

a branch of ethology. In contrast, the Lamarckian scheme of evolutionary analysis might be particularly suitable for application to human culture and institutions. The significance of genetic inheritance would not be denied, but economics would not be reducible to ethology because there would be paths by which human consciousness could influence the substance of social evolution, much as the pre-Darwinian philosophers of the Scottish Enlightenment recognized.

Richard E. Wagner  
*George Mason University*

Yukihiro Ikeda and Kiichiro Yagi, eds., *Subjectivism and Objectivism in the History of Economic Thought* (London: Routledge, 2012), pp. xix, 193, \$152. ISBN 978-0-415-60536-6.

doi: 10.1017/S1053837214000455

Friedrich Hayek once asserted that progress in economic theory has occurred through a sequence of replacements of formulations grounded in objectivism with formulations grounded in subjectivism. Perhaps Hayek was right, but perhaps he wasn't. The ten essays in this book explore from varying orientations elements of the subjectivist-objectivist divide in economic theory. The essays vary widely in subjects and persons treated, and I doubt that any reader will find equal interest in each essay. All the same, the collection gives any interested reader much to think about.

All economists claim that societies are subject to economic laws, so the presence of such laws brings an objectivist quality to economic theory. For instance, if the number of apartments available in a city is less than the number of people who are seeking to live there, competition among the potential residents will be an inescapable feature of economic law. That feature, however, is purely formal. There is much room for variation in how the form of that law plays out substantively. There are many forks in the road where form can acquire substance. One fork would have rental prices rising and new construction taking place. Another fork would feature the political imposition of price controls, and that fork could branch off into such possibilities as converting rental properties into condominiums to avoid the price controls. Numerous other forks could also be identified. Whatever the fork that is taken within a society, all of them would illustrate the inescapable quality of economic law. In this usage, economic law is ontologically objective as reflections on human nature.

It is necessary to realize that the core claim of economic law speaks to form and not substance. Most economists want to use their theories to make substantive claims, and here trouble can start. Formally, economic law holds that an excess of desire over availability will create competition among people. Substantively, there are an indefinitely large number of channels that competition can follow. People can differ greatly in how they appraise different substantive outcomes, and will typically employ a variety of Paretian derivations to wrap some other-regarding language around their claims. But when that ideological veil is pierced, you will unavoidably see some competitive process of selection by which some people obtain more and others less of what they want, as compared with the outcome of some alternative process.

Does acceptance of the objective qualities of economic law require rejection of a place for subjectivism in economic theory? If it did, economic theory would become a branch of ethology, the study of animals. For an ethologist, there is no option but to stand outside the animals that are the object of examination. Sure, an ethologist could engage in an act of imagination and write a humanistic narrative about the life of a dog, bear, or other animal. While the speculations offered might be interesting and possibly sound plausible, we wouldn't confuse them with genuine contributions to ethology. Objectivism is the only reasonable approach to constructing a science of ethology.

The study of humanity, however, offers the prospect of exploring the object of interest from the inside, as it were. This, anyway, is the analytical posture of subjectivism. From the subjectivist orientation, economics is not reducible to ethology because we can gain insight into our material by communicating with others and by examining our own thoughts. For humans, it might seem reasonable to theorize from inside the human agent. If so, economics cannot be reduced wholly to ethology, even if we recognize that humans are also animals and so potentially could be studied by ethologists and are subject to economic law in any case.

The book opens with a short review by Kiichiro Yagi of objective and subjective orientations in the history of economic thought. In his introduction, Yagi offers some penetrating remarks on epistemological and ontological issues involved in incorporating recognition both of individual consciousness and the presence of other people that necessarily provide given conditions within which individuals act. Left unaddressed is whether the choice between the alternatives is an essentialist matter of fidelity to reality or is a matter of the ability of the different orientations to yield illuminating insight. The ten essays that follow Yagi's introduction address a variety of persons and topics, and it is doubtful that everyone will have equal interest in all parts of that variety. Moreover, the essays vary considerably in quality, though I doubt that all readers of these essays would reach the same qualitative ranking.

