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William J. Barber, *Gunnar Myrdal: An Intellectual Biography* (London and New York: Palgrave Macmillan, 2008), pp. xiii, 180, $95.00. ISBN 978-1-4039-9944-3.
Paul Davidson, *John Maynard Keynes* (London and New York: Palgrave Macmillan, 2007), pp. xiv, 222, $90.00. ISBN 978-1-4039-9623-7.
Michael Szenberg and Lall Ramrattan, *Franco Modigliani: A Mind that Never Rests* (London and New York: Palgrave Macmillan, 2008), pp. xiv, 208, $95.00. ISBN 978-0-230-00789-5.

The publication of the first installments in Palgrave Macmillan's new series, "Great Thinkers in Economics," should be a major event for historians of economics. To quote the publishers' jacket copy, it "is designed to illuminate the economics of some of the greatest historical and contemporary economists by exploring the interaction between their lives and work, and the events surrounding them." Its potential importance lies in its coverage of twentieth-century economists with the promise this holds for extending the bounds of the history of economic thought towards the present. In a standard format of about 200 pages, the volumes are concise and promise to lay out their subjects in a manner accessible to lay people as well as professional economists. To date, five volumes have appeared. Two of these, by Peter Groenewegen (2007) on Alfred Marshall and Gordon Fletcher on Dennis Robertson (2008), are written by scholars who have previously written extensive biographies of their subjects, whereas the three volumes under review are by people who have not.

As his subtitle indicates, Barber provides an intellectual biography of Myrdal. Successive chapters take the reader through Myrdal's background, his education, and the key phases in his career. In the late 1920s, Myrdal issued a methodological challenge to his contemporaries, raising questions about the ideological dimension to economic theory. An important unifying theme in his career was the way he kept addressing these questions and facing up to them in his own work. In the 1930s, Myrdal was one of an immensely creative group of Swedish macroeconomic theorists, providing important elements of the conceptual framework within which Keynes's economics came to be interpreted, most obviously the terminology of *ex ante/ex post*. He also became involved in the design of macroeconomic and social policy in Sweden. The link between Myrdal's involvements in economic theory and in discussions of policy is of great interest, though given the attention that has been already been paid to Sweden's early adoption of demand management policy, it may be Barber's discussion of how concern over declining population was used to justify what became the Swedish welfare state that will be the most novel dimension, as least for non-Swedish readers.

The narrative then turns to the background of Myrdal's *The Negro Problem and Modern Democracy* (1944). Barber explains how the study was commissioned and the route that led to Myrdal being asked to take the lead. His intensive exposure to racial problems in the United States and the extensive research that he undertook

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were obviously crucial to the book's success. However, an intriguing dimension, which Barber brings out with great clarity, is the role played by Myrdal's wartime experience in a Sweden that came all too close to its Nazi neighbor. It was in wartime Sweden that Myrdal hit on the theme that caused the book to resonate with its American audience: the conflict between the reality he observed and the ideals of democracy to which the United States, and virtually all Americans, subscribed.

Despite having feared that it might be difficult to return to a political career after his American study, Myrdal returned to Swedish politics as Minister of Commerce after the war. His career as a politician did not last long – his views on policy towards the Soviet Union being unpopular – and from 1947 to 1957 he spent a decade as an official of the UN Economic Commission for Europe. He then followed this up with a project of which, unlike his study of the American race problem, he was the initiator: a study of the causes of poverty in South and South-East Asia, paying particular attention to India. This resulted in a major, three-volume study and further books. *Asian Drama* (1968) was hardly ignored, but in the following decade academic economists began to moving towards treating development economics as being like any other branch of the subject, in need of formal technical analysis. Given the political changes that took place in the 1970s, the climate was less receptive of his message than he had hoped.

Davidson, too, devotes chapters to his subject's life, but his coverage of Keynes is very different. He introduces the reader to Keynes's early surroundings and his intellectual development up to 1914, and then devotes chapters to the impact on Keynes's thinking of the Great War (1914–18) and its aftermath (including his extremely successful *The Economic Consequences of the Peace,* 1919) and to what he calls "Keynes's middle way." However, where the historian might consider that Keynes's early views needed to be understood on their own terms, Davidson is up front in seeing them from the perspective of the revolutionary views that Keynes was, much later, to develop in his *General Theory of Employment, Interest and Money* (1936). As he makes clear in his Preface, Davidson's objective in the book is to convince the reader of two things: that much of the conventional wisdom about economics, whether in mass media or in academic journals, is not applicable to the real world; and that "the revolutionary economic analysis of John Maynard Keynes . . . is the most apt description of our market-oriented, money-using entrepreneurial economy" (p. xiii). Keynes, not Winston Churchill, was the greatest Englishman of the twentieth century (p. 1).

The result of this perspective is that when Davidson turns to the *General Theory*, he provides an analysis of the book's contents that, using modern ideas, explains that theory in terms that makes clear its relevance to the modern world. The result, in chapters 5 to 7, is a brilliant exposition of Keynesian economics as Davidson sees it, but he makes it difficult for the reader to know how much is Keynes and how much is Davidson. For example, the concept of "ergodicity" may be a way to explicate what Davidson sees as the revolutionary features of Keynes's work, but by using a concept that Keynes did not himself use, there is the danger of reading into Keynes's writing ideas that he did not articulate clearly and doing so in language that Keynes might not have wished to use. These are followed by chapters on international trade, international monetary reform, and inflation.

