

This book examines how the US became the epicenter of the Fourth Industrial Revolution. Rather than attributing today's AI-driven economy solely to "neoliberalism", it argues that between the late 1970s and early 2000s, bipartisan reforms in intellectual property, antitrust, telecommunications, and trade created new property rights and reduced transaction costs. Government support for research, new standards and a flexible regulatory framework catalyzed rapid innovation by fostering new contracting arrangements.

The book shows how key legal and regulatory changes fostered global supply chains where the U.S. specialized in intangible capital—R&D, IP, design, software and algorithms. Over time, mobile devices became data-gathering engines for AI, fueling platform-driven business models in which “superstar” firms orchestrate vast innovation networks. Through original patent network analyses, firm-level econometric evidence, and case studies, the book demonstrates how, by widely diffusing their technology across supply chains and even to competitors, leading American firms previewed this approach well-before the Fourth Industrial Revolution. Paradoxically, more technological inequality between firms fostered a tighter distribution of productivity and profits.

The book also takes a comparative perspective, both cross-nationally and historically. It contrasts American AI development to Europe and China's approaches, examining how different institutions, regulatory paradigms and priorities create distinct trade-offs—the EU emphasizes consumer protections and China pursues a state-directed model. It also draws historical parallels to previous industrial revolutions, showing AI's similarity to the development of steam power, electricity and computers. By exploring the consequences of AI on business practices, productivity, employment and inequality, the book documents how AI conforms to the historical paradox of exponential performance improvements, S-curve adoption, and delayed effects. It argues that, like previous industrial revolutions, the Fourth Industrial Revolution's ultimate impact on creating opportunity versus exacerbating disparity will depend on how societies manage AI deployment and make investments in education, infrastructure and social insurance.