

## Book reviews

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Klaus Schwab with Nicholas Davis, *Shaping the Future of the Fourth Industrial Revolution: A Guide to Building a Better World*, Penguin Random House: London, 2018; xi + 273 pp. ISBN 9780241366370, US\$27.35.

**Reviewed by:** Abhishek, *Jawaharlal Nehru University, India*

The Fourth Industrial Revolution (4IR or Industry 4.0) will not just have a major impact on the economy but will also change the way society organises itself: Klaus Schwab, the Founder and Executive Chairman of the World Economic Forum, the International Organisation for Public-Private Cooperation, argues in his second book. Titled *Shaping the Future of the Fourth Industrial Revolution: A Guide to Building A Better World*, the book (co-authored with Nicholas Davis) is written in a manner that keeps the reader engaged from start to end, explaining one of the most complex issues of the time in the simplest way. However, caution is advised, as to understand this second book fully it is advisable to also read his previous book *The Fourth Industrial Revolution*, which he refers to as a primer.

There has been no dearth of debate and discussion about the 4IR, but there are some problems with this ongoing discourse. First, the 4IR is about technological change and its impact on the world of work. So, not surprisingly, most current discussion has considered topics such as jobs (Acemoglu and Restrepo, 2017b, 2018a, 2018b; Ford, 2015), skills (Acemoglu and Restrepo, 2017a; Autor and Salomons, 2018; Cortes et al., 2016), wages (Lordan and Neumark, 2018), or inequality (Benzell et al., 2015; Korinek and Stiglitz, 2017). Second, the evolution of the technologies that shape the 4IR cannot be controlled or directed.

Schwab challenges both of these issues, pointing out the advances in neurotechnologies and biotechnologies challenge very meaning of being human. According to Schwab, ‘the good news is that the evolution of the Fourth Industrial Revolution is entirely within our power’ and ‘everybody can and should have a say in how new technologies affect them’ (p. x). The book is therefore an attempt to address these problems, and the chapters have been written in consultation with not only ‘experts’ but also multiple stakeholders.

Instead of focusing on the net gains and losses in the number of jobs affected by the 4IR, Schwab explores the characteristics of the jobs that will be created – ‘independent contracting, part-time, temporary or “gig economy” activities, which tend to lack the statutory protections and social benefits of full-time work’ (p. 24). This book is about the philosophy that is driving the 4IR, expanding on the idea that ‘a value-based approach to a complex, uncertain and rapidly changing technological environment is essential for the

“way forward”, developed in Schwab’s (2016) previous book. In the chapter titled, ‘Embedding Values in Technologies’, Schwab takes the politics of technology head-on. He argues that there are some misleading perspectives, such as that technology determines the future and that technology is value-free, which are extremely dangerous. As noted by Satya Nadella (2018) in the foreword, the evolution of technology ‘is entirely within our power’ (p. vi).

According to Schwab, the key concern is that most stakeholders are not engaged in the process of the development of 4IR technologies. Only a small group is currently driving the process. The problem here is that this small group knowingly or unknowingly will embed a particular set of values. Technology then becomes a vehicle for these values, and with the penetration of technologies, these values are affected. There are two related issues which receive less focus in the book. The first is which social problems will arise when the values influenced by these technologies are incompatible with existing social practices. Some examples of these social issues might have strengthened the book’s arguments. The second issue, which receives attention, is that we are carrying our present evils into the future. Schwab says that ‘programming of and interaction with machines is being impacted by existing prejudices, sexism and racism’ (p. 63). Some of the issues discussed also require further elaboration, for example, the issue of political backlash and the role work plays in creating identities; the present concentration of wealth that is resulting in resentment, fear, and political backlash; and policies related to taxation (Oxfam, 2016) and trade, which are related to political capture (Oxfam, 2014). Schwab does discuss the political backlash, but the politics that are helping this inequality to grow and what can be done to address it is missing.

