only a step or two. In the early 1870s that British establishment economist, moral philosopher, and bureaucrat John Stuart Mill claimed, with some justification, that “it is questionable if all the

¹³ Ludwig Wittgenstein, *Tractatus Logico-Philosophicus*, London: Kegan Paul, Trench, Trubner, 1921, 89; Jean-François Lyotard, *The Postmodern Condition: A Report on Knowledge*, Minneapolis: University of Minnesota Press, 1984; William Flesch, *Comeuppance: Costly Signaling, Altruistic Punishment, and Other Biological Components of Fiction*, Cambridge, MA: Harvard University Press, 2007.

¹⁴ Greg Clark, *A Farewell to Alms: A Brief Economic History of the World*, Princeton, NJ: Princeton University Press, 2007.

mechanical inventions yet made have lightened the day's toil of any human being."¹⁵ You have to go forward a generation after 1870 before general material progress becomes unquestionable. The ice could then have resolidified—the nineteenth-century technologies of steam, iron, rails, and textiles were approaching their culmination point; moreover, they all depended on hypercheap coal, and the hypercheap coal was being exhausted.

But tell anyone from before the long twentieth century about the wealth, productivity, technology, and sophisticated productive organizations of the world today, and their likely response, as noted above, would be that with such enormous power and wealth in our collective hands we must have built a utopia.

That is in fact what they did tell us. Perhaps the third best-selling novel in the United States in the nineteenth century was *Looking Backward, 2000–1887*, by Edward Bellamy. Bellamy was a populist and—although he rejected the name—a socialist: he dreamed of a utopia created by government ownership of industry, the elimination of destructive competition, and the altruistic mobilization of human energies. Technological and organizational abundance, he believed, would generate a society of abundance. His novel, therefore, was a “literary fantasy, a fairy tale of social felicity,” in which he imagined “hanging in mid-air, far out of reach of the sordid and material world of the present . . . [a] cloud-palace for an ideal humanity.”¹⁶

¹⁵ John Stuart Mill, *Principles of Political Economy, with Some of Their Applications to Social Philosophy*, London: Longmans, Green, Reader, and Dyer, 1873, 516.

¹⁶ Edward Bellamy, *Looking Backward, 2000–1887*, Boston: Ticknor, 1888; Edward Bellamy, “How I Came to Write *Looking Backward*,” *The Nationalist* (May 1889).

He throws his narrator-protagonist forward in time, from 1887 to 2000, to marvel at a rich, well-functioning society. At one point the narrator-protagonist is asked if he would like to hear some music. He expects his hostess to play the piano. This alone would be testament to a vast leap forward. To listen to music on demand in around 1900 you had to have—in your house or nearby—an instrument, and someone trained to play it. It would have cost the average worker some 2,400 hours, roughly a year at a 50-hour workweek, to earn the money to buy a high-quality piano. Then there would be the expense and the time committed to piano lessons.

But Bellamy's narrator-protagonist is awed when his hostess does not sit down at the pianoforte to amuse him. Instead, she "merely touched one or two screws," and immediately the room was "filled with music; filled, not flooded, for, by some means, the volume of melody had been perfectly graduated to the size of the apartment. 'Grand!' I cried. 'Bach must be at the keys of that organ; but where is the organ?'"

He learns that his host has dialed up, on her telephone landline, a live orchestra, and she has put it on the speakerphone. In Bellamy's utopia, you see, you can dial up a local orchestra and listen to it play live. But wait. It gets more impressive. He further learns he has a choice. His hostess could dial up one of four orchestras currently playing.

The narrator's reaction? "If we [in the 1800s] could have devised an arrangement for providing everybody with music in their homes, perfect in quality, unlimited in quantity, suited to every mood, and beginning and ceasing at will, we should have

considered the limit of human felicity already attained.”¹⁷ Think of that: the limit of human felicity.

Utopias are, by definition, the end-all and be-all. “An imagined place or state of things in which everyone is perfect”: so says Oxford Reference.¹⁸ Much of human history has been spent in disastrous flirtations with ideals of perfection of many varieties. Utopian imaginings during the long twentieth century were responsible for its most shocking grotesqueries.

Citing a quotation from the eighteenth-century philosopher Immanuel Kant—“out of the crooked timber of humanity no straight thing was ever made”—the philosopher-historian Isaiah Berlin concluded “and for that reason no perfect solution is, not merely in practice, but in principle, possible in human affairs.”¹⁹

Berlin went on to write, “any determined attempt to produce it is likely to lead to suffering, disillusionment, and failure.” This observation also points to why I see the long twentieth century as most fundamentally economic. For all its uneven benefits, for all its expanding human felicity without ever reaching its limit, for all its manifest imperfections, economics during the twentieth century has worked just shy of miracles.

¹⁷ Bellamy, *Looking Backward*, 152–158.

¹⁸ “Utopia,” Oxford Reference, www.oxfordreference.com/view/10.1093/oi/authority.20110803115009560

¹⁹ This was Berlin’s favorite Kant quotation. See, for example, Isaiah Berlin, “The Pursuit of the Ideal,” Turin: Senator Giovanni Agnelli International Prize Lecture, 1988, https://isaiah-berlin.wolfson.ox.ac.uk/sites/www3.berlin.wolfson.ox.ac.uk/files/2018-09/Bib.196%20-%20Pursuit%20of%20the%20Ideal%20by%20Isaiah%20Berlin_1.pdf; Henry Hardy, “Editor’s Preface,” in Isaiah Berlin, *The Crooked Timber of Humanity: Essays in the History of Ideas*, London: John Murray, 1990.

The consequences of the long twentieth century have been enormous: Today, less than 9 percent of humanity lives at or below the roughly \$2-a-day living standard we think of as “extreme poverty,” down from approximately 70 percent in 1870. And even among that 9 percent, many have access to public health and mobile phone communication technologies of vast worth and power. Today, the luckier economies of the world have achieved levels of per capita prosperity at least twenty times those of 1870, and at least twenty-five times those of 1770—and there is every reason to believe prosperity will continue to grow at an exponential rate in the centuries to come. Today, the typical citizens of these economies can wield powers—of mobility, of communication, of creation, and of destruction—that approach those attributed to sorcerers and gods in ages past. Even the majority of those living in unlucky economies and in the “global south” confront not the \$2- to \$3-a-day living standard of those economies in 1800 or 1870, but an average closer to \$15 a day.

Many technological inventions of the past century have transformed experiences that were rare and valued luxuries—available only to a rich few at great expense—into features of modern life that we take so much for granted that they would not make the top twenty or even the top one hundred in an ordered list of what we think our wealth consists of. So many of us have grown so accustomed to our daily level of felicity that we utterly overlook something astounding. We today—even the richest of us—rarely see ourselves as so extraordinarily lucky and fortunate and happy, even though, for the first time in human history, there is more than enough.

- There are more than enough calories produced in the world, so it is not necessary for anybody to be hungry.

- There is more than enough shelter on the globe, so it is not necessary for anybody to be wet.
- There is more than enough clothing in our warehouses, so it is not necessary for anybody to be cold.
- And there is more than enough stuff lying around and being produced daily, so nobody need feel the lack of something necessary.

In short, we are no longer in anything that we could call “the realm of necessity.” And, as G. W. F. Hegel said, “Seek food and clothing first, and then the Kingdom of God shall be added unto you.”²⁰ So, one would think, we humans ought to be in something recognizably utopian. That we cannot accept this is another consequence of living our lives fully in the stream of economic history. While history fueled by utopian aspirations is an all or nothing proposition, economic history’s successes and failures are most often experienced in the margins.

Which is partly why no full-throated triumphalism over the long twentieth century can survive even a brief look at the political economy of the 2010s: the stepping-back of the United States from its role of good-guy world leader and of Britain from its role as a key piece of Europe; and the rise in North America and Europe of political movements that reject democratic representative consen-

²⁰ G. W. F. Hegel as quoted by John Ganz, “*The Politics of Cultural Despair*,” Substack, April 20, 2021, <https://johnganz.substack.com/p/the-politics-of-cultural-despair>. @Ronald00Address reports that it is from G. W. F. Hegel, *Letter to [Karl Ludwig von] Knebel*, August 30, 1807, Nexus-Mods, www.nexusmods.com/cyberpunk2077/images/15600, quoted in Walter Benjamin, *On the Concept of History*, 1940, translated by Dennis Redmond, August 4, 2001, Internet Archive Wayback Machine, https://web.archive.org/web/20120710213703/http://members.efn.org/~dredmond/Theses_on_History.PDF.

sus politics—movements that former US secretary of state Madeleine Albright has called “fascist” (and who am I to tell her she is wrong?).²¹ Indeed, any triumphalist narrative would collapse in the face of the conspicuous failures over the previous decade by the stewards of the global economy.

