editing, I've taken up my old notes on capital matters. You know, I find nothing has changed. Soon I'll bring out a book on the subject."

"A book from Sraffa!" The news had the attraction of the incredible at the time. "I was enchanted"—Samuelson now comments—"but I said to myself that the post-von Neumann explosion of game and programming theory had evidently not reached the inner walls of Trinity College!" *Wunderkind* Samuelson, who has never completely lost a kind of respectful attraction for some of the older generation, now openly admits that the self-taught amateurish mathematics of Sraffa was to prove that it had a lot to teach even to one of the self-styled pioneers of the linear revolution. And this as an image closely corresponds to the genre and style of the elaborate twisted travels through "systems of equations" that are to be found among the Sraffa papers at Trinity College.

This book is explicitly based on Sraffa's *published* works but, precisely by pursuing its object, it induces the careful reader to go beyond the known works and raise new questions. Whether or not Sraffa was a purely negative critic of received theory or what exactly was the nature of his "classical" inspiration may sound repetitive as problems; but these problems do acquire a new perspective if we are prepared to approach Sraffa as an economist and historian of economic thought whom we should now include in our retrospective vistas on political economy. After reading the whole of this book, this may be the *main message* that remains. Very much as it happens in the field of Scholastic philosophy, where scholars—who currently read Cajetanus's celebrated commentary of St. Thomas's *Summa*—are sometimes led, by complexity or occasional obscurity, to turn to Thomas himself in order to understand Cajetanus, something of the same kind (I venture to suggest) may happen to scholars in the field of Sraffian economics. The direct approach, which is stimulated by this book, will afford Sraffa new life and help readers to understand the full value of the commentaries. At the same time, and no less important, it should be added that turning to Sraffa will be a positive and indispensable step in the direction of putting his thought "in context," or in a historical and *relative* perspective, thus making it probably even more influential and credible.

Also, on account of the inducement it gives to the direct approach to Sraffa, this volume is an extremely valuable addition to theoretical economics. It provides an indispensable tool for the thoughtful economist. The impressive array of papers effectively contributes to update and stimulate the knowledge of Piero Sraffa's thought and influence.

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Francisco Louca and Mark Perlman, eds., *Is Economics An Evolutionary Science? The Legacy of Thorstein Veblen* (Cheltenham, UK: Edward Elgar, 2000) pp. ix, 256, $90. ISBN 1 84064 195 9.

The editors have turned Thorstein Veblen's famously aggressive assertion that economics is not an evolutionary science into a question forming the title of this book. Readers will not find a clear answer in this volume. Most of the contributors are drawn from one or other variant of institutional economics so that they perceive and/or subscribe to the evolutionary nature of economics. But who can confidently assert that economics is also a science? The answer is immaterial because there is much in this volume that is informative and on occasion stimulating, especially for those who have limited familiarity with institutional economics and its development.

Centennial anniversaries relating to Veblen's writings have prompted a spate of conferences and publications. The European Association for Evolutionary Economics organized one such conference to mark the centenary of publication of Veblen's "Why Is Economics Not an Evolutionary Science?" Including the editorial introduction there are fourteen selected papers by a diverse group of economists writing on a wide range of topics, some of them far removed from the "legacy of Thorstein Veblen" and from the question of the evolutionary nature of economics. Most of the contributors have in common a commitment to what is best described as "Old Evolutionary Economics" in contradistinction to "New Evolutionary Economics," which has embraced elements of neoclassical economics, including weak and less weak versions of bounded rationality. However, it is also clear that this is a source of tension if not outright disagreement among institutional economists.

The editors have divided the essays into three parts. Part I contains eight essays which in various ways, direct and some more peripheral, address the challenge in Veblen's original paper—that economics as a science would only progress if the physical analogy were replaced by the biological one. This moved the focus to the processes by which institutions evolved in the very long run rather than a "sterile" focus on shorter run price and cost determination. Mark Perlman's essay provides three main reasons for the failure, as Perlman sees it, of Veblen's challenge. These relate to Veblen's lack of leadership and apparently metaphorical use of the biological analogy, to the destructive and insensitve nature of Veblen's critique of mainstream economics, and to his methodological deficiencies—highlighted by his indifference to criticism from the mainstream. Yet it seems to me that throughout the twentieth century a small group of economists who may be loosely described as institutionalists have provided a critique of the mainstream which at times has been quite effective. I also wonder whether a bolder statement of why Veblen's challenge failed might place greater emphasis on ideological considerations and the role of professionalization of economics.

The remaining seven essays in Part I are to varying degrees more positive about Veblen's past impact and more optimistic about the future of institutional economics. Philip O'Hara's essay is the most optimistic. He suggests ways in which Veblen's non-equilibrium approach can be adapted to meet the changed structures and other economic chacteristics at the turn of the twentieth century. His optimism extends to the view that different strands of institutionalism (and political economy) can learn from each other and, he hints, even from mainstream economics. While acknowledging that there is much work to be done, he argues that in recent years Veblen's "method and analysis have been resurrected." Anne Mayhew also argues that it is possible to apply elements of Veblen's approach to the analysis of the firm. Past attempts both by institutionalists and mainstream economists have had limited success, mainly because they have failed to take full account of the openness of the system. Paradoxically, a successful application of Veblen's open system will obviate the need for a theory of the firm.

