

BOOK REVIEWS

Tony Aspromourgos and John Lodewijks (Eds) *History and Political Economy: Essays in Honour of P. D. Groenewegen* (Routledge: London, 2004) pp. xvii, 305, ISBN 0-415-32762-8.

*To Gild refined gold, to paint the lily,
To throw a perfume on the violet,
To smooth the ice, or add another hue
Unto the rainbow, or with taper-light
To seek the beauteous eye of heaven to garnish,
Is wasteful and ridiculous excess.*

(William Shakespeare—King John Act 4; Scene 2)

Many readers view the typical *estschrift* with at least some feeling of dread. Ostensibly such a volume is intended to honor the life's work of a distinguished academic. The contributed articles reflect in some sense the valuable contribution of the individual so honored. In practice, the word *estschrift* seems a condensed translation of the phrase "Empty the bottom of your desk drawer." This gap between the idea and its manifestation reflects the essence of what has long been the problem with these edited collections. They reflect what articles are in the market rather than output custom-produced for a specific project. Editors contract with noted academics who have been associated in some way with the individual to be honored. At that point these same editors become somewhat locked in. Substitution becomes difficult once the initial decision has been taken. Moreover, the end product has to be of a sufficient length to make the volume marketable. Most of the editor's effort goes into completing the project in a reasonable time and aiming for an acceptable and consistent level of quality. So it is not surprising that I opened this volume in honor of Peter Groenewegen with a good deal of trepidation.

Most readers will know Peter Groenewegen for his authoritative biography of Alfred Marshall. This is a work so comprehensive that Ronald Coase, author of two insightful and charming pieces on Marshall, opted not to pursue the topic any further. The wide recognition and approval the volume gained is best reflected by Milton Friedman's enthusiastic review reprinted in this volume. Given the high probability that this one work will continue to define the future work on Marshall, it is reassuring to see so many chapters on aspects of Marshall's work. Would that there were many more. Instead we have the usual: A group of economists with some connection to Groenewegen writing about what they find interesting. Given Peter Groenewegen's wide range of interests, the reader with some thought and effort will be able to tie the separate contributions together given sufficient time and some ingenuity. However, the suspicion remains that this is an almost unintended consequence of the volume. This does not reflect on the quality of the individual contributions which is often quite high. It just indicates that the authors, for the most part, did not spare too

much time in wondering about the connection of their work with that of Groenewegen's lifetime of research nor of any connections the articles might have with one another.

You gain something of a feel for this lack of forethought in the volume's introduction. Sufficient effort has not been provided by the editors to find or explore any common threads. The implicit avowal that even an *ex-post facto* attempt to paper over the book's discontinuities isn't worth the effort speaks volumes on the very nature of the *estschrift*. That it truly intends to honor an economist's life work is a convention more honored in the breach. The only clear thematic ordering on offer is chronological. This is always a certain default option when all other avenues of interest are closed off. As mentioned, a knowledgeable reader can provide the necessary connections. But the question remains as to whether such connections were intended or simply there to be created by an assiduous reader with an over-active imagination. Certainly the introduction, which leans heavily on a *This is Your Life* compendium approach, does not provide much guidance no matter how informative it may be. An attempt to link the chapters would have been greatly appreciated. Instead, I will point out what I see as possible connections and common themes in the remainder of this review. These links may be purely serendipitous, but they are still worth exploring.

Both Michael White ("A Grin Without a Cat: W.S. Jevons' Elusive Equilibrium") and Neil Hart ("History and Theory in Marshall") explore the way in which two near contemporaries (Jevons and Marshall) tried to dodge crucial economic problems through rhetorical strategies. The attainment of equilibrium in a comparative static context proved persistently elusive. Jevons knew the result he wanted without being able to figure out how to derive it. At best he could only offer the allusion of achievement. In contrast, Marshall tried to develop a long run evolutionary analysis to complement and make sense of his comparative static analysis. The failure of Marshall to succeed, using what was essentially a rhetorical device, is signaled by the refusal of Marshall's successors to develop biological analogies. Though today there are a not insignificant number of economists claiming to adhere to an evolutionary approach, they seem to take their inspiration more from Schumpeter rather than Marshall. In contrast to Marshall, a largely forgotten figure like William Thornton saw most trading as taking place at disequilibrium price positions. Mark Donoghue ("William Thomas Thornton and John Stuart Mill: A Victorian Friendship") considers why such an approach had so little resonance in his exploration into the relationship between William Thornton and John Stuart Mill.

What the two pieces by White and Hart both represent are prime example of how History of Economic Thought analysis should be done. In this sense, both works are a tribute to the best of Peter Groenewegen. Nothing is taken for granted. Analysis begins with the text rather than with preconceived ideas generally accepted by the profession. As Giacomo Becatinni points out in his essay for the volume, "New Orientations in Marshallian Studies," scholars who have gone back to Marshall's texts and placed them in the times that Marshall lived have gone beyond the simple story of Marshall as one of the fathers of neo-classical thought, "As opposed to a coarse positivism that become commonplace among economists, Marshall retained an evolutionary conception in which there was ample space for the role of ideals and human consciousness" (p. 153).