The book is divided into two main sections, the first contains four chapters that are broad in nature and offer ‘a framework for understanding and deepening the role of values and principles in emerging technological systems and considers the stakeholders that need to be more involved in discussions and applications of the Fourth Industrial Revolution’ (p. 2).

The second section (further divided into four sub-sections) contains 18 chapters, all of which focus on a particular set of technologies. The power of the section is in the translation of complex technologies into direct, easy to understand and appealing explanations. The difficulty here though is that when you have already invited all the stakeholders to participate in the development process of the technologies and your stakeholders are mostly lay people, you must identify the areas and ways in which they can participate in the process. For example, the chapter dealing with artificial intelligence notes that ‘AI, robots, and humans work better when they work together’ but then fails to explain how to ensure that this will occur.

What makes this book stand out is that unlike others which discuss opportunities, threats and an uncertain future, Schwab talks in terms of responsibilities that we all have. In the preface, for example, he suggests that ‘standing at these crossroads means we bear huge responsibility’ (p. x), and argues that the future depends on our present decisions. The book suggests that there are three key challenges that the 4IR poses: first, the fair distribution of the gains; second, management of the externalities; and third, the need to ensure that the 4IR is human-led and human-centred. Schwab contends that because of the complexity, transformative and distributed nature of the 4IR,

collaborative problem-solving is essential, and it demands ‘a new type of leadership – an approach he refers to as “systems leadership”’ (p. 221).

Overall, Schwab is optimistic that

the importance of preserving the planet for future generations, the value of human life, the international principles of human rights, and a sincere concern for global commons issues can serve as starting points for recognizing that the true ends of technological development are ultimately and always the planet and its people. (p. 228)

This is not a book for a particular audience as it addresses an issue too big to be left with technocrats and business. It is an issue that concerns all of us, and we all need to participate in the foundational work. It is for all those who want to know about the world in which they are living today and to participate and contribute positively to shaping the world in which they will be living tomorrow.

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Mark G Hayes, *John Maynard Keynes: The Art of Choosing the Right Model*, Polity Press: Cambridge, 2019; xiii + 224 pp., ISBN 9781509528240, AUD\$115.95 (hbk), ISBN 9781509528257, AUD\$35.95 (pbk), ISBN 9781509528288, AUD\$28.99 (ebook).

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Mark Gerard Hayes, one of the last Marshallian Keynesians, published *John Maynard Keynes: The Art of Choosing the Right Model*, with Polity Press shortly before he died. This is the second book by Hayes that gives a general overview of his reading on Keynes' writings and specifically of *The General Theory*. It comes 13 years after *The Economics of Keynes: A New Guide to The General Theory* (2006a). John King (2007) notes in his review of *The Economics of Keynes* that

Hayes acknowledges the assistance of Victoria Chick, and his style of writing is rather similar to hers: clear and elegant but also extremely dense, making it almost impossible to summarise the argument without doing serious injustice to it. (p. 121)

This statement remains true for Hayes' recent book, which although addressed to the non-specialist, either the undergraduate student or someone wishing to be first introduced to Keynes' thought, goes into refined technical language from its first chapter. In this effort, Hayes helps the reader by having a glossary of terms before going into his first chapter on 'Why Study Keynes?'. This is followed by a chapter on 'the Classical Theory of Employment, Interest and Money' (chapter 2), then a chapter on 'The General Theory' (chapter 3), followed by two chapters that further elucidate the difference between the classical and the Keynesian position (or world views) which are titled 'The Great Confusion' (chapter 4) and 'The Long Struggle to Escape' (chapter 5). The sixth chapter focuses on international economics, and acts as a bridge between the more abstract, theory heavy preceding chapters, and the last two (chapters 7 and 8) that focus more on a historical narrative and give, also, policy suggestions for current issues. Thus, chapter 7 presents a periodisation of history that compares the Keynesian era with previous and later eras (the gold standard era, the interwar period, the neoliberal era and the austerity era) in key indexes (employment, investment, income, etc.) and the last chapter (8) shows the relevance of Keynes' thought today, and addresses issues like the scope of