

Laudation at the occasion of the award of an honorary degree to Carlota Perez

By Joost de Laat and Johan Schot, honorary promoters

Carlota Perez advances an economics of hope. Throughout her career, Perez has studied the role of technology in economic development, social welfare, and more recently sustainable development. She has argued convincingly there is scope for pro-active public policies for shaping the complex relationship between technology and the economy into a positive direction.

In her seminal book *Technological Revolutions and Financial Capital; The Dynamics of Bubbles and Golden Ages* she puts forth a thesis about the recurrence of Surges of Development. Since the first Industrial Revolution starting at the end of the 18th century, the world has witnessed five such technological revolutions, with each seeing a period of installation and creative destruction, followed by a turning point in which bubbles lead to financial and societal crises, including populism and xenophobia, and then a period of deployment, the golden age for the technology. In each turning point, public action shaped the subsequent period of deployment.

In the fourth industrial revolution – the age of the automobile, oil, cheap plastics, and mass production – public action followed the crises of the 1930s and World War II, with the government actively promoting a suburban way of life that, coupled with the rapid expansion of social insurance policies, enabled a golden age of mass production *and* consumption to reach the middle class.

As Carlota Perez has forcefully argued, the world is currently again in such a turning point, this time of the fifth industrial revolution that has, since the early 1970s, saw the rapid expansion of information technology and communication, but has seen financial crises, populism, and xenophobia rising again. In her writing and public speaking, she points to the huge underlying technological potential for this current industrial revolution to create a world in which all parts of the world can grow, with people in China, India, Africa and everywhere else leading sustainable and full-filling lifestyles, focused less on mass consumption material well-being, and more on intangibles, circular, and experiential ways of living.

As a historian, she remarks in one of her recent speeches “Let’s hope we can understand the moment we are living in”, and calls on governments, business, and societal leaders – including the young and educated – to let go of the neo-liberal market paradigm that markets will solve all problems, and proactively shape the synergistic direction needed to unleash this potential, create a sustainable global ICT golden age.

The troubles of our time, among others the climate crises and rising inequalities, can and should be addressed through institutional innovation, putting conditions in place for a new techno-economic paradigm of smart green growth, and pushing the field of economics towards dematerialized but desirable lifestyles, away from a singular focus on economic growth.

Carlota is not a typical academic, she is a public intellectual. Her insights have been developed through combining experience with study, working as a public servant back in the 1980s in Venezuela and as a consultant for many companies and international organisations, as well as being a lecturer and researcher at various universities in a range of countries. She has been a source of inspiration for many young scholars from the Global South. In May 2020, she was featured in *Forbes* as one of the 5 top female scholars redefining economics.

It is a privilege for us on behalf of Utrecht University to bestow an honorary doctorate on Carlota Perez, in recognition of her exceptional contributions to research, education and practice, across economics, history and the social sciences.