Yes, during the years between 1870 and 2010, technology and organization repeatedly lapped fecundity. Yes, a newly richer humanity resoundingly triumphed over tendencies for population to expand and so for greater resource scarcity to offset more knowledge and better technology. But material prosperity is unevenly distributed around the globe to a gross, even criminal, extent. And material wealth does not make people happy in a world where politicians and others prosper mightily from finding new ways to make and keep people unhappy. The history of the long twentieth century cannot be told as a triumphal gallop, or a march, or even a walk of progress along the road that brings us closer to utopia. It is, rather, a slouch. At best.

One reason why human progress toward utopia has been but a slouch is that so much of it has been and still is mediated by the market economy: that Mammon of Unrighteousness. The market economy enables the astonishing coordination and cooperation of by now nearly eight billion humans in a highly productive division of labor. The market economy also recognizes no rights of humans other than the rights that come with the property their governments say they possess. And those property rights are worth something only if they help produce things that the rich want to buy. That cannot be just.

²¹ Madeleine Albright, *Fascism: A Warning*, New York: HarperCollins, 2018.

As I noted above, Friedrich von Hayek always cautioned against listening to the siren song that we should seek justice rather than mere productivity and abundance. We needed to bind ourselves to the mast. Interference in the market, no matter how well intentioned when it started, would send us into a downward spiral. It would put us on a road to, well, some industrial-age variant of serfdom. But Karl Polanyi responded that such an attitude was inhuman and impossible: People firmly believed, above all else, that they had other rights more important than and prior to the property rights that energized the market economy. They had rights to a community that gave them support, to an income that gave them the resources they deserved, to economic stability that gave them consistent work. And when the market economy tried to dissolve all rights other than property rights? Watch out!²²

Slouching, however, is better than standing still, let alone going backward. That is a truism no generation of humanity has ever disputed. Humans have always been inventive. Technological advance has rarely stopped. The windmills, dikes, fields, crops, and animals of Holland in 1700 made the economy of its countryside very different from the thinly farmed marshes of 700. The ships that docked at the Chinese port of Canton had much greater range and the commodities loaded on and off of them had much greater value in 1700 than in 800. And both commerce and agriculture in 800 were far more technologically advanced than they were in the first literate civilizations of 3000 BCE or so.

But before our age, back in the preindustrial Agrarian Age, technological progress led to little visible change over one or even several lifetimes, and little growth in typical living standards even over centuries or millennia.

²² Fred Block, "Introduction," in Karl Polanyi, *Great Transformation*.

Recall my very crude index that tracks the value of humanity's useful ideas about manipulating nature and organizing collective efforts—an index of our “technology,” as economists call it. To calculate it, assume that each 1 percent increase in typical human standards of living worldwide tells us that the value of our useful ideas has risen by 1 percent. That is simply a normalization: I want the index to scale with real income, and not with something else, such as the square root of or the square of income. Also assume that each 1 percent increase in the human population at a constant typical living standard tells us that the value of useful ideas has risen by 0.5 percent—for such an increase is necessary to hold living standards constant in the face of resource scarcities that emerge from a higher population. This is a way of taking account of the fact that, since our natural resources are not unlimited, we depend on added human ingenuity to support a larger population at the same standard of living as we would depend on it to support the same population at a higher standard of living.²³

Set this quantitative index of the global value of useful human knowledge equal to a value of 1 in 1870, at the start of the long twentieth century. Back in the year 8000 BCE, when we discovered agriculture and developed herding, the index stood at 0.04: roughly, and on average across the globe, with the same materials and on the same size farms, it would take twenty-five workers in 8000 BCE to do what one worker could do in 1870. By the year 1, eight thousand years later, this index was 0.25: with the same resources, better “technologies” meant that the typical worker was now more than six times as productive as the typical worker had been back at the beginning of the Agrarian Age—but only one-

²³ See Charles I. Jones, “Paul Romer: Ideas, Nonrivalry, and Endogenous Growth,” *Scandinavian Journal of Economics* 121, no. 3 (2019): 859–883.

quarter as productive as the typical worker of 1870. By the year 1500, the index stood at 0.43, more than 70 percent above the year 1 and a little less than half the value of the year 1870.

These are impressive changes in an index number. They summarize, from the standpoint of those who lived eight thousand years ago, truly miraculous and impressive enlargements of the human empire. Technologies of the year 1500, the Ming pottery or the Portuguese caravel or the wet cultivation of rice seedlings, would have seemed miraculous. But this growth, and the pace of invention, took place over an enormous span of time: technology crawled ahead at only 0.036 percent per year for the entire period between 1 and 1500—that is only 0.9 percent over an average twenty-five-year lifetime of that age.

And did greater knowledge about technology and human organization cause the life in 1500 of a typical person to be much sweeter than it had been in 8000 BCE? It turns out not. The human population grew at an average rate of 0.07 percent per year from year 1 to 1500, and this 0.07 percent per year decrease in average farm size and other available natural resources per worker meant that more skillful work produced little, if any, additional net product on average. While the elite lived far better in 1500 than they had in 8000 BCE or the year 1, ordinary people—peasants and craftsmen—lived little or no better than their predecessors.

Agrarian Age humans were desperately poor: it was a subsistence-level society. On average, 2.03 children per mother survived to reproduce. A typical woman (who was not among the one in seven who died in childbirth, or the additional one in five who died before her children were grown, sometimes from the same contagious diseases to which her children succumbed) would have spent perhaps twenty years eating for two: she would have had

perhaps nine pregnancies, six live births, and three or four children surviving to age five, and the life expectancy of her children remained under, and perhaps well under, thirty.²⁴

Keeping your children from dying is the first and highest goal of every parent. Humanity in the Agrarian Age could not do so at all reliably. That is an index of how much pressure from material want humanity found itself under.

Over the millennia, 1.5 percent average population growth per generation added up, however. In 1500 there were about three times as many people as there had been in year 1—500 million rather than 170 million. Additional humans did not translate to less individual material want. As of 1500, advances in technological and organizational knowledge went to compensate for fewer natural resources per capita. Thus economic history remained a slowly changing background in front of which cultural, political, and social history took place.

The ice started to groan and shift after 1500. Or perhaps a better metaphor is crossing a divide and entering a new watershed—you are now going downhill, and things are flowing in a new direction. Call this shift the coming of the age of the “Imperial-Commercial Revolution.” The pace of inventions and innovation sped up. And then, in around 1770, the ice was cracking as we crossed into yet a different watershed, as far as the level of worldwide prosperity and the pace of global economic growth was concerned: call the century after 1770 the coming of the age of the “Industrial Revolution.” By 1870 the index of the value of knowledge stood at 1, more than twice as large as in 1500. It had taken 9,500 years to get the tenfold jump from 0.04 to 0.43—an average

²⁴ Clark, *Farewell*, 91–96.

time-to-double of some 2,800 years—and then the next doubling took less than 370 years.

But did this mean a richer, more comfortable humanity in 1870? Not very much. There were then in 1870 1.3 billion people alive, 2.6 times as many as there had been in 1500. Farm sizes were only two-fifths as large, on average, as they had been in 1500, canceling out the overwhelming bulk of technological improvement, as far as typical human living standards were concerned.

Around 1870 we crossed over another divide into yet another new watershed: the age Simon Kuznets called an era of “modern economic growth.”²⁵ During the period that would follow, the long twentieth century, there came an explosion.

The approximately 7 billion people in 2010 had a global value of knowledge index of 21. Pause to marvel. The value of knowledge about technology and organization had grown at an average rate of 2.1 percent per year. Since 1870, the technological capability and material wealth of humankind had exploded beyond previous imagining. By 2010, the typical human family no longer faced as its most urgent and important problem the task of acquiring enough food, shelter, and clothing for the next year—or the next week.

From the techno-economic point of view, 1870–2010 was the age of the industrial research lab and the bureaucratic corporation. One gathered communities of engineering practice to supercharge economic growth, the other organized communities of competence to deploy the fruits of invention. It was only slightly

²⁵ Simon Kuznets, *Modern Economic Growth: Rate, Structure, and Spread*, New Haven, CT: Yale University Press, 1966.

less the age of globalization: cheap ocean and rail transport that destroyed distance as a cost factor and allowed humans in enormous numbers to seek better lives, along with communications links that allowed us to talk across the world in real time.

