

1-1-2011

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Recommended Citation

Crouch, Michael (2011) "Against Doom and Gloom," *Pepperdine Policy Review*: Vol. 4, Article 10.

Available at: <http://digitalcommons.pepperdine.edu/ppr/vol4/iss1/10>

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Against Doom and Gloom

Michael Crouch

The Rational Optimist

By Matt Ridley

HarperCollins, 2010, 448 pp.

\$26.99 (Hardcover)

Popular economic literature has been overcome by competition for trendy titles and unique subject matter. After all, authors dealing with topics other than the current financial crisis must provide publishers a reason to put out the book, and prompt readers to want to look at it. Yet, Matt Ridley seems to rise above it all in his most recent book, *The Rational Optimist: How Prosperity Evolves* (excepting, perhaps, his provocatively titled prologue). Ridley, a journalist by trade, has previously written about the fields of genetics and evolution and his skills make him a natural at answering two questions: how did we get to such prosperity as we have today, and where are we going? His title asserts his straightforward approach to the subject at hand: he offers a view of the future through the lens of the past. Ridley's tone gives evidence of his journalism background; he uses the assembly of facts as a platform, from which he offers a cohesive explanation. Avoiding spiraling intrigue, Ridley's research leads us to answers about our future.

For those familiar with the literature surrounding the question that *The Rational Optimist* seeks to answer, one of the first authors to come to mind as a counterpoint is Jared Diamond. In his Pulitzer winning work *Guns, Germs, and Steel*, Diamond seeks to answer the question of why the past happened as it did, whereas Ridley shows the relevance of the past and explains why we can count on our current trajectory. Conscious of a strong current of writers who have looked back on a prosperous past only

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to predict a dim future, Ridley sees the past and the future in a common narrative. The increase of prosperity over time suggests to him that it would be silly not predict more of the same. Ridley admits that this prosperity has often come at an undesirable cost, but claims that humans have a tendency to right the path, to towards prosperity with a yet clearer virtue.

The book begins by giving the reader statistics that are truly mind-blowing to those who have never considered them. Ridley informs us that it takes half of a second for the average worker to earn enough wages to pay for an hour of artificial light today; this fact may not be so stunning as the realization in 1800—about 200 years ago—the same task would have taken over 6 hours worth of earned wages. To get the same amount of light from a lamp in 1750 BC would have taken over fifty hours of work!

In his prologue, entitled “When Ideas Have Sex,” Ridley lays out the book’s basic premise: human interaction on a grand scale leads to prosperity. The idea of trade—that one entity (whether an individual, a corporation, or country) with a particular specialization might trade with another entity possessing another type of expertise—was one of the greatest catalysts leading to modern prosperity. In a section entitled “If trust makes markets work, can markets generate trust?” Ridley tears down some of the popular images of trade in order to illustrate the true structure that trade creates: cooperation. He highlights the role of global trade through the ages in continuously bringing prosperity and higher living standards to every corner of the globe, even as detractors from Homer (who despised Phoenician traders) to Martin Luther (who believed usury to be a sin) to George Clooney (whose character in *Michael Clayton* sought to point out the worst of what business can do) have continuously torn it apart. The spontaneous order that comes from human interaction and the trading of ideas is better than the baseness of revenge that man is so often prone to.

A good portion of the book is devoted to understanding the implications of the Malthusian Trap. Ridley explains why the population booms of past centuries were not only possible, but also good. While the expansion in food production is the reason for the remarkable increase in population, the impact that prosperity had on the family was life-changing and life-saving. Improvements in medicine have allowed women the peace

of mind of knowing that their children will most likely live to see their tenth birthdays, and also allowed for higher wages for families and cultures that wish to keep higher birth rates by choice. The book then covers the rule of law, farming, energy, invention and technology, in an attempt to understand the “grand equation” that has given us the developed life that we expect today. Each evolving aspect of life, each idea, has—for lack of a better term—sex with other ideas, interweaving such that our complex society is built on the shoulders of sustainable specialization.

Ridley’s discussion of the climate seems to have been written with a smile. He does not claim that theories about global warming or global cooling or global climate oscillations are untrue, but rather calls out the exaggeration that writers tend to use to get their stories published. Ridley’s plain looking book, with its plain title, tries to make the current debate not about politics, but rather about the “alarmist” mentality that seems to pervade both sides of the climate debate. He contradicts claims that malaria will spread northward because of changing ecosystems, citing that the disease was present in the north before and was eradicated.

The Rational Optimist concludes with a few predictions about the future, and the fear that some people attach to it. Ridley addresses Africa and the troubles surrounding development, focusing on barriers to entry for African entrepreneurs, and the constant barrier to prosperity that African governments have proven to be. Having covered the value of the rule of law earlier in the book as it relates to the building of ordered societies, it is no surprise that this is the chief priority the book presents for the future of Africa. According to one economist, Africans are owners of over \$1 trillion in “dead capital”—assets that cannot be used for investment because they are not deemed legal by bureaucratic governments. But, the future is bright, Ridley argues. Whether it is caused by increased government accountability, new avenues of exchange, cell phones, or innovations that arise organically within Africa, the hope of future generations can be bright—brighter than any have imagined—if the African people are given freedom.

Ridley’s ideas about the future are, well, rational. Perhaps remembering the promises of old Star Trek movies that we would be

travelling at warp speed by now, he makes no bold claims about the future, but rather promises that the best is yet to come. As the pattern of history has shown an upward trend, man should expect the same: more competitive companies that better meet our needs, the luxuries of life at cheaper prices, and better communication across the world. Ridley does not predict the end of war, but he does foresee a global community that is brought closer together by trade and interaction through peaceful exchange. He does not predict an end to poverty — there is no egalitarian future — but he does see a rising tide for all ships. Some may rise higher and make the other ships look relatively worse off, but the rising living standards of the poor give cause for a positive outlook. While other authors insist that the future must take a turn for the worse, Ridley offers simply that the only rational conclusion from the data we have available is of an optimistic, upward trajectory towards a greater, more prosperous world.

In his 1828 Debating Society speech on perfectibility, John Stuart Mill stated: “I have observed that not the man who hopes when others despair, but the man who despairs when others hope, is admired by a large class of persons as a sage.”¹ Perhaps this is what troubles Ridley most. Those who predict doom and gloom, those who say action must be taken, those who tower their “expertise” over the many are seen in their time as wise men. Luckily for us, Ridley attempts to prove Mill wrong. He wishes to turn the tide on those who would make the common man look down upon where he has come from and depress his vision of where he might go. Smile; there is reason to be optimistic.

Endnotes

1. In *The Collected Works of John Stuart Mill, Volume XXVI — Journals and Debating Speeches Part I*, ed. John M. Robson (Toronto: University of Toronto Press, London: Routledge and Kegan Paul, 1988.)