

What You Can Learn from Greece

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Still in the "dirty weather" here in Lausanne ... We always have the same questions in mind: What do we do? What are we trying to do? Which decisions deserve time ... and which ones are best left to the entropy ...

All around you, you will find hundreds or thousands of things to improve ... rules to respect that you did not know ... things that you "should do ..." or that you should repair.

Yet for most people, almost all of these ideas are distractions ... except for a very small range of things, you can not make a positive impact ...

Almost all the productive things you can do are small ... make a smile ... say a nice word ... say hello ... or lie down on time ...

Ultimately, this kind of little thing makes an incredible difference in your life ... and even in the life of your surroundings ... but you will not have the feeling to "control" your future and your destiny ... which displeases many people .

You can not plan the outcome of things ... nor can you plan love ... nor "logically" create a language ... Almost all events in human life produce on the one hand through action ... and Of another by the good will of events.

The Truth About Aristotle

Look at, for example, the greatest philosophers and scientists, all over the world ... from Aristotle, Isaac Newton, Einstein ... what do they all have in common?

Almost always, these great thinkers arise when the environment is propitious ...

Ancient Greece in the time of Aristotle, for example, was an environment of efflorescence of commerce, communication, and economic stability. Many well-known philosophers and mathematicians, such as Socrates, Plato, and Archimedes, lived around this period.

You seem to have a much better chance of being a recognized mathematician or "great philosopher" during the golden age of Greece than at most other periods before the " Modern era.

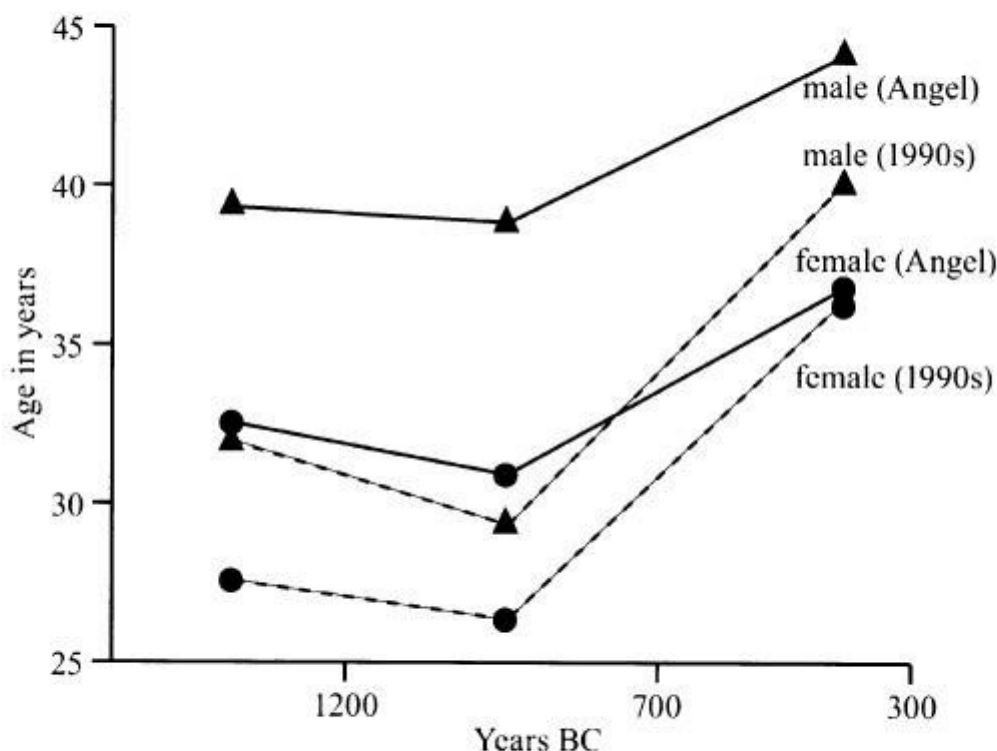
Why?

According to many historians, Greece had an economic expansion beginning at least in 800 BC, which continued for 500 years.

According to the research of Josiah Heller of Stanford University, between the 9th century and the 4th century BC, the population of Greece climbed 10 times. The size of an average dwelling rose 3.5 times. Household wealth increased by 5 to 10 times, and consumption increased 1.5 to 2 times.

According to the archaeologist Ian Morris, lifetimes have increased by about 10% during this period (see graph).

Figure 2
Average Adult Ages at Death, 1600–300 BC



Note: The solid lines represent Angel's results, collected in the 1930s–1970s ($n = 433$ males, 294 females), and the broken lines results collected with new techniques in the 1990s ($n = 357$ males, 416 females).

Why this economic growth?

Primarily, it would seem, a virtuous circle ... because Greece was well positioned for maritime trade, their commercial capacities developed ... creating better ships for trade, as well as trading desks (*emporía*). To cross the Isthmus of Corinth, the Greeks had built a special way, the Diolkos, to make the boats pass over land.

At the same time, in Central Europe, the use of iron became widespread, an innovation facilitating agriculture and creating new goods to be exchanged.

With trade, the Greeks started using gold and silver currencies ... leading to the creation of a financial sector providing loans to traders ... paying interest (*nautikos tokos*) from 12.5% ?? to 30%.

In short, you may not be able to find a specific "reason" to explain all this effervescence ...

We know that our economy tends to produce innovations that complement and grow.

These external circumstances of course have a major effect on our lives ... and on our personal prosperity.

And today, where are we?

Are we in a "golden age?"

Or do we begin to roll down the slope?

According to some thinkers, we are only in the beginning ... and our pace of innovation and improvements will continue to

accelerate ...

