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The Age of the Individual: 500 Years Ago Today  
Session 5: Individualism in the Economy**

**Google Ngrams for Individualism:  
Do They Trace a Loss of Innovation?**

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This conference has taken a new look at individualism. Some conferees noted ways in which the individualism possessed by a society comes at a cost. Yet no one denied that individualism may bring benefits exceeding costs, provided complimentary factors are in place.<sup>1</sup> In particular, no one disputed or questioned the two-part thesis in my book *Mass Flourishing*: It was key modernist values – *individualism*, of course, though also *vitalism* and *self-expression* – that, on reaching a critical mass, stimulated the innovation that sprouted up in 19<sup>th</sup> century Britain, America, Germany and France. Further, such an innovative economy gave ordinary people chances to exercise their imagination, meet new challenges and venture into the unknown – the “good life” beyond what Aristotle conceived.<sup>2</sup>

But the book lacked direct measures of values with which to test the thesis. The book rested its thesis on circumstantial evidence from literature and the arts. And many readers may have been unpersuaded.

After the book was out of my hands, I learned of the Google Ngrams and explored some of them in my paper at the Center’s 11<sup>th</sup> annual conference in 2013. I was delighted to find that the N-gram for “flourishing” rose steadily over the 19<sup>th</sup> century, peaking around the 1940s. To a very rough approximation, that is around the time when American innovation was at a peak – from the late ‘20s or early ‘30s to the late ‘50s. Unfortunately, I did not extract an Ngram for individualism nor for vitalism and the desire for self-expression.

Now, Robert Shiller has made a welcome entry into this subject. He shows the time series of the Google N-grams for the “age of individualism” and for “individualism.” (I could kick myself for not having dug them up back in 2013!)

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<sup>1</sup> Burckhardt, author of *The Civilization of the Renaissance in Italy*, said individualism, *taken alone*, “is neither good nor bad.” See Lukes, *Individualism* (Blackwell, London,), p.25.

<sup>2</sup> Phelps, *Mass Flourishing: How Grassroots Innovation Created Jobs, Challenge and Change* (Princeton: Princeton University Press, 2013), Ch. 4, “How Modern Economies Formed,” 77-110.

From my perspective, what is immediately eye-catching is that these two N-grams emerged in the 2<sup>nd</sup> quarter of the 19<sup>th</sup> century. So far, so good, for my thesis that

modern values drove the rise of unprecedented innovation from 1815 in the UK – 1830 in the US.

It may seem, however, that the relatively high level of the individualism N-gram when last measured – the level in the early 2000s – is about what it was in the early ‘50s, when innovation was relatively pervasive in the US and UK – does *not* fit my *further* hypothesis that the *large loss* of aggregate innovation from 1970 to the present can be imputed to some substantial *loss* of modernist values largely occurring in the 1960s. What to say about that?

One answer, I would suggest, is that the N-grams for individualism are *lagged* indicators of indigenous innovation. We know from historical records that the British economy was on fire with innovation from around 1815 – with the end of the Napoleonic War – while the N-grams do not come to life until around 1840, some 25 years later. Similarly, it is reasonable to believe that the loss of something like one-half of annual innovation around 1970 – a collapse of innovation in traditional industries offset to a degree by a torrid rate of innovation in Silicon Valley – would not cause a severe decline of the N-grams for several decades. After all, the concept of individualism is also a topic of conversation. In short, the *word* might well remain in use about as frequently as before even if the rate of innovation has fallen by one-half.

Another answer is that individualism is only one of the modernist values that, in my thesis, drove the rise and, then, the fall of indigenous innovation. My thesis included in modernism the *vitalism* celebrated in the Baroque era and the *self-expression* held aloft in the Romantic era of the 19<sup>th</sup> century. This brings us to other work.

In his paper at the same 2013 conference, Raicho Bojilov, a colleague at the Center and occasional co-author on the influence of values on the economy and life

culture, extracted N-graphs on a vast range of attitudes and beliefs.<sup>3</sup> It would be hard to draw an overall impression from this vast array. However, the finding he saw as most striking was the behavior of what he dubbed the “index of venture, which captures the drive to discover, ...explore new worlds [and] leap into the unknown.” (His Fig. 17.)

“...This index experienced an early decline in the first two decades of the 20<sup>th</sup> century, followed by a plateau until the early 1970s when it declined further. In the late 1990s, venturesomeness experienced a recovery ... but not to the levels before the Great Depression. (p. 12) This impression is confirmed by ... the decrease in the use of “interesting” to describe work and economic activity. (Fig. 18 ... The [results] show that vitalism has been slowly but steadily declining in the US since the 1970s.” (p. 1)

It appears that statistical inferences from a system of a dozen or more times series is generally hazardous. Only a few estimates are likely to stand out and some of these estimates may be serious errors. We need to build inter-country models for results of which we can be confident. A research team at the Center has been following that path.\*

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<sup>3</sup> Bojilov, “A Study of Economic Beliefs and Attitudes in the US with the Help of the Google N-Grams,” given at the 12<sup>th</sup> Annual Conference of the Center on Capitalism and Society, Columbia University, September 9, 2013.