



Review Of The Seventh Sense: Power, Fortune And Survival In The Age Of Networks By Joshua Cooper Ramo

June 21, 2016

Review of *The Seventh Sense: Power, Fortune and Survival in the Age of Networks* by Joshua Cooper Ramo, Little, Brown & Company, 2016

I did not expect to learn much from *The Seventh Sense* since author Joshua Cooper Ramo is a part of the pinnacle elite as co-CEO and Vice Chairman of Kissinger Associates and thanks Bob Rubin and Jim Baker in his Acknowledgements. Yet, *The Seventh Sense* is also praised by Walter Isaacson, Malcolm Gladwell, Reid Hoffman and Fareed Zakaria, enough to intrigue me.

To my surprise, this book is the best yet on reviewing the ever more tightly woven, connected, pervasive networks – accelerating due to their interactivity – that now dominate our globalized human societies. I also explored how globalization would bring huge surprises in my *Paradigms in Progress* (1991, 1995) due to the acceleration such interlinking of markets, finance, electronic networks, satellite-enabled communications and trade agreements was creating. I deemed this worldwide mesh of networks to be irreversible and meant that no nation alone could address the new global forces unleashed: from climate change to rising social movements. Human survival would depend on a new cooperative world order based on multiple layers of new rules, agreements and treaties envisioned in [*Building a Win-Win World*](#).

Author Joshua Cooper Ramo surveys this new world of interconnected networks in penetrating detail with deep knowledge of current global geopolitics and human history. His conclusions include the need for upending most of the 20th century institutions and replacing most of today's leaders, who are blind to the new networked global terrain. Ramo sees them as largely ignorant of the technologies underpinning 21st century electronic platforms and their protocols. This book is a deep dive behind the science driving us toward deeper enmeshing in all these powerful networks, algorithms and artificial intelligence we can no longer escape. Yet today, science-bashing and denial of evidence is as alive in the US Congress as it was in the 1990s when anti-intellectual members voted to shut down their Office of Technology Assessment (OTA) whose prescient reports forecast many of the global and technological challenges we face today.

This book is refreshingly honest on the good and bad news about our radically interconnected “age of collapse and construction” (p. 255) which I see as inevitable breakdowns now driving breakthroughs. Ramo may be the first philosopher of this Age of Connection, beyond the adolescent hype of Silicon Valley’s enthusiasts for big wins, short-term gains, instant gratification and disruption of every 20th century sector they can digitize. Ramo calmly points out the lessons that must be learned:

- These winner-take-all networks are both distributed *and* concentrated. They both democratize (creating new grassroots movements) *and* centralize control by creating new topologies along with new “network despots” and technological authoritarians. These are often the narrowly owned and managed companies: Amazon (NASDAQ:[AMZN](#)), Microsoft (NASDAQ:[MSFT](#)), Google (NASDAQ:[GOOG](#)), Facebook (NASDAQ:[FB](#)) which have created dozens of additional billionaires along with their founders’ fortunes. Yet, the global power they wield is unprecedented, enhanced by their foundations, similar to those who control global financial networks.
- Elements of today’s network topologies and their “Kinetic Elites” (p. 210) look a lot like the old power brokers. “A strange white male feudalism reigns: millions of women permit the very existence of online social and shopping services which are commanded largely by men – and other kinds of diversity are absent too. Such an arrangement, which was merely immoral in the past, has now become dangerous. The very best tech firms have begun to address this – they understand the irreparable disadvantage of a monoculture,” (p. 50). Similar critiques are made in [Disrupting Asset Management](#) in Institutional Investor.
- The technological choices we make are strikingly political (big data can change elections, manipulate consumers and citizens, shape cultures). Speed and efficiency dominate over longer-term values and goals, also because broader contexts are ignored. Programmers have become lawgivers (p. 175). Space and time are compressed. For example, Google’s MAPREDUCE turns local places and real communities into “geographies” and rearranges them with new topologies of connection. The massive proliferation of sensors, hyped as convenience for consumers, has created a backlash as I reported in [The Idiocy of Things Requires an Information Habeas Corpus](#).
- As networks expand from a few users to billions due to their power law effects, new trust-systems are necessary to replace older bonds of kinship, place, language and culture. Thus, gate keepers and gated spaces appear, based on new forms of segmentation. Internet sites and blogs cater to all different opinions and groups: from haters and racists to those who meditate or seek higher levels of consciousness. [Match.com](#) or LinkedIn (NYSE:[LNKD](#)) spawn into EliteSingles, ChristianMingle and more selective professional services.
- Walls no longer work. Only gates do – i.e., protocols, rules, standards, principles and creating new forms of trust and relationship (without which markets and societies cannot function) – [Transparency International](#), [UN Principles for Responsible Investment](#), [CDP](#), [RepRisk](#), the [UN Inquiry](#), [IEX](#), [Healthy Markets](#), [Everledger](#). [Ethical Markets](#) and others disrupt conventional financial models with such higher ethical standards.
- Distributed information, social media and big data make for greater transparency and knowledge in MOOCs and Wikipedia, and also enable WikiLeaks, the Panama Papers and Edward Snowden.

- We must understand enough of the technology underlying the networks on which we now depend for our convenience, security, livelihoods and investments. We must also understand that advances in artificial intelligence are now also accelerating, using algorithms ignoring deeper values of humans – compassion and empathy – beyond the current obsession with narrowly defined efficiency and speed.
- All these new networks, topologies and powerful technologies and their rapid deployment are rarely assessed for their social and environmental impacts, making the rise of cybercrime inevitable. Hackers, sloppy coding, viruses and malware proliferate worldwide. Worms like Stuxnet first demonstrated how coded information could destroy physical equipment. Electrical grids, water treatment plants, infrastructure, financial markets, even the SWIFT system, are all vulnerable.

The deeper ramifications of all these lessons are explored and pondered by Ramo, a Mandarin-speaking Chinese scholar, who has lived extensively in China and is familiar with Buddhism and its culture. He meditates on how all our complex, adaptive systems and their emergent properties can be steered by higher values than those of power-seeking and money-making. Ramo asks the Platonic question: can leaders also be the philosophers we need to face these new challenges and opportunities? He also calls for a new robust citizenship: “We need citizens who can command networks in a fight against network dangers” (p. 299). Interestingly, although Ramo stresses the need for broader contexts, he does not mention the context I believe is most crucial for human survival: the planetary energy base of all our technological progress now transitioning from polluting fossil fuels and inefficient nuclear plants to sustainable, inclusive, knowledge-rich societies powered by renewable energy and the daily flow of free protons from our Sun, which I call the Solar Age.

Nowhere is all this more crucial than in finance now being disrupted daily by the new [FINTECH 100](#) and other startups. They will all have to think beyond their economic models and learn the [Principles of Ethical Biomimicry Finance](#)® and check our [Green Transition Scoreboard](#)®. The good and bad news of fintech in today’s financial markets and how these forces can be shaped for more sustainable forms of development is the remit of the UN Inquiry. Its new focus is on Fintech for Sustainable Development to which Ethical Markets is contributing research following our work on [Reforming Electronic Markets and Trading](#). All these are market-based reforms, as well as those of the best Fintech firms, including Healthy Markets and IEX, now authorized by the SEC as the 13th national stock exchange over the multiple blocking efforts of incumbents. Ramo’s *Seventh Sense* provides a framework for understanding how disrupted legacy financial markets are restructuring. Required reading for investors and asset managers!

Disclosure: I/we have no positions in any stocks mentioned, and no plans to initiate any positions within the next 72 hours.

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