

relevance of his work, he might have played a dubious role in the refereeing process of McKenzie's article, and he certainly did not credit others easily.

Here, then, the text confronts us with several interesting contradictions. The contributions of the three theorists are presented as exemplary of a rigorous mathematical analysis of economic problems. In fact, we read that the protagonists succeeded in raising the standards of what it means to be an economist today. But the scientist who pushed this process the farthest, undoubtedly Gerard Debreu, should not, according to the authors, have received any more credit than McKenzie. McKenzie, in turn, who wrote articles that were no less rigorous yet remained readable for nonmathematicians, is not praised for this very important quality. In a peculiar sense, then, the intellectual tensions between many mathematical economists and reality become apparent. Abstracting from many practically important elements of market functioning, or the sometimes forced translation into hypothetical institutional procedures (e.g., concerning the process of price setting or the role of uncertainty), leads to a mathematically tractable but also strongly idealized description of reality. This idealization has no role for large players, cartels, or winners-take-all. But these elements of reality both are important in the research of business historians and, as the book very ably documents, constitute key circumstances for the academically ambitious to consider when maneuvering their careers.

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Reviewed by Maury Klein

Anyone who doubts that Walter Lippmann was one of the most remarkable figures of the twentieth century need only peruse this illuminating study. Craufurd Goodwin has written not a biography but what an earlier, simpler age called intellectual history—in this case, an analysis of the significant role Lippmann played in educating the public about the changing economic facts of life during several turbulent decades.

For sources he relies primarily on Lippmann's own words, in books, magazine and journal articles, and especially the fifteen hundred or so newspaper columns he wrote between 1931 and 1967. The result is a fascinating glimpse into the workings of a brilliant mind striving mightily to understand the changing world around him and explain it to his readers.

The pampered only child of a well-to-do German-Jewish family in New York City, Lippmann began meeting prominent people as a child and became devoted to the arts and humanities at an early age. A voracious reader, he concluded early that a liberal rather than technical education best prepared one for the complexities of modern life and that history was the essential foundation for that education. He excelled as an undergraduate at Harvard but left in his fourth year, flirted with socialism, turned increasingly to Progressivism, and published his first book in 1913 at the age of twenty-four. *A Preface to Politics* was read favorably by no less than Theodore Roosevelt, Woodrow Wilson, and Sigmund Freud. More books followed and with them a rapid climb to prominence in journalism and public service. Along the way, he extended his lifelong habit of meeting and often corresponding with a breathtaking variety of the political, intellectual, and business giants of the age. Nobody, it seemed, knew more people worth knowing than Walter Lippmann, long before he himself became a public icon.

Always somewhat aloof, he chose a career in journalism over academia or public service, but in a special role of his own choosing. He understood the crucial role of economics in policymaking and deplored the inability of most policymakers to grasp even its fundamentals, let alone to contribute any fresh thinking on the subject. From his incredibly wide circle of acquaintances he gleaned source material for his own analysis of issues. In splendid detail, Goodwin traces the process by which Lippmann, influenced by so many different minds from so many different fields, assumed the role that became his mission, that of public economist. Foremost among these influences was that of a man with whom he had much in common, John Maynard Keynes. "I really believe that he's one of the most influential men of our century," Lippmann said in 1950, "and that Keynes will be remembered as Adam Smith is remembered—on the same level of eminence" (pp. 49–50).

Having briefly sampled several careers, Lippmann settled in 1931 on that of independent columnist, one who brought to his work a rich intellectual background, a fierce appetite for work, and a circle of contacts that included academics, scientists, financiers, businessmen, labor leaders, and political leaders of every stripe. He wrote with stunning clarity and a gift for getting at the essence of an issue. His career as

columnist began in the depths of the Great Depression, which he struggled to comprehend. His study of the causes centered on three sacred cows of the era that he thought needed rethinking: free trade, the gold standard, and the balanced fiscal budget. He also wrestled for years with a basic problem that defied solution: finding a suitable balance between free markets, monopoly, and the need for government regulation.

Lippmann saw clearly the dilemma created by businessmen holding “two sharply contradictory policies at work and two opposing philosophies. One of these is the old fashioned scheme of increasing business by lowering the price. . . . The other is politely called stabilization: it used to be called monopoly and restraint of trade” (p. 199). Through the years of the New Deal, he applauded the administration’s willingness to try fresh approaches while criticizing the results of some of them, most notably the National Recovery Act. As the Depression lingered and war loomed, Lippmann conceded that, in Goodwin’s words, “The progressivism of Teddy Roosevelt and Woodrow Wilson had been hijacked by irresponsible reformers in the New Deal” (p. 223). From his changing views came an important new book, *The Good Society* (1937).

Gradually Lippmann’s attention shifted from the Depression to mobilization, the war effort, and then the complexities of the postwar economy and Cold War. Despite strenuous efforts, he found it difficult to keep up with the voluminous outpouring of information and ideas that cascaded through the 1960s. In May 1967 he published his last column, and he died seven years later.

No brief summary can do justice to either the richness of Lippmann’s ideas and prose or the skill with which Goodwin has woven his account of them. Quoting Lippmann liberally, the author does a masterful job of meshing disparate elements of material into a coherent narrative with a clarity that matches Lippmann’s own style. References are interlinear, and the book includes a bibliography along with a list of all the columns cited in the text. Goodwin’s superb work offers readers a fascinating guided tour across the landscape of one of the most unique and fertile minds of our time.

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