The need for a new approach to Marshall, points out the uphill fight that any careful scholar in this field must continually confront. The fractured fairy tales that are commonplace currency in the profession tell naïve stories that pass for history of economic thought. These fables have come to represent what passes for the common traditions in economics. Even good scholars ignore the evidence both within and outside the text if it conflicts with their preconceived notions. This is clearly demonstrated by Turnell and Harcourt (“Some Reflections on Keynes, Policy and the Second World War”) in examining American reaction to Skidelsky’s exhaustive biography on Keynes, particularly the third volume (2000). Preconceived positions and a lack of historical knowledge and analysis leads even well-known U.S. economists like Bradford DeLong (2002) to reject categorically the well-documented case that there were clear economic conflicts between Britain and the U.S. both during the war and in the immediate post-war period: “The differences between Skidelsky and DeLong on these issues are reflective, rather, of a clash of national narratives over the Second World War—a clash that is, if anything, intensifying with the passing of years. Sometimes lost in the rhetoric, however, are the substantive issues behind these narratives” (p. 239).

The idea of the economist’s role in social reform is another of the volume’s intriguing themes, with Marshall representing a focal point, while his prize student John Maynard Keynes and unyielding opponent Henry George provide useful contrasts. In the Cambridge tradition in which Marshall was steeped, income redistribution was not the anathema it came to represent for the later Chicago school. However, Marshall was the ultimate gradualist. Given sufficient time, economic growth would ameliorate deep-seated conflicts between economic classes over distributional matters. Education, better opportunity, and a growing economy would eventually “Diminish the toll which has to be paid by the working classes to those who organize the work of the community” (Marshall 1982, p. 225). Entrepreneurship, for instance, would lose its special quality of a property right, transforming instead into a characteristic appearing with increasing regularity throughout the general population. This is of course Marshall’s essentially egalitarian social solution, a vision of a society composed entirely of the middle class. John Whitaker in his contribution, “Alfred Marshall and Grand Social Reform,” encapsulates this view nicely: “His evolutionary view of human nature led him to believe that increasing relaxation of economic constraints pressing on the poor would naturally bring about a widening of their horizons, an increased willingness to sacrifice for their children, a greater willingness to defer consumption, an elevation of taste, and so on” (p. 176).

This is why radical reform, such as that proposed by Henry George was both fundamentally wrong and dangerous. Like the idealism of socialism, Marshall saw such departures from evolutionary trends as simply destroying vital institutions and undermining the necessary self-reliance growing out of individualism. As John Pullen clearly points out in his essay on “Henry George on Property Rights in Land and Land Value: Equal and Private, or Common and Public?,” “George’s policy of common or public ownership of land is seen by many as a policy of land nationalization and as a first step towards socialism and communism. It appeals to those whose political ideology inclines towards socialism, but is anathema to those of the opposite political persuasion” (p. 134).

It is then not surprising that John Maynard Keynes would take up the theme of the euthanasia of the rentier class in the final chapter of *The General Theory*. This was Keynes's true Marshallian and, perhaps more broadly, Cambridge tradition as well. What Tony Aspromourgos provides in his chapter, " 'The Functionless Investor': Keynes's Euthanasia of the Rentier Revisited," is a serious analysis of what Keynes' prediction would imply for our modern economic world. "a policy of pure property income euthanasia would have to choose for part of its means, whether to go 'back' to relatively closed capital markets—or whether to go 'forward' to a genuinely singular world monetary authority" (p. 233).

After a careful reading of the entire volume, these and other themes do gradually appear. But the time-pressed reader does have to work hard for such insights. Nonetheless, even considering each chapter independently there are relatively few contributions which would best be skipped. In all, the volume does go a reasonable way toward honoring Peter Groenewegen's solid contributions to scholarly thought.

Lastly, I know I'm showing a weakness for frivolous comments. But a continuing mystery attached to any Routledge book is that publisher's predilection for totally lackluster covers. It is kindness itself to subscribe this failing to a penchant for somber academic values. The sneaking suspicion remains that either Routledge cuts corners or consistently hires employees devoid of the slightest trace of imagination.

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D. P. O'Brien, *The Classical Economists Revisited* (Princeton, N.J.: Princeton University Press, 2004) pp. xviii, 423, \$39.95 ISBN 0-691-11939-2.

This is a revised and much-expanded edition of Denis O'Brien's *The Classical Economists*, published in 1975 by Oxford University Press. It retains the structure and scope of the original, treating British and Irish political economy from the time of Adam Smith to the mid-nineteenth century as a critical phase in the history of modern economics. The "roots" of classical economics, expounded in chapter 2, are to be found in the (very different) work of Adam Smith and David Ricardo. These two form the first of three "groups" of writers outlined in the first chapter (pp. 3–8), but more importantly their work introduces a set of characteristic themes around which the later chapters of the book are organized—classical value theory, the classical theory of distribution, classical monetary theory, international trade, the classical theory of growth and development, classical public finance and, finally, the policy prescriptions of the classical economists. Extensive reading guides are appended to each chapter.