The research laboratory, the corporation, and globalization powered the wave of discovery, invention, innovation, deployment, and global economic integration that have so boosted our global useful-economic-knowledge index. Marvel still. In 1870 the daily wages of an unskilled male worker in London, the city then at the forefront of world economic growth and development, would buy him and his family about 5,000 calories worth of bread. That was progress: in 1800, his daily wages would have bought him and his family perhaps 4,000 coarser-bread calories, and in 1600, some 3,000 calories, coarser still. (But isn't coarser, more fiber-heavy bread better for you? For us, yes—but only for those of us who are getting enough calories, and so have enough calories to give us the energy to do our daily work and then worry about things like fiber intake. In the old days, you were desperate to absorb as many calories as possible, and for that, whiter and finer bread was better.) Today, the daily wages of an unskilled male worker in London would buy him 2.4 million wheat calories: nearly five hundred times as much as in 1870.

From the bio-sociological point of view, this material progress meant that the typical woman no longer needed to spend twenty years eating for two—pregnant or breastfeeding. By 2010, it was more like four years. And it was also during this century that we became able, for the first time, to prevent more than half our

babies from dying in miscarriages, stillbirths, and in infancy—and to prevent more than a tenth of mothers from dying in childbirth.²⁶

From the nation-and-political point of view, the wealth creation and distribution drove four things, of which the first was by far the most important: 1870–2010 was the century when the United States became a superpower. Second, it was during this period that the world came to be composed primarily of nations rather than empires. Third, the economy’s center of gravity came to consist of large oligopolistic firms ringmastering value chains. Finally, it made a world in which political orders would be primarily legitimated, at least notionally, by elections with universal suffrage—rather than the claims of plutocracy, tradition, “fitness,” leadership charisma, or knowledge of a secret key to historical destiny.

Much that our predecessors would have called “utopian” has been attained step by step, via economic improvements year by year, each of which is marginal, but which compound.

Yet, as of 1870, such an explosion was not foreseen, or not foreseen by many. Yes, 1770–1870 did see, for the first time, productive capability begin to outrun population growth and natural resource scarcity. By the last quarter of the nineteenth century, the average inhabitant of a leading economy—a Briton, a Belgian, a Dutchman, an American, a Canadian, or an Australian—had perhaps twice the material wealth and standard of living of the typical inhabitant of a preindustrial economy.

Was that enough to be a true watershed?

²⁶ Edward Shorter and Lawrence Shorter, *A History of Women’s Bodies*, New York: Basic Books, 1982. Consider that one in seven of the queens and heiresses apparent of England between William I of Normandy and Victoria of Hanover died in childbed.

Back in the early 1870s, John Stuart Mill put the finishing touches on the final edition of the book that people seeking to understand economics then looked to: *Principles of Political Economy, with Some of Their Applications to Social Philosophy*. His book gave due attention and place to the 1730–1870 era of the British Industrial Revolution. But he looked out on what he saw around him, and saw the world still poor and miserable. Far from lightening humanity’s daily toil, the era’s technology merely “enabled a greater population to live the same life of drudgery and imprisonment, and an increased number of manufacturers and others to make fortunes.”²⁷

One word of Mill’s stands out to me: “imprisonment.”

Yes, Mill saw a world with more and richer plutocrats and a larger middle class. But he also saw the world of 1871 as not just a world of drudgery—a world in which humans had to work long and tiring hours. He saw it not just as a world in which most people were close to the edge of being desperately hungry, not just a world of low literacy—where most could only access the collective human store of knowledge, ideas, and entertainments partially and slowly. The world Mill saw was a world in which humanity was imprisoned: in a dungeon, chained and fettered.²⁸ And Mill saw only one way out: if the government were to take control of human fecundity and require child licenses, prohibiting those who could not properly support and educate their children from reproducing, only then—or was he thinking “if”?—would mechanical inven-

²⁷ Mill, *Principles*, 516.

²⁸ Opposed, drawing a line in the sand between good “negative liberty” and not-so-good “positive liberty,” is Isaiah Berlin, “Two Concepts of Liberty,” in *Four Essays on Liberty*, Oxford: Oxford University Press, 1969. Mill did not buy that pig-in-a-poke.

tions wreak the “great changes in human destiny, which it is in their nature and in their futurity to accomplish.”²⁹

And there were others who were much more pessimistic than even Mill. In 1865, then thirty-year-old British economist William Stanley Jevons made his reputation by prophesying doom for the British economy: it needed to immediately cut back on industrial production in order to economize on scarce and increasingly valuable coal.³⁰

With so much pessimism circulating, the coming explosion in economic growth was far from expected—but it would also be dangerously misconstrued by some.

Karl Marx and Friedrich Engels had in 1848 already seen science and technology as Promethean forces that would allow humanity to overthrow its (mythical) old gods and give humanity itself the power of a god. Science, technology, and the profit-seeking entrepreneurial business class that deployed it had, they said,

during its rule of scarce one hundred years, . . . created more massive and more colossal productive forces than have all preceding generations together. Subjection of Nature’s forces to man, machinery, application of chemistry to industry and agriculture, steam-navigation, railways, electric telegraphs, clearing of whole continents for cultivation, canalisation of rivers, whole populations conjured out of the ground—what earlier century had even a pre-sentiment that such productive forces slumbered in the lap of social labour?³¹

²⁹ Mill, *Principles*, 516.

³⁰ William Stanley Jevons, *The Coal Question: An Enquiry Concerning the Progress of the Nation, and the Probable Exhaustion of Our Coal-Mines*, London: Macmillan, 1865.

³¹ Marx and Engels, *Manifesto*, 17.

Engels snarked that in overlooking the power of science, technology, and engineering, mere economists (such as Mill) had demonstrated that they were little more than the paid hacks of the rich.³²

But Marx and Engels's promise was not that there would someday be enough to eat, or enough shelter, or enough clothing for the masses, let alone an exponential increase in the value of global knowledge, or even a nearly unlimited choice of music to listen to. Slouching, galloping economic growth was but a necessary paroxysm on the way to utopia. Their promise was utopia. In Marx's few and thin descriptions of life after the socialist revolution, in works such as his *Critique of the Gotha Program*, the utopian life he foresaw echoed—deliberately, but with what authorial intent?—the descriptions in the Acts of the Apostles of how people who had attained the Kingdom of Heaven behaved: each contributed “according to his ability” (Acts 11:29), and each drew on the common, abundant store “according to his needs” (4:35).³³ Perhaps he kept these descriptions rare and without detail because they differed so little from what Mill envisioned: an end to the imprisonment and drudgery of poverty, a society in which all people could be truly free.

However, economic improvement, attained by slouch or gallop, matters.

How many of us today could usefully find our way around a kitchen of a century ago? Before the coming of the electric cur-

³² Friedrich Engels, “Outlines of a Critique of Political Economy,” *German-French Yearbooks*, 1844.

³³ Karl Marx, *Critique of the Gotha Program*, in *Marx/Engels Selected Works*, vol. 3, Moscow: Progress Publishers, 1970 [1875], 13–30, available at Marxists Internet Archive, www.marxists.org/archive/marx/works/1875/gotha.

rent and the automatic washing machine, doing the laundry was not an annoying, minor chore but instead a major part of the household's—or rather the household's women's—week. Today few among us are gatherers, or hunters, or farmers. Hunting, gathering, farming, along with herding, spinning and weaving, cleaning, digging, smelting metal, and shaping wood—indeed, assembling structures by hand—have become the occupations of a small and dwindling proportion of humans. And where we do have farmers, herdsmen, manufacturing workers, construction workers, and miners, they are overwhelmingly controllers of machines and increasingly programmers of robots. They are no longer people who manufacture, who make or shape things with their hands.

What do modern people do instead? Increasingly, we push forward the body of technological and scientific knowledge. We educate each other. We doctor and nurse each other. We care for our young and our old. We entertain each other. We provide other services for each other, so that we can all take advantage of the benefits of specialization. And we engage in complicated symbolic interactions that have the emergent effect of distributing status and power and coordinating the division of labor of today's economy that encompassed 7 billion people in 2010.

Over the course of the long century we have crossed a great divide, between what we used to do in all of previous human history and what we do now. Utopia, it is true, this is not. I imagine Belamy would be at once impressed and disappointed.

The economic historian Richard Easterlin helps explain why. The history of the ends humans pursue, he suggests, demonstrates that we are ill suited for utopia. With our increasing wealth, what used to be necessities become matters of little concern—perhaps even beyond our notice. But conveniences turn into necessi-

ties. Luxuries turn into conveniences. And we humans envision and then create new luxuries.³⁴

Easterlin, bemused, puzzled over how “material concerns in the wealthiest nations today are as pressing as ever, and the pursuit of material needs as intense.” He saw humanity on a hedonic treadmill: “Generation after generation thinks it needs only another ten or twenty percent more income to be perfectly happy. . . . In the end, the triumph of economic growth is not a triumph of humanity over material wants; rather, it is the triumph of material wants over humanity.” We do not use our wealth to overmaster our wants. Rather, our wants use our wealth to continue to overmaster us. And this hedonic treadmill is one powerful reason why, even when all went very well, we only slouched rather than galloped toward utopia.