The most important institutionalist contemporary of Veblen's was J. R. Commons, whose views, according to Laure Bazzoli, stand in contrast to those of Veblen. Central to the distinction is Commons's embrace of artificial selection instead of natural selection in the process of evolution. This points to the conclusion, with which it is easy to agree, that humans may have some control over selection, thus lending it an element of artificiality. Yet it leads to some confusion on the question of whether Veblen eschewed value judgements. Clearly, Commons's system of artificial selection allowed for societal values to be examined. If Commons was Veblen's most illustrious contemporary, then according to James and Jacqueline Stanfield, Clarence Ayres was a descendant whose significance for the survival of Old Institutional Economics (O.I.E.) has not been sufficiently recognized. For a non-American reader their outline of the main elements of the Ayresian legacy, "the Texas school," is extremely intriguing. They argue, not convincingly, that the world will have to wait until instability, inequality, and consequent social unrest in the global economic system force a shift towards the Ayresian methodology in economics. In their conclusion the Stanfields refer to some of the defects of Ayres's and O.I.E.'s approach, which provides a partial explanation of its failure to have a greater impact.

Ugo Pagano's essay has a more technical flavor to it. Yet he develops the thesis that Veblen's conception of bounded rationality, in which preferences are generated endogenously and therefore reflect the social structure, is superior to those of neoclassical, Marxian, and new institutional economics. Despite his support for an approach to economics that utilizes Veblen's "superior" evolutionary approach, Pagano detects weaknesses in its unilinear analysis of historical development. The evolutionary approach must develop a richer analysis of cumulative growth. The final essay in this part, coming from Frank Hahn, who is an outstanding practitioner from mainstream economic theory, stands in stark contrast to Pagano's conclusion. Hahn leans to the view that economics is neither a science nor evolutionary. He also provides a second interpretation of the question posed by the editors and concludes that even if the subject matter of economics was the evolutionary process (loosely described) it would not enhance economic theorizing. This is a beautifully written, well-argued piece with not one equation in sight. It may provoke dissent from some institutionalists but deserves a careful reading by economists of all persuasions.

Some of the essays in Part II could stand alone, quite independently of any questions relating to Veblen's legacy or economics as an evolutionary science. The common element seems to be some loose link with institutionalism very broadly defined and ranging from Veblen, Commons, and J. B. Clark to Schumpeter and other economists concerned with growth and technical change. Eyup Ozveren's essay, which deals with the failure of institutional economics to effectively challenge the neoclassical approach to development studies, is probably the most interesting. It is cogently argued but his views still seem to an outsider to be rather debateable.

Part III, entitled "Perspectives," contains only one essay, on economic processes

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in an endogenous growth context, which is distinct from conventional models of endogenous growth. However, J. S. Metcalfe does present a formal model. He proceeds from sectoral productivity growth in the firm associated with innovation and the proportion of firms sharing in innovation to a more aggregated level. He is at pains to stress the evolutionary nature of the growth process and even presents time series on the growth of U.S. manufacturing to support his case. There is no doubting the evolutionary nature of growth processes, but it seems that whatever the data in this essay show, the results could be interpreted as reflecting an evolutionary process. Nevertheless, this is an interesting and instructive essay, stressing also institutional and market forces rather than equilibrium outcomes.

The editors of this volume must have had a difficult task in selecting the essays because of the diverse institutionalist backgrounds of the contributors. As a result, the theme of the book is frequently breached, although some of the contributors give the impression that they were trying rather hard to fit their essay to the theme. Nevertheless, the book contains some important essays that may advance the cause of the study of institutional economics. Unfortunately, there are many typographical errors (some excusable, but not the misspelling of Ayres a half a dozen times), there are a number of obscure or convoluted sentences, and there are a few apparent omissions of a line or part of a line of text.

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Gary Mongiovi and Fabio Petri, eds., *Value, Distribution and Capital: Essays in Honour of Pierangelo Garegnani* (London and New York: Routledge, 1999) pp. xi, 364, $75. ISBN 0 415 14277 6.

Pierangelo Garegnani is internationally known as a leading exponent of that school of thought taking its clue from Piero Sraffa's 1951 and 1960 seminal works and is referred to in the literature as "Sraffian" or "NeoRicardian" economics (or as the "surplus approach to classical political economy"). Garegnani started publishing more than forty years ago (his first main publication is, in fact, Garegnani 1960, an elaboration of his unpublished Cambridge Ph.D. dissertation), and he is still an active participant in contemporary debates. His contributions range from the domain of economic analysis (particularly in the years of the so-called

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