# PREFACE: REFLECTIONS ON CAPITALISM

Capitalism rewrites the human narrative. For most of recorded history, the population lived within narrow confines. Almost half died in childhood, and those who survived to their teens could expect to live into their forties, on average. Most could not read or write. In good times, the majority enjoyed a few luxuries, but most were only two or three bad harvests from destitution. Output expanded slowly, and population growth absorbed a large portion of the gain. Occasionally, disasters like the collapse of the Western Roman Empire, the Mongol invasions, or the Black Death undid the work of generations. These societies were hierarchical, with individuals occupying a well-defined position determined in most cases by birth. In theory, a central ideal—Roman virtue, Confucian order, Christian piety—governed these relationships. History recounted humanity's effort to realize these principles.

In the last three centuries, the human condition has changed beyond recognition. Though population has expanded many-fold, living standards have increased sharply. Luxuries such as electric lights, automobiles, and smartphones, unknown in earlier ages, are common. The large majority of children reach adulthood, and for the first time most of the population can read and write. Moral advances have accompanied material ones. By the early twenty-first century, every country in the world had formally banned slavery, and most had substantially expanded the rights of women.

The change began in Britain in the eighteenth century, spreading from there to Western Europe and North America and then to other parts of the globe, most notably Japan and South Korea. Historians and economists have christened this transformation the Industrial Revolution, but it is better understood as capitalist development. Entrepreneurs, in their relentless pursuit of profit, commercialized one innovation after another—power looms, steam engines, railroads, electric lighting, automobiles, plastics, integrated circuits, and much more. In so doing, they reshaped the economic landscape, not once but over and over again. This process created wealth in new and often unexpected places and constantly reshuffled the population, disrupting the inherited order. In its place, capitalism offered progress—an ever-rising standard of living and liberation from traditional constraints. The certainties of centuries gave way, not to a new set of verities but to a world in which nothing seemed settled: to a permanent revolution.

# PERMANENT REVOLUTION

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