



## "The Second Machine Age" By Erik Brynjolfsson and Andrew McAfee

Reviewed by Dick Burkhardt

[This book](#) hypes the developing robotics revolution in technology, yet balances this extravaganza with warnings on growing inequality and job losses. It reminds me of Alvin Toffler's blockbuster books of decades past, forecasting the stresses of technological and societal change, but this time from the narrower point of view of an economist. The authors see our "winner take all" society as a consequence primarily of technology, ignoring power relationships. Also, "growth" is the ultimate solution to escalating inequality, ignoring limits-to-growth.

They welcome ideas to reduce inequality like a guaranteed minimum income, but are hesitant about full employment policies and about shifting heavy payroll taxes to more progressive income, capital gains, and wealth taxes. They boost education and immigration as great inequality solvers but seem unfamiliar with conflicting research. Piketty is not cited, even though he shows that increasing inequality is inevitable when the rate of return exceeds the rate of growth.

Brynjolfsson and McAfee say, correctly, that artificial intelligence has come of age due to exponential growth in computer power (Moore's Law). Yet they do not consider the lessons that might be learned from how the extreme inequality of the late 19<sup>th</sup> century industrial revolution was finally resolved after decades of turmoil, upheaval that now appears to be commencing in earnest for the "second machine age" after the election of Trump.