Nevertheless, getting off the treadmill looks grim. Only a fool would wittingly or ignorantly slouch or gallop backward to near-universal dire global poverty.

* * * *

Let me remind you, again, that what follows is a grand narrative. Of a necessity, I spend chapters on what others have spent books, indeed multiple volumes, describing. In pursuit of big themes, details necessarily suffer. Moreover, I will, as needed—which will be often—“pull up the roots” and jump far back in time to identify and quickly trace an influential origin story, for we cannot do other than think in narrative terms. What happened in 1500, say, had consequences for what happened in 1900. Details, gray areas, controversies, historical uncertainties—they suffer, they suffer greatly,

³⁴ Richard Easterlin, *Growth Triumphant: The Twenty-First Century in Historical Perspective*, Ann Arbor: University of Michigan, 2009, 154.

but they suffer for a purpose. To date, we humans have failed to see the long twentieth century as fundamentally economic in its significance—and consequently we have failed to take from it all the lessons we must. We have drawn lessons aplenty from the myriad political, military, social, cultural, and diplomatic histories of these decades. But the economic lessons are no less pressing, and, in fact, are more pressing.

The source of all, from which all else flows, was the explosion of material wealth that surpassed all precedent: the long twentieth century saw those of us who belong to the upper middle class, and who live in the industrial core of the world economy, become far richer than the theorists of previous centuries' utopias could imagine. From this explosion flowed five important processes and sets of forces that will constitute the major themes of this book:

- **History became economic:** Because of the explosion of wealth, the long twentieth century was the first century ever in which history was predominantly a matter of economics: the economy was the dominant arena of events and change, and economic changes were the driving force behind other changes, in a way never seen before.
- **The world globalized:** As had never been the case before, things happening on other continents became not just minor fringe factors but among the central determinants of what happened in every single place human beings lived.
- **The technological cornucopia was the driver:** Enabling the enormous increase in material wealth—its essential prerequisite, in fact—was the explosion in human technological knowledge. This required not just a culture and educational system that created large numbers of scientists and engineers, and means of communication and memory, so that they could build

on previous discoveries, but also a market economy structured in such a way that it was worth people's while to funnel resources to scientists and engineers so that they could do their jobs.

- **Governments mismanaged, creating insecurity and dissatisfaction:** The governments of the long twentieth century had little clue as to how to regulate the un-self-regulating market to maintain prosperity, to ensure opportunity, or to produce substantial equality.
- **Tyrannies intensified:** The long twentieth century's tyrannies were more brutal and more barbaric than those of any previous century—and were, in strange, complicated, and confused ways, closely related to the forces that made the explosion of wealth so great.

I write this book to engrave these lessons on our collective memories. The only way I know how is to tell you the story, and the sub-stories.

The place to start is in the year 1870, with humanity still ensorcelled, so that better technology meant not higher living standards for the typical human, but rather, more people and more resource scarcity that ate up nearly all, if not all, of the potential for material human betterment. Humanity was then still under the spell of a Devil: the Devil of Thomas Robert Malthus.³⁵

³⁵ Thomas Robert Malthus, *First Essay on Population*, London: Macmillan, 1926 [1798], Internet Archive, <https://archive.org/details/b31355250>. The phrase “Malthus had disclosed a Devil” is from John Maynard Keynes, *The Economic Consequences of the Peace*, London: Macmillan, 1919, 8.

Conclusion. Are We Still Slouching Towards Utopia?

In 1870 humanity shifted. The coming of the industrial research lab, the modern corporation, and truly cheap ocean and land transport and communication shifted humanity from a world in which the patterns of the economy were a semi-stable backdrop of grinding mass poverty to one in which the economy was constantly revolutionizing itself into states of increasing prosperity via the discovery, development, and deployment of new technologies, in a Schumpeterian process of creative destruction, doubled humanity's potential productive power each generation. And in the years that followed the foundations and underpinnings of society were repeatedly shaken and fractured. Long centuries like the one from 1870 to 2010 are, obviously, made up of many, many moments. The twentieth century's important moments were set in motion by this creative destruction and the corresponding shaking and fracturing. Here are two moments I see as important. Both come from about the long twentieth century's midpoint:

The first moment occurred in 1930 when John Maynard Keynes gave his speech "Economic Possibilities for Our Grandchildren" (quoted in Chapter 7), in which he concluded that economic problems were not humanity's most "permanent problem," but that instead, once our economic problems were solved, the real difficulty would be "how to use . . . freedom from pressing economic cares . . . to live wisely and agreeably and well." I will address the significance of these comments later in this conclusion.

The second important moment was nearly contemporaneous. It was when Franklin Delano Roosevelt took hold of the US government, broke the gridlock in US politics, and started to experiment with ways to solve the economic problem of the Great Depression.

The day after his inauguration in March 1933 FDR forbade the export of gold and declared a bank holiday. Within four days the House and Senate had convened, and the House unanimously passed Roosevelt's first bill, a banking reform bill, the Emergency Banking Act, that arranged for the reopening of solvent banks, as well as the reorganization of other banks, and gave Roosevelt complete control over gold movements. The second bill Roosevelt submitted to Congress also passed immediately. It was the Economy Act, cutting federal spending and bringing the budget closer to balance. The third was the Beer and Wine Revenue Act, a precursor to an end to Prohibition—the repeal of the constitutional amendment banning the sale of alcohol. On March 29 he called on Congress to regulate financial markets. On March 30 Congress established Roosevelt's Civilian Conservation Corps. On April 19 Roosevelt took the United States off of the gold standard. On May 12 Congress passed Roosevelt's Agricultural Adjustment Act. On May 18 Roosevelt signed the Tennessee Valley Authority Act creating the first large government-owned utility corporation in the United States. Also on May 18, he submitted to Congress the centerpiece of his first hundred days: the National Industrial Recovery Act (NIRA). All factions within the newly constituted administration won something in the legislation: Businesses won the ability to collude—to draft “codes of conduct” that would make it easy to maintain relatively high prices, and to “plan” to match capacity to demand. Socialist-leaning planners won the requirement that the government—through the National Recovery Administration (NRA)—approve the industry-drafted plans. Labor won the right

to collective bargaining and the right to have minimum wages and maximum hours incorporated into the industry-level plans. Spenders won some \$3.3 billion in public works.

And so the First New Deal entailed a strong “corporatist” program of joint government-industry planning, collusive regulation, and cooperation; strong regulation of commodity prices for the farm sector and other permanent federal benefits; a program of building and operating utilities; huge amounts of other public works spending; meaningful federal regulation of financial markets; insurance for small depositors’ bank deposits along with mortgage relief and unemployment relief; a commitment to lower working hours and raise wages (resulting in the National Labor Relations Act of 1935, or Wagner Act); and a promise to lower tariffs (fulfilled in the Reciprocal Tariff Act of 1935).

The NIRA, plus the devaluation of the dollar, did break the back of expectations of future deflation. The creation of deposit insurance and the reform of the banking system did make savers willing to trust their money to the banks again and began the re-expansion of the money supply. Corporatism and farm subsidies did spread the pain. Taking budget balance off the agenda helped. Promising unemployment and mortgage relief helped. Promising public works spending helped. All these policy moves kept things from getting worse. They certainly made things somewhat better immediately and substantially better soon thereafter.

But aside from devaluation, monetary expansion, an end to expectations of deflation, and an end to pressure for more fiscal contraction, what was the effect of the rest of Roosevelt’s “first one hundred days”? It is not clear whether the balance sheet of the rest of that period is positive or negative. A full-fledged policy of monetary inflation and mammoth fiscal deficits that might have pulled

the country out of the Great Depression quickly—that did pull Hitler’s Germany out of the Great Depression quickly—was not really tried. Consumers complained that the National Recovery Administration raised prices. Workers complained that it gave them insufficient voice. Businessmen complained that the government was telling them what to do. Progressives complained that the NRA created monopoly. Spenders worried that collusion among businesses raised prices, reduced production, and increased unemployment. Hoover and his ilk declared that if FDR had only done as Hoover had been doing, everything would have been better sooner.

In the face of such criticism Roosevelt kept trying different things. If business-labor-government “corporatism” did not work—and was blocked by the mostly Republican-appointed Supreme Court—perhaps a safety net would. The most enduring and powerful accomplishment of the New Deal was to be the Social Security Act of 1935, which provided federal cash assistance for widows, orphans, children without fathers in the home, and the disabled and established a near-universal system of federally funded old-age pensions. If pushing up the dollar price of gold did not work well enough, perhaps strengthening the union movement would: the Wagner Act set down a new set of rules for labor-management conflict and strengthened the union movement, paving the way for a wave of unionization in the United States that survived for half a century. Massive public works and public employment programs restored some self-esteem to workers and transferred money to households without private-sector jobs—but at the probable price of some delay in recovery, as firms and workers saw higher taxes.