We have spent about 200 years perfecting and spreading the use of the fuel engine ... Some experts now believe that we will have an equivalent of this "Industrial Revolution" every 10 years ... or even months.

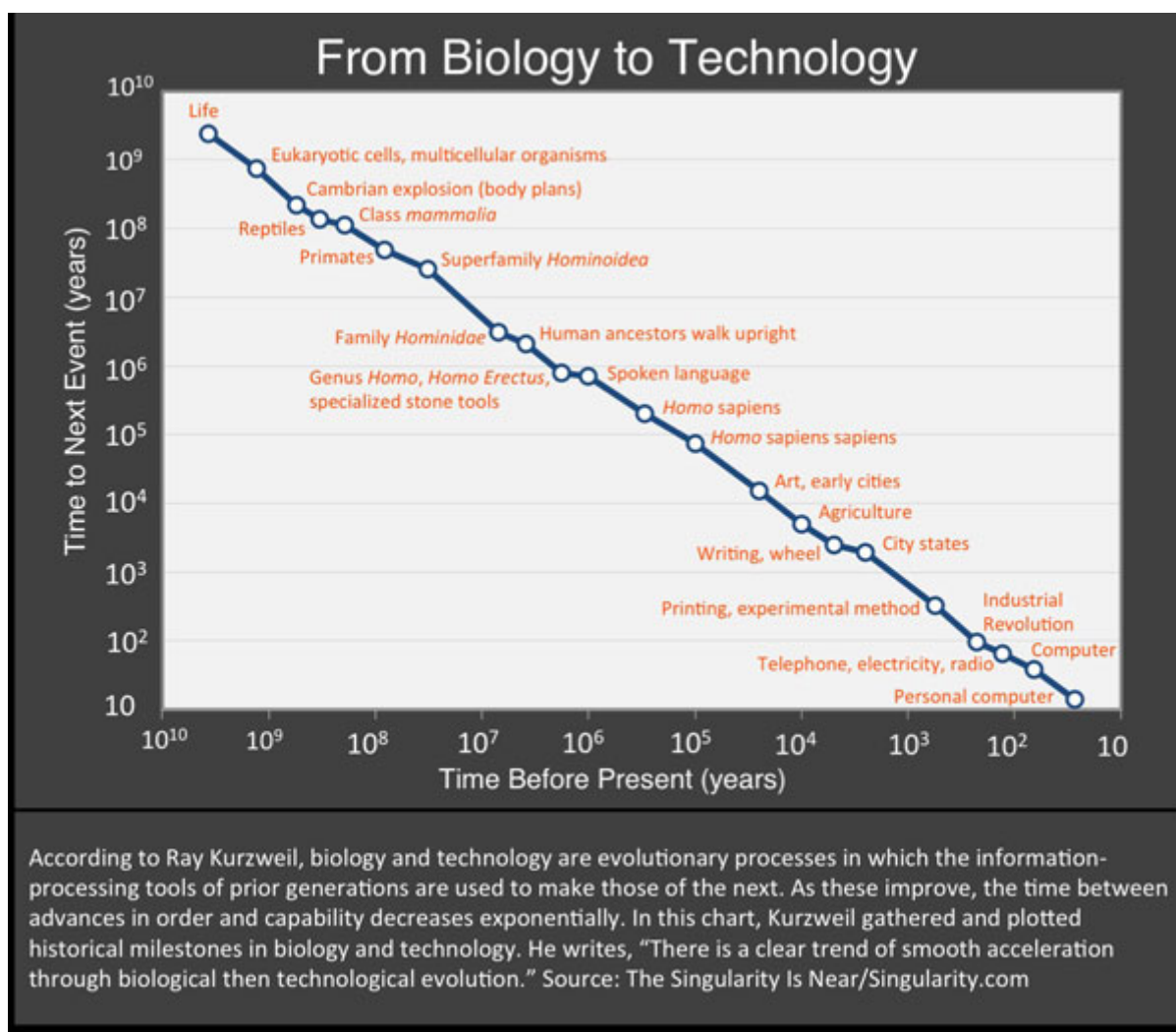
According to futurist Ray Kurzweil, a pioneer in the field of scanners and digital images, "We are not going to have 100 years of progress in the 21st century - we will have the equivalent of 20,000 years of progress (at the rate of today (2001))."

You may recognize Moore's law, expressed by one of Intel's founders in 1965, that the capacity of computers doubles every year without changing size.

In other words, the more time goes on, the more rapidly innovation and progress ...

According to some futurists, this tendency is limited by the capabilities of human intelligence ... and according to them, "artificial intelligence" will exceed the capacities of the human being in the next decades ... calling this event "The Singularity."

Here is a table published by Singularityhub.Com showing the approach of this event ...



Of course, as we said yesterday, "the trees do not climb to heaven ..."

And ancient Greece ended up declining, and losing much of the innovations and wealth it had accumulated in 500 years.

Why?

Wars? Famines? Diseases?

We will keep this subject for another time.

What to do...?

At this point, almost everyone is convinced that our "golden age" in equity markets will continue ... We have not experienced a serious, long-term recession since the 1970s ...

As we said yesterday, we experienced a decline in equity markets between 1965 and 1980.

As companies flowed, the least "innovative" asset of all, gold, greatly increased in value.

We spent almost 10 years without any real correction ... and almost 40 years without real market fall for more than 18 months ...

In addition, we see a stock market dominated by technology companies ... Amazon, Google, Apple, Microsoft ...

We feel we have seen this pattern before ...

As a result, we remain rather reserved on the stock markets for the moment ...

After all this "good weather," we should have some rain ... even if we do not know for now where it will come from ...

Truly,

Henri Bonner