
BOOK REVIEW



Mark Kritzman, Senior Editor

ON PROGRESS AND PROSPERITY: ESSAYS 2019–2024

Laurence B. Siegel

(Review by Mullika Sahrawat)

If the past is a reflection of the future, then understanding the forces that have shaped society's present is crucial to discerning humanity's path forward. In our ever changing world, this is no small feat. Laurence B. Siegel's collection of essays in *On Progress and Prosperity* covers a breadth of topics focused around technological innovation, economic growth, and societal health. The essays meditate on our already improved global living standards and the potential for further growth.

Siegel's reviews are concise while enriching the original author's ideas with thoughtful insights of his own. An economic slant or investment

application is included in each essay, giving readers ideas for how to best articulate discussed concepts in the investment world. Siegel discusses a comparison between Darwin's evolutionary theory and investment management, challenges the fundamentals of Keynesian economics, and considers the missing stage of forming inputs in Markowitz optimal portfolio construction theory. Sufficient context invites readers from any background to appreciate the nuanced concepts of practitioners.

In discussing the modern world, Siegel examines books that highlight the vitalness of the bourgeois to democracy. The middle and upper-middle classes have historically been responsible for the creation of successful democracies. Though everyone can not be a member of the bourgeois, it's argued that all should be able

to access middle class status, dependent on their preferences and abilities. The United States, with the largest portion of the population as part of the bourgeois of any historical society, makes efforts to build strong state university and community college systems. Initiatives to make the bourgeois accessible are key, since the bourgeois is the dominant class in all successful and advanced societies.

Our society's future will be one of machines alongside humans. Siegel anticipates that the capabilities of the cloud will push forth a technological revolution. The cloud offers novel infrastructure that will support economic growth and advancement in ways we can only begin to see today. We can expect the cloud's astonishing rate of growth to translate to strong macroeconomic data. Some fear that AI technology

will replace human jobs, but Siegel argues that past technological revolutions have all created rather than destroyed large numbers of jobs. He advises prudence, but also lays hyperbolic fears to rest. As AI advances, society should expect grunt work jobs to be replaced, and for the growth of the cognitive elite.

Some essays assert a favorable opinion of capitalism, at a time when anti-capitalist sentiment is at a high. Discussed works argue that capitalism is a morally superior system to its authoritarian alternatives. Capitalism is unique in that it does not rely on coercion, and instead promotes individual decision making and freedom. Freedom can be difficult, as

carrying out decisions that one believes are in their best interest may still yield negative results – a free market inherently has winners and losers. Capitalism feeds entrepreneurial spirit and creates rich societies. Profitable businesses propagate wealth throughout society through business income, dividends, and capital gains in our investments.

A rich society also has the resources to be greener. The more affluent a society is, the more of the environment it can afford to protect. Concern for our environment's future partially stems from society's growing materialism, but Siegel shares an effective illustration of dematerialization. The cost of a smart phone versus the past

technologies that cumulatively perform equivalent functions to the phone shows that we are using fewer resources today to create technologies that give us more utility.

Siegel's essays are both optimistic about society's future and critical of human nature. He leverages his extensive knowledge to evaluate and supplement writing by respected experts, resulting in a curated overview of societal progress and the future. The reviews are engaging and challenge commonly held beliefs. This book is an excellent way to discover ideas worth exploring further or titles to read in full and is sure to leave readers with many concepts that warrant further contemplation.