

Why Have-It-Alls Don't Know It All
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If you're so smart, the classic put-down goes, why aren't you rich? But our smarts don't make us rich. These two authors know what does.

A review of:
Gar Alperovitz and Lew Daly
Unjust Deserts: How the Rich Are Taking Our Common Inheritance and Why We Should Take It Back. (The New Press, 220 pp..)

Where does wealth come from? Back in the 19th century, the classical economists thought they knew. Land, labor, and capital, they told us, drive wealth creation. They don't, not really. We actually owe our wealth, Gar Alperovitz and Lew Daly explain in this deliciously subversive new book, to what we know.

And we owe what we know, the two quickly add, “not to our own efforts or genius, but to the efforts and knowledge accumulation of those who came before us.”

In today's deeply unequal United States, this simple observation may well rate as our society's most “inconvenient truth.” We have built our entire social order on the exact reverse of what Alperovitz, a political economist at the University of Maryland, and Daly, a fellow at the Demos think tank, have to tell us.

Brilliantly smart people who work hard, we assume, create wealth. These brilliant people, consequently, deserve a major share of the wealth they create.

But “all current economic production,” Alperovitz and Daly help us see, rests — overwhelmingly — “on a long, long prior history of socially created science, technology, and other knowledge.”

The two authors, in *Unjust Deserts*, take us for a stroll through “the quiet revolution in our understanding of how wealth is created.” They share the careful scholarly work that is convincingly demonstrating how inherited knowledge shapes our modern world.

We certainly know more than our forbears, this “quiet revolution” emphasizes, but “we cannot say that we are ‘smarter’ than they were — more intelligent in any fundamental sense.”

“The average high-tech millionaire today has essentially the same basic mental capacities as his predecessors who made tools to improve the clan's living conditions at the very dawn of civilization,” Alperovitz and Daly write. “The real difference is that he (and his colleagues and rivals) inherited much, much more knowledge, and much better-organized knowledge, with which to work.”

The two authors lace their narrative with fascinating asides on everything from the “invention” of the telephone to the “discovery” of aluminum. And they put before us statistics that give their story plenty of dramatic oomph. In 1650, they note, fewer than 10 scientific journals existed in the entire Western world. In 1800, about 500 such journals were circulating. In 1950: 50,000.

But we don’t just owe the advances this knowledge explosion has made possible to scientists and engineers — or even craftspeople and technicians — working alone. All these contributors to knowledge have depended on a “vast number of other members of society at every stage of development.”

“The miner and the farmer, the carpenter and the cleaning lady, the cook and the nurse and the ditchdigger as well,” Alperovitz and Daly point out, “all contribute to establishing the conditions (especially time free from other obligations!) required to create and pass on productive knowledge.”

In short, knowledge comes to us as a social construct, a collective achievement.

And that, of course, begs the ultimate \$64,000 question — or maybe \$64 billion, about the wealth that Bill Gates had accumulated.

“How long,” Unjust Deserts asks, “can the benefits conferred by many generations of development continue to be siphoned off by elites rather than allowed to flow back to society and to the people at large?”

In our fast-emerging Information Age, Alperovitz and Daly conclude, this “question of precisely why so few deserve to benefit so greatly while so many are in pain may well become impossible to evade.” Let’s hope they’re right.

— Sam Pizzigati

Sam Pizzigati edits Too Much, the weekly online newsletter on excess and inequality. For updates on inequality-related stats, trends, and books, just check here for a free weekly Too Much subscription.