Critique and Review of Power and Progress

Remarks by Dr. Reza Gholami at the Artificial Intelligence Through the Lens of the Book "Power and Progress" Event

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In the Name of God,

Greetings to all participants attending this event online. I would also like to sincerely thank my esteemed colleague, Dr. Farhad Bayani, a distinguished sociologist from Iran, for joining me in this session to review and critique Power and Progress.

Additionally, I extend my gratitude to Professors Daron Acemoglu and Simon Johnson for their significant contributions to the field of political economy and its intersection with emerging technologies such as artificial intelligence (AI). I would also like to congratulate them on being awarded the 2024 Nobel Prize. Beyond that, we should commend these two scholars for opening an essential discussion in the humanities.

At this critical juncture, as the world stands on the brink of a major revolution driven by AI, it is vital for scholars in the humanities to actively and innovatively examine both the positive and negative consequences of AI on human societies.

Reviewing and critiquing significant books or groundbreaking theories is a well-established and impactful academic tradition. Following this tradition, our goal in this session is to review the book Power and Progress by these renowned researchers.

A Brief Overview of Power and Progress

As you may know, the book Power and Progress primarily explores the impact of technologies—especially AI—on jobs and the economic conditions of societies. The authors argue that the

effects of new technologies like AI heavily depend on social decisions and the distribution of power.

They caution that AI could reduce employment opportunities and exacerbate inequality because it often automates tasks rather than enhancing human capabilities.

The authors highlight a phenomenon they call "middling automation," which neither significantly boosts productivity nor adequately rewards labor. They argue that companies and entrepreneurs should focus on developing technologies that complement human skills rather than replacing them.

The book emphasizes that policymakers can steer the use of AI towards benefiting the public good through appropriate regulations. Most importantly, it advocates for society to guide entrepreneurs and tech companies toward innovations that enhance collective well-being rather than merely maximizing profits for corporations and investors.

Strengths of the Book

In most reviews, it is customary to begin by highlighting the book's strengths. I believe Power and Progress has many merits. For instance, I would like to point out the following:

1. Linking economics with history and connecting progress to the internal dynamics and structures of societies—perhaps the book's most significant strength.
2. Engaging and accessible prose, making complex topics more understandable to a broader audience.
3. Addressing a crucial issue for humanity: the impact of emerging technologies on inequality and employment.
4. Focus on policy solutions and practical measures to redirect innovation toward empowering the workforce.

Contributions of the Book to Society

If asked what the book's primary contributions to society are, I would mention:

1. Raising awareness about the dangers of job displacement—a warning that is increasingly gaining attention today.
2. Encouraging intelligent policymaking to ensure AI complements human skills and capabilities rather than replacing them.
3. Promoting a shift in innovation toward enhancing human welfare and well-being.
4. Successfully raising public awareness about the threats and opportunities posed by AI.
5. Motivating structural reforms to protect society, enabling it to capitalize on opportunities while mitigating risks.

Critical Observations

In the next part of my remarks, I will present some critical points about Power and Progress, which are closely related to the authors' previous work, Why Nations Fail.

Before diving into my critique, I must note that many reviews of Power and Progress have already pointed out certain recurring issues, including:

1. Weak, irrelevant, or exaggerated historical examples in the book.
2. Insufficient evidence to support some claims.
3. Incomplete and vague definitions (e.g., the definition of "power").
4. Lack of practical and actionable details for implementation.
5. Limited use of direct and transparent sources.
6. Ambiguity in explaining the relationship between technology and productivity.
7. Underestimating the positive impacts of technology.
8. Limited influence on public discourse, which, admittedly, is a post-publication critique based on its impact assessment.

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New Critical Observations.

I more or less agree with the criticisms others have raised about the book Power and Progress, as I have highlighted some of the most significant ones. However, my critiques of the book are somewhat more serious:

1. Oversimplification of Social and Cultural Complexities

The authors have overlooked some of the social, cultural, and psychological nuances and complexities. Society is not a mechanism governed by simple physical laws. Often, seemingly contradictory and unexpected phenomena emerge in societies that cannot be fully understood through simplistic formulas.

2. Overgeneralization and Simplistic Judgments

In both Power and Progress and Why Nations Fail, there are numerous simplistic generalizations, laws derived from these generalizations, and broad judgments.

3. Superficial Engagement with Historical Contexts

Acemoglu and Johnson have approached the depth of the contexts in which historical events occurred, as well as the hidden and overt factors of the times, in an oversimplified manner. This does not mean they ignored these aspects entirely—on the contrary, they paid attention to them, but their approach lacked depth and sophistication.