Tetsuo Taka seeks to blend objectivity and subjectivity in elaborating a biological understanding of Adam Smith wherein human society is united through sympathy and reciprocal altruism, though I would note that these are formal and not substantive qualities. In this respect, I have no doubt that Joseph Stalin and Adolf Hitler would have described themselves as altruists dedicated to pursuing good for humanity. Masahiro Kawamata argues that the prime turning point in economic theory occurred not in the 1870s with the marginal revolution but after 1930 with the development of ideas about mechanism design. While the treatment of individual rationality changed after 1870, the structure of economic theory remained unchanged until the 1930s, when mechanism design started to enter economic theory.

Takutoshi Inoue argues that William Stanley Jevons is inaptly characterized as a subjectivist because he was centrally concerned with aggregates as constructed through statistics. Kayoko Misaki likewise argues that it is inapt to place Léon Walras in the subjectivist camp. He argues against Joseph Schumpeter's placement of Walras within the tradition of French utilitarianism that included François Quesnay, Étienne Condillac, and Jean-Baptiste Say. In particular, Misaki claims that most economists have misrepresented Walras by reducing his contribution to the theory of general equilibrium, thus setting aside his concern with social justice where Walras's objectivism comes into play.

Yuichi Shionoya sets forth a hermeneutic reading of the Austrian tradition that was set in motion by Carl Menger. For Menger, economics most definitely was not a branch

of ethology because the ontological basis of the humane sciences is different from those of the natural sciences. Among other things, Shionoya explains that Menger's subjectivism leads to an alternative treatment of rationality in economics. Yukihiro Ikeda explores Menger's practice of subjectivism in a critical and skeptical manner. Much of this is conveyed by Ikeda's treatment of Menger's use of imaginary goods, which Ikeda argues is inconsistent with Menger's subjectivism. In this, it is hard to declare Ikeda to be wrong even if it is also hard to declare that he is right. On the one hand, it is inconsistent for a subjectivist to argue objectively that some other person is making bad choices when viewed from that other person's perspective. On the other hand, Menger's emphasis on the continual growth of knowledge creates situations where some people will be acting on the basis of inapt causal relations. Perhaps Menger wasn't so much inconsistent as he was inadequately articulate.

Shigeki Tomo explores differences in the extent of subjectivism between Carl Menger and Eugen Böhm-Bawerk, while also exploring monetary evolution in the context of objectivism and subjectivism. For instance, Böhm-Bawerk treated price as an objective feature of exchange relationships, in contrast to Menger. If one is looking for differences to emphasize, I suppose this is an instance where this can be done. Yet, I wonder whether it might be useful to keep in mind some of Friedrich Nietzsche's references to looking through different windows by recognizing that, for some purposes, prices are data, while, for other purposes, they are emergent products of interaction among economizing agents. Hiroyuki Okon explores the subjectivist framework of Ludwig von Mises, explaining how Mises's research program began with his efforts to extend the subjectivist insights with which Menger worked by moving from direct to indirect exchange in his *Theory of Money and Credit*.

Chikako Nakayama examines thinking about strategic interdependence that arose in Vienna during the interwar period, giving particular attention to Oskar Morgenstern and his treatment of foresight and expectation. The book closes with Yuji Aruka's examination of Piero Sraffa and John von Neumann from the standpoint of the theory of complexity. It is worth noting in this respect that Carl Menger was surely an incipient complexity theorist in that he envisioned the emergence of complex societal configurations out of interaction among subsets of individuals who constitute that society.

Richard E. Wagner  
*George Mason University*

Ben Fine and Alfredo Saad-Filho, eds. (with Marco Boffo), *The Elgar Companion to Marxist Economics* (Cheltenham, UK, and Northampton Mass.: Edward Elgar, 2012), pp. xiii, 419, \$225 (hardcover), \$55 (paper). ISBN: 978-1-84844-537-6.

doi: 10.1017/S1053837214000467

This collection of sixty-one short essays provides some content to its claim that "Marxism offers a theoretical and conceptual apparatus that can be used to review its own evolution" (p. 1). Its ambition to take stock of what Marxists have learned in order to pass the baton to a new generation is reflected in the high proportion of emeritus faculty on the list of contributors.