

and thematic perspectives. This handbook is surely a landmark in the interdisciplinary research field of economics and Christianity, and a valuable guide for those who are interested in the dialogue between economics and theology.

Yong-Sun Yang
Alphacrucis College

Jacob Viner, *The Customs Union Issue*, edited and with an introduction by Paul Oslington (Oxford: Oxford University Press, 2014), pp. 256, \$39.95. ISBN 978-0199-75612-4.

doi: 10.1017/S105383721500053X

The republication of any significant past contribution to the field of economics is an occasion of joy for historians of economics because it means new scholars will find themselves engaged with the insights of a classic text. Jacob Viner's text is a great example, because its discussion of the discriminatory nature of preferential trade agreements has shaped much of the debate over the past fifty years, even though reference to the text itself dropped away by the 1970s. Comments such as "It is a serious mistake, although a widely prevalent one, to transfer from the field of free trade in general, where it is probably true, to the field of preferential trade relations . . . , where there is no reason at all to believe that it is true, the ancient proposition that the removal of barriers to trade works powerfully for peace and amity" (p. 129) sound even more prescient today than fifty years ago. Almost everywhere we look, regional trade accords and other forms of economic integration are fraught with tension and discord.

For the historian, however, the occasion also gives an opportunity to consider not only the book's influence, but also its original context and purpose. Paul Oslington's introduction covers much of this ground quite well. Viner's interest in preferential trade arrangements, and customs unions in particular, emerged from his background of working with Frank Taussig at Harvard and at the US Trade Commission. At first, he looked favorably on customs unions, thinking them a step toward freer trade, especially in the context of trade protection all around. But a consulting assignment with the province of Manitoba gave Viner the opportunity to examine how preferential trade arrangements within his native land worked to the benefit of some Canadian provinces and not others, with potentially substantial welfare losses. Oslington also walks through the reception of Viner's argument in the trade literature, and provides a reasonable assessment of his contribution.

One thing Oslington does not look at in his introduction is the contribution of Viner's treatise to our evaluation of the Chicago School. I was surprised, given the context he does provide, that Oslington did not mention that this text was written over the span of time during Viner's decision to leave Chicago and move to Princeton. Since much of the book was written before he left, we can consider it a contribution to the trade literature of the Chicago economists. And what a good example of the early Chicago School's work it is. The focus of attention is on the way in which the social organization of economic activity is effected by a specific set of trade policies, with Marshallian price theory as the framework for evaluation. The nineteenth-century proponents of laissez-faire had lost both politically and intellectually to protectionism,

while those who still defended free trade saw any arrangement that extended trade between nations as necessarily positive. What was lacking was a theoretical investigation of the question. What could we say, and what would require information beyond that which theory could provide? Viner's fine analytical skills are apparent in the carefully worded suggestions to policy-makers and theoreticians about what things they might attend to as they examine their actual case (see pp. 63–64). And the depth of his theoretical insight is on display, as they often were in the Chicago classroom.

The book gives us a glimpse of the early Chicago School at its peak. Viner reminds us that uninhibited free trade will always be better than any arrangement that restricts trade, even one that increases trade relations between two or more specific countries. Then, he uses price theory to identify the limits of what can be said about net benefits and/or costs from trade agreements. Under what conditions can they be said to move towards the benefits of free trade, and under what conditions can they be said to move in the opposite direction (again, see pp. 63–65)? Given what we know about his classroom style, one can well imagine him, pipe clenched firmly between his teeth, spontaneously asking a student in class to evaluate one of these conditions. And knowing that Milton Friedman modeled his classroom on Viner's, the price theoretical discussion in the book gives us a glimpse of what students at Chicago experienced for almost fifty years (Viner came back to teaching at Chicago in 1926, and Friedman retired in 1976; in between, the only other person to teach price theory was Frank Knight). Recognizing the Chicago connection might also have provided Oslington the opportunity to compare Viner's approach in *The Customs Union Issue* with the approach of those who followed him at Chicago, especially Robert Mundell and Harry Johnson.

Despite the lack of any consideration of the book on Viner's contributions to Chicago, Oslington's introduction does provide a useful consideration of the text in the context of international trade theory, and reminds us of the importance of Viner's argument in a time when preferential trade arrangements continue to be championed as a vehicle to greater global trade. And the volume itself is a welcome reminder of an argument that continues to resonate after more than half a century.

Ross B. Emmett
Michigan State University

Malcolm Rutherford, *The Institutionalist Movement in American Economics, 1918–1947: Science and Social Control* (Cambridge: Cambridge University Press, 2011), pp. 410, \$109.99. ISBN 978-1-107-00699-7.

doi: 10.1017/S1053837215000541

Malcolm Rutherford has been working on pieces of this book for more than fifteen years and, in the process, has gradually built up a reputation as a leading scholar on the original institutional economics movement in America. This book stitches all the disparate parts of the story into one grand narrative that in breadth, depth, and interpretative insight succeeds in establishing both the volume and author as authoritative on the subject.