4. Neglect of Sociocultural and Linguistic Dimensions

The book fails to account adequately for the specific characteristics of societies, the entrenched social attitudes, and the influence of unique cultural traditions. Philosophers like Ludwig Wittgenstein emphasized the importance of understanding the linguistic subtleties of a community to grasp its essence. However, the authors treat societies and individuals as if they were malleable clay that can be reshaped easily.

One of the major shortcomings of many economists and even political scientists is their failure to take the profound cultural and social influences on economics seriously. They view the economy within a society as akin to the sun, with everything revolving around it in a predictable orbit. Yet, the reality is far more complex—sometimes cultural nuances can completely invalidate economic equations. Therefore, simplistic, one-dimensional approaches are no longer sufficient to address issues in the humanities.

5. Bias in Approach

The authors seem unable to study societies without being influenced by preconceived notions and personal biases toward a specific form of governance.

In essence, the main problem with Acemoglu and Johnson is that they seem to have tailored a suit to their preferred size and then attempted to fit the economies of all societies into that suit.

6. Overemphasis on Governments and Institutions

Another issue with their work is the excessive emphasis placed on the role of governments and formal institutions in shaping economic outcomes. While governments and structures do play a critical role, their influence is increasingly diminishing in the era of globalization, like a melting block of ice.

Despite the book's significant focus on formal structures, it fails to clarify key concepts such as political governance and the diverse types and subcategories of governance, resulting in broad and vague statements.

Additionally, their portrayal of governments that have historically weakened economies is often that of detached, totalitarian regimes. However, many such governments are actually the product of the very desires and tendencies of the people within those societies, and there is often no real separation between them and the public.

7. Downplaying the Role of Colonialism

The book minimizes the destructive role colonialism played in undermining the economies of certain societies. While overemphasizing colonialism's role in economic underdevelopment is unwarranted, downplaying it is equally unrealistic. One might have expected the authors to more explicitly address the role of both traditional and modern forms of colonialism.

8. Focus on Welfare Instead of Well-Being

The book repeatedly emphasizes "welfare" as the ultimate goal of progress. However, contemporary political philosophers emphasize "well-being" instead of welfare, as it encompasses broader dimensions that go beyond material prosperity.

9. Lack of Innovative Theories

It is not easy for me to say this, but neither Power and Progress nor Why Nations Fail offers a groundbreaking or transformative theory. The authors have merely sought to direct minds toward ideas that are not entirely unprecedented. Many of the central ideas in these books have been previously addressed by philosophers and thinkers in different forms. For instance, discussions on democratic structures and the integration of artificial intelligence to minimize harm and maximize human well-being have been extensively explored before.

Suggestions for Future Editions: Artificial Intelligence and Governance

Given the gaps in the book, particularly in addressing artificial intelligence, I believe Acemoglu and Johnson should consider the following topics for future editions:

1. **Global Governance of Artificial Intelligence: Democratic or Authoritarian?**

The book argues that technology alone does not improve people's lives; rather, how political and economic institutions use and distribute these technologies determines whether they lead to inequality or inclusive growth. However, the era of nation-states is fading. With globalization accelerating and AI facilitating unprecedented integration, it is crucial to address the role of international law and global institutions in governing AI.

The critical question is: Who governs AI globally? Nation-states, multinational corporations, or someone else? Furthermore, will governance be democratic and equitable, or authoritarian and unjust?

If governance is not democratized and rooted in maximum public participation, AI could turn the world into a nightmare. Multinational corporations, accused of prioritizing profits over humanity, present themselves as environmental champions, but their sincerity is questionable. As Neil Lawrence aptly puts it, we are all serfs in the digital empire of large corporations.

The book should explore mechanisms for ensuring AI serves humanity equitably without stifling corporate freedom unnecessarily.

2. **Empowering Humans to Compete with AI**

The authors' optimism about taming AI through policy and regulation leads them to argue that AI can enhance productivity, empower individuals, and lead to scientific and medical advancements. While these are valid points, they represent only the positive potentials. In reality, AI's development simultaneously threatens to displace millions of workers and destroy lives.

The key solution lies in continuous skill development and lifelong learning for individuals. By equipping people with the knowledge and confidence to remain a step ahead of AI, society can ensure that while many jobs may be replaced by AI, new ones will quickly emerge to fill the gaps.

3. **The Role of Ethics and Religion**

Humanity's greatest asset in navigating the AI revolution is ethics—not utilitarian ethics, but ethics akin to Kant's deontological framework, which emphasizes immutable moral values. If this ethical foundation is lost, humanity may not survive the upheaval AI will bring.

Religions, with their emphasis on faith and moral values, provide a vital framework for fostering ethical societies. However, this crucial aspect is overlooked in Power and Progress. Future editions should address this vital role.

Thank you for your attention.