[7] "Estimation of Stochastic Difference Equations with Moving Average Disturbances." Extension of (1978), circulated privately in the late 1960s, but a copy of this paper has not been found.
[8] "Economic Policy and Development." Handwritten seminar presentation, April 1968. (Chapter 23.)
[9] "Economic Policies and Development, and Comments on Trade and Protection Policy." Handwritten note that follows closely the content of [8]. Phillips organized his comments as a contribution to the debate about the Vernon Committee Report, published in 1965.
[10] "Analysis of the Operation of a Buffer Stock for Cocoa," UNCTAD.
[11] [The Last Paper: A Foreshadowing of the Lucas Critique?] Handwritten paper, July 24, 1972. (Chapter 52.)

Non-Located Unpublished Papers (listed as "substantially completed" essays in The Final "Report of the London School of Economics Project on Dynamic Process Analysis, 1963).

[12] "Minimum Identification Conditions for the Derivation of Optimum Linear Decision Rules."
[13] Efficient Estimation of Multivariate Difference Equations with Serially Correlated Disturbances."
[14] "A General Method of Obtaining Optimal Linear Decision Rules for Multivariate Dynamic Systems.
[15] "Some Developments in Time Series Analysis," presented at the December 1962 meeting of the Econometric Society. Summary of [12], [13], and [14].

Michalis Psalidopoulos and Maria Eugenia Mata, eds., *Economic Thought and Policy in Less Developed Europe*: *The Nineteenth Century* (London and New York: Routledge, 2002), 320 pp., $100. ISBN: 0-41525-820-0.

This book is a welcome addition, or rather pioneer, in the literature dealing with economic development, economic history, the history of economies and economic policy. It is rare for a volume to be of potential interest to such a wide audience:

> This project, then is about economic thought in a—restricted—number of European countries, over time. It seeks to bring out how economic thought got transformed and adapted and how it responded to economic policy issues and its subsequent development. It also throws light on the dissemination of economic ideas, as the leading economies like Britain, France, Germany and the Low Countries, the countries that 'produced' economic theory, are excluded from our enquiry since we focus on the industrial latecomers (p. 2).

A wide range of countries is covered and the fact that we usually hear so little about these economies makes the essays all the more interesting. Denmark, Norway, Finland, Russia, Poland, Rumania, Turkey, Serbia, Greece, Italy, Portugal, and Ireland are the countries covered. Many different themes are introduced *en passant*. For historians of economic thought it is of importance to note that British or classical economics were not dominant. The eminence of the Germans is more noted, as in the essay by Heinonen on Finland. Nationalism is the most important shaping force in the latter half of the century. One is pleasantly surprised to learn that one of the intellectual leaders of the Turks, Ziya Gokalp, paid such close attention to the doctrines of the economists and was familiar not only with List but also with John Rae. Yet this factor alone explains the dissemination of economic ideas inadequately. The rise of economic studies in Portugal appears to have depended entirely upon the qualities of one individual, Adriao Forjaz de Sampaio. The authors, Almodovar and Teixeira, claim that much of the difficulty lay in combining economics with Catholic thought. If so, why did Adriao Forjaz not draw upon the earlier School of Salamanca, instead of trying to integrate the German, Rau, into Portugal? It is beyond my competence to critique the economic thought of such a wide variety of countries. Let me single out a few.

Niels Kaergaard seeks to illuminate the transformation of Danish agriculture by using the history of economic thought. At the end of the nineteenth century the Danes recognized the necessity of moving away from cereals and into animal products. Agriculture remained dominant but with a notable change in its composition. In order to make the new agriculture succeed, the Danes initiated one of the most important innovations in agricultural organization—the cooperative. What is remarkable, as Kaergaard rightly emphasizes, is that the cooperatives were successfully introduced without any help from economic theory.

A second point of equal significance is the alliance of neoclassical and historical economists in getting measures of social reform to pass. Interestingly, the editors summarize this part differently: "The arguments for social reform were not drawn from economic theory, but rather from socialism and Christian ethics" (p. 7). Perhaps this reflects a difference between the emphasis in the presentation and the final revised version. They had a common enemy in the iron law of wages of classical economics, which seemed to pose an insuperable ban to all welfare reform. How did the "iron law" acquire such forceful hold? Hopefully this will be the next paper on Danish economics.

For Italy, Porta and Scazzieri deal with several of the Milanese economists. A fascinating group, with Verri clearly following the same moral philosophy that led Adam Smith to espouse free trade, and whose economics, surprisingly, had the same emphasis upon the division of labor. The authors end with Gioja, who is mentioned but not really elaborated upon. This is a pity, since the Italians, and Gioja in particular, preceded Babbage's insights into the division of labor. Notable also is the recognition that citizens need to be "educated" (the skeptic will read "indoctrinated") into the morality of the new economic system, particularly in Romangosi. This paper can be profitably read in conjunction with those in Porta, Skinner, and Scazzieri (2001).

McDonough and Slater argue that the Irish Famine of 1845, so critical in other aspects of Irish life, was of equal importance for the evolution of economic thought. They argue that Ireland was really a feudal economy, that its economic thought was impoverished (and unreal) and that it was the Famine that provoked first W. N. Hancock, then the Irish historical economists, and finally the Brehon Law Commission into providing the rationale for the land reform finally effected by Gladstone. This is a very interesting combination of theory, history and policy and makes for spirited reading. But I do have some questions about the linkages, especially with the history of economic ideas. Why is the remarkable achievement of the Dublin School of the 1730s—the first school of development economists—ignored? George Berkeley, then Bishop of Cloyne, synthesized these ideas in the first, and arguably most, profound discussion of economic development, the *Querist*. Why was this amazing start forgotten? Nor is it true that the Irish economy had been confused for a capitalist one. As both Barry Gordon and Frank Fetter revealed some time ago, members of parliament frequently considered Ireland to be the country that defied the laws of political economy.

If the authors had only paid attention to the second Whatley Professor, Issac Butt, or even to the *Dublin Review*, these points would have been very clear. Butt explicitly gave credit to Berkeley and the *Dublin Review* followed suit. Even if the claimed-for impact of Hancock, Cliffe-Leslie, and Ingram is accepted there are probably still other contingent events. Without a more comprehensive view it is difficult to gauge the extent to which economists and their ideas were the significant influence upon policy. The pattern of economic thought dominant in Ireland remains a puzzle—the Famine may explain some features, but not without a more detailed account. For the development economist, there is an intriguing fact given in the Introduction:

> Virtually all countries balanced their budgets by keeping spending low, did not regulate their economies and left growth with private business and the free operation of markets. Even the labour market was flexible, at a time of still weak trade unions. Rich and poor European countries were tied to the gold standard, whereas all factors of production were allowed to move freely. This 'globalisation of the 19th century' (O'Rourke and Williamson, 1999) occurred without any supranational institutions functioning as lenders of last resort, or monitoring fluctuations in business cycles that led to short term crisis (p. 5).

In other words, these economies followed the Washington Consensus so beloved of the International Monetary Fund and World Bank today (Alam 2000). Did the growth rates of these fiscally "responsible" economies match the growth rates of the Asian Tigers? What does this tell us about the relevance of institutions and culture to the functioning of the market? The editors are to be congratulated for having provided such a thought-provoking book that is also fun to read.

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