Other policies were tried: Antitrust policy and the breaking-up of utility monopolies. A more progressive income tax. A hesitant embrace of deficit spending—not just as an unavoidable tem-

porary evil but as a positive good. As the decade came to an end, Roosevelt's concerns necessarily shifted to the forthcoming war in Europe and to the Japanese invasion of China. Dr. New Deal was replaced by Dr. Win the War. In the end the programs of the Second New Deal probably did little to cure the Great Depression in the United States.¹ But they did turn the United States into a modest European-style social democracy.

Much followed of consequence. That Franklin Roosevelt was center-left rather than center-right, that the length of the Great Depression meant that institutions were shaped by it in a durable sense, and that the United States was the world's rising superpower, and the only major power not crippled to some degree by World War I—all these factors made a huge difference. After World War II, it had the power and the will to shape the world outside the Iron Curtain. It did so. And that meant the world was to be reshaped in a New Deal rather than a reactionary or fascist mode.

Keynes and Roosevelt are useful reminders that the fact of individuals acting in particular ways at precise moments, not just thinking thoughts but finding themselves with opportunities to make those thoughts influential, matters profoundly. Even in grand narratives.

* * * *

¹ John Maynard Keynes wrote two important letters to Roosevelt in the 1930s, both pleading for him to be more Keynesian: to spend less energy on social democratic structural reform, and more on simply returning to full employment. See John Maynard Keynes, "An Open Letter to President Roosevelt," *New York Times*, December 31, 1933, www.nytimes.com/1933/12/31/archives/from-keynes-to-roosevelt-our-recovery-plan-as-sayed-the-british.html; John Maynard Keynes to President Franklin Roosevelt, February 1, 1938, facsimile on my website at <https://delong.typepad.com/19380201-keynes-to-roosevelt.pdf>.

Many—most prominently British communist historian Eric Hobsbawm²—take Lenin’s Bolshevik coup and Stalin’s subsequent construction of really-existing socialism as the axis on which twentieth-century history turns. Under this interpretation, the main thread of twentieth-century history covers the period 1917–1990 and recounts the three-cornered struggle of liberal quasi-democratic capitalism, fascism, and really-existing socialism. Perhaps this story is an epic: the good guys win. But for Hobsbawm, this story is tragic: really-existing socialism was humanity’s last best hope; though crippled by the circumstances of its birth, still it grew strong enough to rescue the world from fascism, but then it decayed, and its dissolution closed off the true road to a socialist utopia. In short, the bad—but not the worst—guys win.

I do not take this view.

In some sense, I am more optimistic. I see the build-out of technology and organization and the development of better ways to manage modern economies as more important things to focus on than faction fights within the post-1917 Kremlin. But as nearly everyone in the world today is keenly aware, the struggle for human liberty and prosperity has not been decisively and permanently won.

Thus I see the history of the long twentieth century as primarily the history of four things—technology-fueled growth, globalization, an exceptional America, and confidence that humanity could at least *slouch* toward utopia as governments could solve political-economic problems. And even that slouch was going to be done at uneven, unequal, and unfair rates, depending on skin tone and gender. Still, twice in that long century, 1870–1914 and 1945–

² Eric Hobsbawm, *Age of Extremes: The Short Twentieth Century, 1914–1991*, London: Michael Joseph, 1984.

1975, something every preceding generation would have called near-utopia came nearer, rapidly. But these generation-long episodes of economic El Dorados were not sustained. Individuals, ideas, and opportunities help explain why.

Before 1870, only wild optimists had any confidence that humanity might have a path to utopia—and even for them, the path was a rugged road requiring massive transformations of human society and psychology.

One such utopian was Karl Marx. He and his close associate Friedrich Engels, writing in 1848, theorized that they were in the midst of what they called the *bourgeois epoch*—a time when private property and market exchange served as fundamental organizing principles in human society, creating powerful incentives for scientific research and engineering development, and spurring business investment to deploy marvels of technology to amplify human productivity beyond previous imaginings. Marx and Engels saw the interrelated phenomena that defined this bourgeois epoch as both Redeemer and Satan. They were Redeemer insofar as they created the possibility of a wealthy society in which people could, cooperatively, do what they wanted to live full lives. But at the same time, their Satanic workings kept impoverished and even further impoverished the overwhelming majority of humanity, and would in the end force them into a more bitter state of slavery than before. For Marx the path to utopia required the descent of humanity into an Industrial Inferno, for only that could trigger it to call forth the descent from Heaven of a New Jerusalem, in the form of a communist revolution and the total overthrow of the existing order of society. But to believe that that path was there, and that humanity was certain to walk it—that required great confidence that

things hoped for had solid substance, and that things not seen were truly in evidence.³

Another relative optimist, John Stuart Mill, anticipated a lesser utopia that would require less of an overthrow. Mill was an ardent believer in freedom, individual initiative, science, and technology—but he was also deeply fearful of the Malthusian dilemma. The inventions of science and the deployment of technology would create fortunes for the rich and expand the numbers of comforts of the middle class, but the great majority of humanity would remain working class and continue to live lives of drudgery and imprisonment. Mill saw only one out: government would have to control human fertility via mandatory birth control.⁴ Then all could be well.

But Marx's and Mill's rather-odd optimisms made them somewhat outliers in their day, not in that their optimisms were odd but that they were optimistic at all. Back in 1870, there was great reason to doubt that social equality, individual liberty, political democracy, and general let alone abundant wealthy prosperity were in the future. The United States had just narrowly survived a bloody civil war that had killed 750,000 men, one-twelfth of its adult white male population. Typical standards of living were still gravely impoverished. Most people were stunted, by our standards, and often hungry and illiterate.

³ Hebrews 11:1.

⁴ John Stuart Mill, *Principles of Political Economy, with Some of Their Applications to Social Philosophy*, London: Longmans, Green, Reader, and Dyer, 1873, 455. In Mill's view, the uneducated working class could not be judicious, and yet only after utopia had been approached would the resources *per capita* exist to properly educate the working class.

Did Marx and Mill see the trends of their day more clearly than others? Or were they simply lucky in seeing something of the magnitude of forthcoming material wealth and the possibilities that material wealth might deliver for humanity? Humanity had been shaking the portcullis before 1870. And in 1870 a few major changes broke the lock. The coming of the industrial research lab, of the modern corporation, and of globalization opened up, for the first time in human history, the opportunity to solve our problems of material want. Moreover, at that moment, humanity was lucky enough to have an about-to-be-global market economy. As the genius Friedrich von Hayek keenly observed, the market economy crowdsources—incentivizes and coordinates—solutions to the problems that it sets itself. After 1870 it could solve the problem of providing those with control over valuable property resources with an abundance of the necessities, conveniences, and luxuries they wanted and believed they needed.

Thus the trail to human material abundance, and to utopia, became visible and walkable—or runnable. And everything else should have followed from that. Much has. By 1914 the prevailing pessimism of 1870 appeared old-fashioned, if not completely wrong. The intervening years had truly been, for the world, an extraordinary episode in the economic progress of humanity. And there was every reason to think it would continue: it seemed we could look forward to a genuine utopia of abundance, a future in which further scientific discoveries would be developed in the world's industrial research laboratories, and then spread worldwide into the globalized economy by modern corporations.

But then World War I came. And afterward it was clear that what the optimistic had regarded as aberrant and scandalous was the rule, and that deep trouble could not be avoided. People were not satisfied with what the market economy offered them. Gov-

ernments proved incapable of managing economies to preserve stability and guarantee year-to-year growth. Sometimes populations with democracy threw it away to authoritarian demagogues. Other times, the rich and the top military professionals of the world decided that domination was in fact worth trying. Technology and organization enabled tyrannies of unprecedented magnitude, and economic disparities—both between and within countries—grew and grew. The demographic transition to low fertility and low population growth was rapid, but not rapid enough to prevent the twentieth-century population explosion, with its additional stresses on and transformations of societal order.

Throughout this process, the global south was falling further and further behind—growing, on average, but not catching up, as decade upon decade saw it with less manufacturing and thus less in relative terms of an engineering and science community on which to build up its economy's productive-knowledge stock. Outside of two charmed circles—the group of Marshall Plan aid recipients, and those clinging to the Pacific Rim of Asia—the global south did not even begin to right itself, in the sense of starting to grow faster than the global north, and so even taking the first step toward catching up, rather than falling further behind, until more than a decade after the 1979 neoliberal turn. Those that did worst were those unlucky enough to be ensorcelled by the spell of Lenin, and thus took the really-existing socialist road from 1917 to 1990.

