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The Wall and the Bridge: Fear and Opportunity in Disruption's Wake

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The Wall and the Bridge: Fear and Opportunity in Disruption's Wake is a recent book authored by Glenn Hubbard, a Professor of Finance and Economics and dean emeritus at Columbia Business School, who was chair of the US Council of Economic Advisers from 2001 through 2003.

In his book, *The Wall and the Bridge*, Glenn Hubbard brings clarity to international debate on economic policy issues facing all nations today. The public, not just in the United States but around the world, feels there is a lack of economic world order, cohesion, and financial stability. Despite vast literature in economics, politics, history, and world trade, the 21st century is facing crises: Covid-19, climate change, social media, education, governance, and technologies.

Glenn Hubbard's book takes readers to the issues and challenges of real people, every day. This book has nine chapters. In the introductory chapter, the author begins with the divide between economists and real people. Economists think differently and communicate their ideas poorly to real people. The last two or even three decades have witnessed an explosive growth of technology, globalization, and the exodus of US manufacturing of a variety of commercial products, including television, computers, mobile phones, computer chips used in automobiles, aerospace, graphic interfaces, and other high-end products.

Adam Smith, a founder of modern economics, is well-known for his work on *The Wealth of Nations*. Contrary to David Hume's emphasis on individual "utility," Smith stressed the moral links between the individual and society. Smith rejected mercantilism, since it focuses on creating wealth for the sovereign, and not encouraging the prosperity of their subjects. During the seventeenth and eighteenth centuries, all national economies were agrarian, and industrialization due to the manufacturing of steel and building materials for the construction of bridges and railroads began to be part of modernization. Smith's view of prosperity comes from the consumption of goods and services by society, which also means the living standards of society.

Chapter 3 title, "mass flourishing," made popular by Edmund Phelps, a colleague of the author. Adam Smith is also a proponent of a massive increase in living standards. However, modern capitalism has erected walls that hamper innovation favoring the elite few.

Chapter 4 on mass flourishing explains why it is facing limits and the lack of connectedness for the least well-off. Smith attacked walls, monopoly privileges, and limits placed on efficiency. These are real in a variety of organizations today and present all over the world. The political use of walls, especially “tariffs” to limit imports, has negative consequences as well. It may benefit one sector while punishing other sectors. At the same time, other nations may retaliate, erection of walls may impose hardships on our global supply chains—since US corporations heavily use them.

In Chapter 5, Hubbard articulates why walls are still attractive in industries such as steel. President Reagan saw the plight of American steelworkers who were out of work due to dumping by foreign steel manufacturers. So, Reagan limited steel imports. The same chapter presents trade walls past and present.

Now to the ideas of bridges. The book has thoughtful recommendations for them. Chapter 6 lists three past bridges: (1) Morrill Land Grant Act, (2) Homestead Act, and (3) The transcontinental railroad.

According to the book, bridges have three key elements: (1) they help people overcome a specific challenge on their way to economic flourishing, (2) the wider society builds the bridge, either through private organizations, governments, or public-private partnerships. And (3) it avoids restraints on competition.

Chapter 7 focuses on business as a bridge builder. This chapter explains how Eastman and Kodak prospered in Rochester, New York, and, in turn, created employment for the millions.

Chapter 8 is about the role of governments in building bridges. In 1792, the University of Vermont was founded as a land-grant college under the Morrill Act and promoted the liberal and professional education of the industrial classes.

Finally, Chapter 9 explains eloquently how mass flourishing requires bridges. This chapter lists the following bridge-making ideas: (1) mass flourishing as a moral as well as economic imperative, (2) mass flourishing requires bridges, not walls, (3) bridges require intentional business and governmental actions, and (4) the Pandemic emphasizes the need for bridges, as well.

In summary, for the public, especially for non-economists, the wall and the bridge metaphors serve well to illuminate both challenges and opportunities for enlarging

the economic pie for any society. The themes and arguments presented in this book resonate well with all nations today.

Jay Nathan

Jay Nathan, Ph.D., is a tenured full professor of management, Peter J. Tobin College of Business at St. John's University, Queens, New York City. Previously he was a tenured professor at the Kania School of Management at the University of Scranton, Pennsylvania. Dr. Nathan is a Fulbright Scholar to Thailand, Poland, Kazakhstan, Mongolia, Hungary, and Romania. He served six years (2017-2022) as board director of the US Fulbright Association. In 2023, the American Fulbright Association elected him to the Fulbright Prize selection committee. Dr. Nathan is a past president of the Global Awareness Society International. He is enthusiastic about business education and development, especially in poor and developing nations around the world—and he sees the world as one large campus.