The global north was lucky enough to re-find after World War II what it thought was the path to utopia. The pace of economic growth during the Thirty Glorious Years that followed made, by its end in the 1970s, people dizzy with success: expecting more, and tremendously upset at what seem in retrospect to be relatively minor speedbumps and roadblocks. But mere rapid growth did not satisfy those of a right-wing temperament, who felt that a prosperi-

ty that was shared too equally was unfair, and degrading. And mere rapid growth did not satisfy those of a left-wing temperament, either, for they felt that the problems that the market, even tweaked and managed by social democrats, solved did not produce even a partial version of the utopia they sought. And so the world took its neoliberal turn. But the neoliberal policy prescriptions did not produce a slouching toward utopia that was more rapid in any sense.

From 1870 to 2010 was 140 years. Who back in 1870, poor as humanity was then, would have thought that by 2010 humanity would have the ability to provide each person with more material resources than could have been imagined in 1870? And who would have thought that with those resources humanity would be unable to use them to build a close approximation to a true utopia?

Recall that, back at the beginning of this book and of the long twentieth century, Edward Bellamy had thought that the power to dial up any one of four live orchestras and put it on the speakerphone would carry us to “the limit of human felicity.” There was only one person in Britain in the early 1600s who could watch a theatrical entertainment about witches in his home: King James I—and that was only if Shakespeare and company currently had *Macbeth* in repertory. There was one thing that Nathan Mayer Rothschild, the richest man in the first half of the 1800s, wanted in 1836: a dose of antibiotics, so that he would not die in his fifties of an infected abscess. Today we not only can produce the sorts of things that were produced in 1870 with remarkably less human effort, but can easily produce conveniences (that we now regard as necessities), former luxuries (that we now regard as conveniences), and things that previously could not have been produced at any price. Does saying that we are more than ten times richer than our 1870 predecessors really capture that sea-change in a satisfactory way?

Yet we found as of 2010 that we had not run to the utopian trail's end. Moreover, for us the end of the utopian trail was no longer visible, even if we had previously thought that it was.

Driving it all, always in the background and often in the foreground, were the industrial research labs discovering and developing things, the large corporations developing and deploying them, and the globalized market economy coordinating it all. But in some ways the market economy was more problem than solution. It recognized only property rights, and people wanted Polanyian rights: rights to a community that gave them support, to an income that gave them the resources they deserved, and to economic stability that gave them consistent work. And for all the economic progress that was achieved during the long twentieth century, its history teaches us that material wealth is of limited use in building utopia. It is an essential prerequisite, but far from sufficient. And this is where Keynes's comment about the most permanent problem being how "to live wisely and agreeably and well" comes in once again. His speech was an important moment because he perfectly expressed what the essential difficulty has proved to be.

Of the four freedoms that Franklin Roosevelt thought ought to be every person's birthright—freedom of speech, freedom of worship, freedom from want, and freedom from fear⁵—only freedom from want is secured by material wealth. The others remain to be secured by other means. What the market taketh and giveth can, and often is, overshadowed by hopes and fears arising out of other wants and needs.

⁵ "Transcript of President Franklin Roosevelt's Annual Message (*Four Freedoms*) to Congress," January 6, 1941, Our Documents, www.ourdocuments.gov/doc.php?flash=false&doc=70&page=transcript.

The shotgun marriage of Friedrich von Hayek and Karl Polanyi, blessed by John Maynard Keynes, that helped raise the post–World War II North Atlantic developmental social democracy was as good as we have so far gotten. But it failed its own sustainability test, partly because a single generation of rapid growth raised the bar high, and partly because Polanyian rights required stability, the treating of equals equally, and the treating of perceived unequals unequally in ways in which neither the Hayekian-Schumpeterian market economy of creative destruction nor the Polanyian social democratic society of universal egalitarian social insurance rights could ever deliver.

In the decades around 2000, there were four developments that together brought to an end the timespan of the long twentieth century, and that together might mark the end of humanity’s time slouching toward utopia. The first came in 1990, when the highly innovative and productive industries of Germany and Japan successfully challenged the United States’ technological edge, undermining the underpinnings of American exceptionalism. The second was 2001, when forms of fanatic religious violence that we all thought had been in retreat for centuries flamed up again, and pundits scratched their chins and opined about a “war of civilizations”—but there was no such thing. The third was the Great Recession, which began in 2008, when it became clear that we had forgotten the Keynesian lessons of the 1930s, and lacked either the capacity or the will to do what was necessary. The fourth was the world’s failure during the period from roughly 1989 (when the science became clear) to the present to act decisively to combat global warming. History after the confluence of these events looks notably distinct from history before, as if it requires a new and different grand narrative to make sense of it.

That the long twentieth century was over by 2010 and would not be revived was confirmed by the rupture that came next, on November 8, 2016, when Donald Trump won that year's presidential election. In that moment, it became clear that each of the four defining developments of the long twentieth century could not be restored. Economic growth in the North Atlantic had slipped substantially—if not all the way to the pre-1870 slower pace, a substantial part of the way. Globalization was definitely in reverse: it had few public advocates, and many enemies.

Plus, people elsewhere—rightly—no longer saw the United States as an exceptional country, or the US government as a trustworthy leader on the world stage. Those judgments were massively strengthened when more than the counted 345,323 Americans died in the COVID-19 pandemic in 2020 alone, as the only virus-containment reaction the Trump administration could muster was to spin in circles and whisper *sotto voce* that the deaths weren't their fault, for how could they have been expected to anticipate an unleashed Chinese bioweapon? Science and technology produced marvels in terms of the extremely rapid and successful development of powerful vaccines. US-led global governance, however, proved inept in failing to vaccinate the world before the pandemic spread widely and developed new variants.

In addition, confidence in the future was also, if not gone, greatly attenuated. The threat of global warming was the Malthusian Devil taking, if not yet flesh, at least a form of shadow. The only place where confidence in the future was strong was among the cadres of the Chinese Communist Party, who saw themselves leading humanity forward holding high the banner of Socialism with Chinese Characteristics and guided by Mao Zedong–Deng Xiaoping–Xi Jinping Thought. But to all outside, that seemed more like corrupt authoritarian state surveillance capitalism with Chi-

nese characteristics (although paying lip service, and perhaps someday more, to egalitarian-utopian “common prosperity” aspirations). So China’s ascendance seemed to outsiders unlikely to promise forward steps on the path to utopia. Instead, it seemed to signal a return—albeit at a much higher level of general prosperity—to history’s Wheel of Fortune, to a cycle of rulers and ruled, the strong grabbing what they wished and the weak suffering what they must.

To the extent that the Trump administration had a world-view, it was one of suspicion, premised on the idea that internal and external enemies, especially nonwhite and non-English-speaking people, were taking advantage of America’s values of freedom and opportunity. To the extent that there were policies, they consisted of, first and most of all, tax cuts for the rich. Second, there was climate change denial. Third, there were random regulatory rollbacks, largely uninformed by technocratic calculation of benefits and costs. And, behind everything, cruelty—which often seemed to be the sole point.⁶ And then there were raving denunciations of the administration’s own public health officials (whom he nevertheless did not seek to replace: “But Fauci’s a disaster. If I listened to him we’d have 500,000 deaths”; “Dr. Fauci and Dr. Birx . . . [are] self-promoters trying to reinvent history to cover for their bad instincts and faulty recommendations, which I fortunately almost always overturned”; and—after a rally crowd chanted “Fire Fauci!”—“Don’t tell anybody, but let me wait until a little bit after

⁶ Adam Serwer, *The Cruelty Is the Point: The Past, Present, and Future of Trump’s America*, New York: One World Books, 2021.

the election. I appreciate the advice, I appreciate it!”⁷ The plague was, in the end, to kill more than one million Americans, spread across the country during the last year of his presidency in 2020 and concentrated in regions where local election-winning politicians pledged allegiance to Donald Trump thereafter. It killed only one-fourth as large a fraction of the population in Canada.

With the 2016 presidential election, even as Americans divided into two opposing camps that agreed on virtually nothing, nearly everyone shared a sense that the nation was in big trouble. Depending on who you asked, Donald Trump was either a symptom of this decline or its only potential “Flight 93” cure.⁸ Either case saw a transformation to a very different America. Either it had already happened, and had brought the story of American exceptionalism to an end, or it was necessary to make an America that had lost its compass great again. And the United States was not alone in its unhappy circumstances. Both America and the world faced a constellation of new and worsening problems that seemed certain to challenge, and perhaps to threaten, civilization’s many accomplishments over the course of the long twentieth century.

President Trump did not just put a period to the long twentieth century’s exhaustion, but served as a reminder that pes-

⁷ Will Steakin, “Trump Dismisses Pandemic, Rips Fauci as ‘Disaster’ in Campaign All-Staff Call,” *ABC News*, October 19, 2020, <https://abcnews.go.com/Politics/trump-dismisses-pandemic-rips-fauci-disaster-campaign-staff/story?id=73697476>; Benjamin Din, “Trump Lashes Out at Fauci and Birx After CNN Documentary,” *Politico*, March 29, 2021, www.politico.com/news/2021/03/29/trumpa-fauci-birx-cnn-documentary-478422; “‘Fire Fauci’ Chant Erupts at Trump Rally as Tensions Simmer,” YouTube, posted by “*Bloomberg* Quicktake: Now,” November 2, 2020, www.youtube.com/watch?v=nWBqeTXKdTQ.

⁸ Publius Decius Mus, “The Flight 93 Election,” *Claremont Review of Books*, September 5, 2016 <https://claremontreviewofbooks.com/digital/the-flight-93-election/>

simism, fear, and panic can animate individuals, ideas, and events as readily as optimism, hope, and confidence.

What went wrong? Well, Hayek and his followers were not only Dr. Jekyll-side geniuses but also Mr. Hyde-side idiots. They thought the market could do the whole job, and commanded humanity to believe in “the market giveth, the market taketh away; blessed be the name of the market.” But humanity objected: the market manifestly did not do the job, and the job that the market economy did do was rejected, and marked “return to sender.”

So others—including Karl Polanyi, Theodore Roosevelt, John Maynard Keynes, Benito Mussolini, Franklin Delano Roosevelt, Vladimir Lenin, Margaret Thatcher—tried to think up satisfactory solutions. They dissented from “the market giveth . . .” constructively and destructively, demanding that the market do less, or do something different, and that other institutions do more. Perhaps the closest humanity got to a successful “something different” was the shotgun marriage of Hayek and Polanyi, blessed by Keynes, in the form of post–World War II global north developmental-state social democracy. But that social democratic institutional setup had failed its own sustainability test. And while subsequent neoliberalism fulfilled many of the promises it had made to the global-north elite, it was in no wise progress toward any desirable utopia.

Thus the world found itself in a position analogous to the one that John Maynard Keynes had described in 1924, when he critiqued Leon Trotsky’s assumption “that the moral and intellectual problems of the transformation of society have already been solved—that a plan exists, and that nothing remains except to put it into operation.” Because, Keynes said, this was not true: “We lack more than usual a coherent scheme of progress, a tangible ideal.

All the political parties alike have their origins in past ideas and not in new ideas—and none more conspicuously so than the Marxists. It is not necessary to debate the subtleties of what justifies a man in promoting his gospel by force; for no one has a gospel. The next move is with the head, and fists must wait.”⁹

Economic improvement, attained by slouch or gallop, matters. The attainment of more than enough—more than enough calories, shelter, clothing, material goods—matters. Once attained, even pessimists are reluctant to give them up. And certain thoughts, once thought, are hard to forget. This is an unsung benefit of the quantitative index of the global value of useful human knowledge. It compounds. Among these thoughts are “the market giveth, the market taketh; blessed be the name of the market”; and, equally, “the market is made for man, not man for the market”; and also, I would add: because often demand creates supply, governments must manage, and manage competently, at times with a heavy touch.

Humans’ ideas and visions of utopia have been widely disparate: the Holy Kingdom of the Heavens brought down to earth; the harmonious and natural leisured life of Arcadia; the luxurious sensual pleasures and ecstasies of Sybaris; the disciplined excellence of Sparta; the cacophonous and free speech and action of Athens; the collective purpose and good order of Rome and its Pax. Material scarcity, it was largely agreed, kept and would keep those (except for the theological ones) out of humanity’s permanent grasp. The golden age was almost always seen as in the past, or at least in some distant and at least semi-mythical elsewhere,

⁹ John Maynard Keynes, *Essays in Biography*, London: Macmillan, 1933, reprinted in John Maynard Keynes, *Collected Writings*, vol. 10, Cambridge: Cambridge University Press, 2013, 66–67.

where resources were much more abundant, not in any likely future.¹⁰

It was in 1870 that things began to change. As early as 1919, Keynes had emphasized that humanity had already attained the power to produce “conveniences, comforts, and amenities beyond the compass of the richest and most powerful monarchs of other ages,” even though the enjoyment of such was still confined to an upper class.¹¹ Aristotle in 350 BCE had his asides about how it was fantasy to imagine that the authority of masters and the bondage of slaves could be superseded, for that would require humans to have the godlike powers to make and then command servants—the robot blacksmiths of Daidalos and the self-aware, self-propelled serving vessels that Hephaistos made for the Gods’ banquets on Mount Olympus.¹² We humans had, as of 2010, wildly outstripped their dreams and imaginings.

Is there anybody in any previous century who would not be amazed and incredulous at seeing humanity’s technological and organizational powers as of 2010? Yet they would then go on to the next question: Why, with such godlike powers to command nature and organize ourselves, have we done so little to build a truly human world, to approach within sight of any of our utopias?

By 2010 distrust in America’s hegemonic role had been cemented by Middle Eastern misadventures. Discontent had grown

¹⁰ Francis Bacon and Tommaso Campanella, *New Atlantis and City of the Sun: Two Classic Utopias*, New York: Dover, 2018.

¹¹ John Maynard Keynes, *The Economic Consequences of the Peace*, London: Macmillan, 1919, 9, 12.

¹² Aristotle, *Politics*, trans. Ernest Barker, Oxford: Oxford University Press, 2009 [350 BCE], 14, Bekker sections 1253b–1254a.

with exploding income and wealth inequality that few even of its advocates associated with any boost to economic growth. The Great Recession of 2008-10 had revealed the emptiness of claims that the neoliberal technocrats had finally gotten the problems of economic management right. The political institutions of the global north continued to fail to even begin to grapple with the problem of global warming. The underlying engine of productivity growth had begun to stall. And the great and good of the global north were about to fail to prioritize a rapid restoration of full employment, and fail to understand and manage the discontents that would bring neofascist and fascist-adjacent politicians to prominence worldwide in the 2010s

Thus the long twentieth century's story was over.

Perhaps it did not have to end then, in 2010. Perhaps the bright future that many had envisioned during the Clinton administration—the idea that if its policies could be continued, they would start to work to restore rapid equitable growth as the information-technology boom roared ahead—was always illusory. Or perhaps the opportunity could have been grasped, had chance and contingency turned out otherwise. Perhaps if in 2008 the United States had elected an FDR, he (or she) could have worked a miracle—as the original FDR had, unexpectedly, done in 1933 and after. Perhaps even in 2016 the dry bones of the long twentieth-century pattern of rapid productivity growth, governments that could manage the creative-destruction transformations such growth brought to the world, and American exceptionalism could have been made to live again.

But it turned out that post-2010 America would instead elect Donald Trump, and western Europe would do little better, ending possibilities of revivification.

A new story, which needs a new grand narrative that we do not yet know, has begun.

Notes

A few words about notes:

I have limited the notes in this volume to direct quotations, close paraphrases, markers for where my thought and knowledge has been predominantly shaped by a single source, and places where I think a reference for “what to read next to go more deeply” is appropriate.

I have done so even though I am well aware that they are grossly inadequate. That means that I have only about one-fifth of the notes that I should, and one-twenty-fifth of the notes that I could, include in this book.

Nearly every single paragraph needs to be substantially buttressed, for each certainly could be—and, I hope, will be—fiercely disputed by at least one person of great intelligence and knowledge. Moreover, where I am swimming with (or against) a current, I have not dropped a note to any of the people who make up that current, save where I think I can recommend a best entry point into the literature. And even where I think I am original . . . put it this way: Keynes wrote of the madmen in authority who thought they were hearing voices in the air when actually academic scribblers had insinuated themselves into their minds. Machiavelli wrote of how his books were his friends, how he spoke to them and they answered—as he spun up from black marks on white pages sub-Turing instantiations of the minds of the authors which he then ran on his wetware. Even where I think that I am most original, I am almost surely simply repeating something that my internal model

of some wiser person's mind has said to me in my internal dialogue.

So there should for justice's sake be many more notes. But there are stringent limits to how effective frequent or lengthy footnotes can possibly be. And there are even more stringent limits to how effective endnotes can be.

So this book also has a supporting—and contradicting—arguments website at <<https://braddelong.substack.com/s/slouching-towards-utopia-long-notes>>.

Come on over, and read and comment, please. Comment especially if and where you think differently: I can only learn from smart, thoughtful, careful people who think differently than I do.

Acknowledgements:

My debts in writing this book are vast: my wife Ann Marie Marcia-rille and children Michael and Gianna have made the long process of writing this book a very joyous one. My development editor Thomas Lebien and my editor at Basic Brian Distelberg have been essential: much of this book might be better framed as a Platonic dialogue with them, and it would not exist without them. Plus my intellectual debts here are so great, and there are so very many who deserve to be thanked (without implicating any of them in the many, many mistakes I am sure I have committed in this book). But let me cheat and thank only ten more:

First of all, let me thank Andrei Shleifer and Larry Summers: whenever I have been able to think thoughts worth recording and disseminating, more often than not my train of thought has begun with “what would Larry say here?...” or “what would Andrei think about this?...” Then there is the huge amount of my intellectual formation that springs from the Committee on Degrees in Social Studies, most importantly Jeff Weintraub and Shannon Stimson. The senior faculty of the Harvard Economic History seminar must also belong: David Landes, Peter Temin, Jeffrey Williamson, and Claudia Goldin. Paul Krugman has been an immense influence, albeit mostly at a distance: the person who I think comes closest to wearing the mantle of John Maynard Keynes in our generations.

For the tenth, let me cheat again: my colleagues at the University of California at Berkeley, the finest collection of colleagues collected anywhere in economics at the end of the twentieth century, and—collectively, for the whole is much greater than the sum of its parts—the best teachers I can imagine. And to all those I have

not mentioned, be assured that I try hard to remember my intellectual debts, and to at least pay them forward.

Photo Credit: Genevieve Schiffrar

J. Bradford DeLong is a professor of economics at the University of California at Berkeley, and a weblogger at the Washington Center for Equitable Growth. He was born in 1960 in Boston, MA, and lives in Berkeley, CA. Google says that he is best known, on the internet at least, for his studies of irrational “noise traders” in financial markets and of the shift from the commodity to the information-attention economy; for his belief that times of low interest rates are times when a large national debt is indeed, in Alexander Hamilton’s words, a national blessing; and for having worked for the Clinton administration as a deputy assistant secretary of the U.S. Treasury. He tries to balance himself between economics and history.

Elevator Pitches:

Only when Keynes blessed the shotgun marriage of von Hayek's market and Polanyi's society did 20th-century humanity even slouch towards utopia. Remember that, and Eldorado, at least, is at hand.

30 words

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The long 20th century—the first whose history was primarily economic, with the economy not painted scene-backdrop but rather revolutionizing humanity's life every single generation—taught humanity expensive lessons. The most important of them is this: Only a shotgun marriage of Friedrich von Hayek to Karl Polanyi, a marriage blessed by John Maynard Keynes—a marriage that itself has failed its own sustainability tests—have we been able to even slouch towards utopia. Whether we ever justify the full bill run up over the 140 years from 1870 to 2010 will likely depend on whether we remember that lesson.

100 words

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The long 20th century—the first whose history was primarily economic, with the economy not painted scene-backdrop but rather revolutionizing humanity's life every single generation— taught humanity expensive lessons. The most important of them is this: Only a shotgun marriage of Friedrich von Hayek to Karl Polanyi, a

marriage blessed by John Maynard Keynes—a marriage that itself has failed its own sustainability tests—have we been able to even slouch towards utopia. Whether we ever justify the full bill run up over the 140 years from 1870 to 2010 will likely depend on whether we remember that lesson.

Friedrich von Hayek—a genius—was the one who most keenly observed that the market economy is tremendously effective at crowdsourcing solutions. The market economy, plus industrial research labs, modern corporations, and globalization, were keys to the cage keeping humanity desperately poor. Hayek drew from this the conclusion: “the market giveth, the market taketh away: blessed be the name of the market.” Humans disagreed. As genius Karl Polanyi saw, humans needed more rights than just property rights. The market’s treating those whom society saw as equals unequally, or unequals equally, brought social explosion after explosion, blocking the road to utopia.

Not “blessed be the name of the market” but “the market was made for man, not man for the market” was required if humanity was to even slouch towards utopia that technology and potential material abundance ought to have made straightforward to reach. But how? Since 1870 humans—John Maynard Keynes, Benito Mussolini, Vladimir Lenin, and others—have tried solutions, demanding that the market do less, or different, and other institutions do more. Only government, tamed government, focusing and rebalancing things to secure more Polanyian rights for more citizens have brought the Eldorado of a truly human world into view.

300 words

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The theme of Jared Diamond's *Guns, Germs, & Steel*—a brilliant book, if not without its major flaws (and what things in this fallen sublunary sphere do not have their major flaws?)—is: Civilizations in different places had access to different plant and animal resources, and for developing bio and other technologies two heads are better than one. Within Eurasia at the last the Atlantic Seaboard led in agricultural wealth and hence first developed the steel and the guns. Plus Eurasians gained immunity to all the germs that jumped from Eurasian animals into humans. And everything else follows from those Atlantic-Seaboard differential advantages with respect to guns, germs, and steel.

The theme of Thomas Piketty's *Capital in the 21st Century*—a brilliant book, if not without its major flaws (and what things in this fallen sublunary sphere do not have their major flaws?)—is: Capitalists control enough political levers to keep the profit rate around 5%, faster than economies grow. Only in exceptional eras of wars, revolutions, deep depressions, and the short post-WWII social-democratic age of very rapid growth will wealth at the top fail to outpace wealth in general. Hence in normal times income and wealth inequality is either already very high already or is rising fast. And everything else follows from that tendency toward high inequality.

The theme of Brad DeLong's *Slouching Towards Utopia*—a brilliant book, if not without its major flaws (and what things in this fallen sublunary sphere do not have their major flaws?)—is:

The long 20th century—the first whose history was primarily economic, with the economy not painted scene-backdrop but rather revolutionizing humanity's life every single generation—taught humanity expensive lessons. In 1870 industrial research labs, modern corporations, globalization, and the market economy—which,

as that genius Friedrich von Hayek most keen-sightedly observed, is tremendously effective at crowdsourcing solutions—proved keys to the lock that had kept humanity in its desperately poor iron cage, with the only comfortable ones being the thugs with spears who took from the near-subsistence farmers, and those with whom they shared their extractions. And previously unimaginable economic growth revolutionized human life over and over, generation by generation.

We should, thereafter, have straightforwardly turned our technological power and wealth to building something very close to a utopia: a truly human world. From 1870-2010 was 140 years. Few in 1870 would have doubted that humanity more than ten times richer in material terms would build ourselves a utopia.

So what has gone wrong? Well, that idiot Friedrich von Hayek thought the unleashed market would do the whole job: “the market giveth, the market taketh away: blessed be the name of the market”. But, as that genius Karl Polanyi put it: people will not stand for being told that there are no rights but property rights. They instead insist that “the market was made for man, not man for the market”. The market’s treating those whom society saw as equals unequally, or unequals equally, brought social explosion after explosion, blocking the road to utopia. They deserved communities, incomes, and stability. They needed their Polanyian rights to those things vindicated too.

Since 1870 humans—Theodore Roosevelt, John Maynard Keynes, Benito Mussolini, Franklin Delano Roosevelt, Vladimir Lenin, Margaret Thatcher, Deng Xiaoping, and others— tried to think up solutions. They dissented from “the market giveth...” constructively and destructively. They demanded that the market do less, or different, and other institutions do more.

Only with a shotgun marriage of von Hayek's market to Polanyi's society, a marriage blessed by Keynes—a marriage that itself has so far failed its own sustainability tests—have we been able to even slouch towards utopia, and bring the Eldorado of a truly human world into view. Whether we ever justify the full bill run up over the 140 years from 1870 to 2010 will likely depend on whether we remember that lesson.

650 words

J. Bradford DeLong
Slouching Towards Utopia
An Economic History of the Long Twentieth Century

From one of the world's leading economists, a grand narrative of the century that made us richer than ever before, yet left us unsatisfied

Before 1870, humanity live in dire poverty, with a slow crawl of invention offset by a growing population. Then came a great shift: invention sprinted forward, doubling our technological capabilities each generation and utterly transforming the economy again and again. Our ancestors would have presumed we would have used such powers to build utopia. But it was not so. When 1870-2010 ended, the world instead saw global warming; economic depression, uncertainty, and inequality; and broad rejection of the status quo.

Economist Brad DeLong's *Slouching Towards Utopia* tells the story of this unprecedented explosion of material wealth, how it transformed the globe—and why it failed to deliver utopia. Of remarkable breadth and ambition, it reveals the last century to have been less a march of progress than a slouch in the right direction.

J. Bradford DeLong, an economic historian, is a professor of economics at the University of California, Berkeley. He was a deputy assistant secretary of the U.S. Treasury during the Clinton administration. He writes a widely read economics blog, now at bradde-long.substack.com. He lives in Berkeley, California.

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