The result is an account that, if one tries to view it as history, is very strange. Because Davidson accepts, seemingly without question, that economics prior to the *General Theory* can adequately be described simply as "classical economics," when he delves into the origins of ideas Keynes attacked, he goes back to Adam Smith, David Ricardo, and John Stuart Mill. Keynes's contemporaries are, with few exceptions, largely missing. One would never guess, from this book, that the 1920s and 1930s were, as Laidler (1999) has shown, one of the most creative periods in macroeconomics, and that the *General Theory* drew extensively on ideas developed in this period. It would be even more of a surprise to find that to some of Keynes's reviewers his use of equilibrium methods seemed distinctly old-fashioned. And in the same way that Davidson overlooks the richness of pre–*General Theory* macroeconomics, he brushes aside discussion of the book's reception, and the struggles that economists had to understand it. The partial exception to this claim comes in his final chapter, "Keynes's revolution: the evidence showing who killed Cock Robin." Davidson's answer is clear: Paul Samuelson, conventionally considered one of the leading American Keynesians, killed Keynes's revolutionary theory. Neither are New Keynesians any better: as we enter the twenty-first century, Davidson, claims, "only the Post Keynesian school of economists remain to carry-on in Keynes's analytical footsteps" (p. 178). My objection to this claim is not that Davidson is wrong in his diagnosis of how economics needs to develop if it is to be relevant to the real world; it is that, irrespective of whether his economics is right or wrong (on which I am deliberately expressing no opinion), I find his account problematic as history.

However, whilst I disagree profoundly with Davidson's historiography, my real disappointment among these three books was Szenberg and Ramrattan's study of Franco Modigliani. The reason is that I came to the book with high expectations, wanting to understand an economist who was at the center of some key developments in postwar macroeconomics. He was an active player in the theoretical controversies that created postwar macroeconomic, prominent in the disputes between MIT and Chicago over money in the 1960s, and he was a key figure in the creation of the macroeconometric models that dominated policy-making in the 1960s. As well as being involved in the Keynesian revolution, he was also an important figure in the transformation of finance, central to developments in the last quarter of the twentieth century. He was a link between the MIT of Samuelson and Solow, and the Carnegie Mellon of Simon, Lucas, and Sargent, with its links to Chicago (a fascinating location for someone trained at the New School). Given that Duke University contains a substantial archive of Modigliani's papers, there would seem to be materials on which a major biography could be based. However, there is no evidence that his papers were even consulted.

Like Davidson, Szenberg and Ramrattan want the reader to appreciate the greatness of their subject. However, whereas Davidson's concern is with Keynes's ideas, defending the claims of the Post Keynesian school, Szenberg and Ramrattan focus on Modigliani's brilliance: a sub-heading on page 1 reads, "To know Modigliani is to know a genius." They describe the book as an intellectual biography, and start with the obligatory first chapter on early life and influences. Here, there would appear to be significant omissions. There is no discussion of the influence of Jacob Marshak, something to which Modigliani himself attached great importance. The significance of Modigliani's being an immigrant, surely relevant, is not explored and there is no discussion of Modigliani's continuing work on the Italian economy. Modigliani's work is analyzed by topic: Keynesian economics; stabilization policies; the life-cycle model; the Modigliani–Miller theorems; and forecasting using the MPS (FRB-MIT-Penn-SSRC) model. The problem this arrangement poses is that these were not successive interests, but overlapped substantially. The result is that the development of Modigliani's ideas in response to the various intellectual environments in which he found himself (including the New School, Carnegie-Mellon, and MIT) is not made clear. The book simply does not address the questions one would expect to find tackled in an intellectual biography. Anyone interested in Modigliani's intellectual development would be better served by reading his autobiography (Modigliani 2001) or even the short account in Sutch (2008).

Szenberg and Ramrattan presumably adopt this approach because they want to show that Modigliani was a genius and this means demonstrating his mastery of technical theory. Chapters typically conclude with statements about the success of Modigliani's ideas: events have vindicated the life-cycle theory's predictions compared with those of Ricardian equivalence theory (p. 106); "the M&M hypothesis is a progressive research programme" (p. 132); "we invariably find that the hard core of the MPS [model] remains intact" (p. 156). It is as though Modigliani's life is incidental. This view is reinforced when, at the point where one might hope for a conclusion, tying together the various strands of Modgliani's work, there is a series of Appendices, the first of which is entitled "A question of identity." Surely, one would have expected that, in an intellectual biography, questions of Modigliani's personal identity would have formed part of the main text. The natural conclusion is that Szenberg and Ramrattan are, like Davidson, engaged in a different type of project.

Davidson does not mention Modigliani but, as someone who reinterpreted Keynesian economics using the framework of general equilibrium theory, he was clearly one of the counter-revolutionaries who killed Keynes's revolutionary theory. In contrast, according to Szenberg and Ramrattan, Modigliani was a genius and "a wise man because his works reach beyond common sense" (p. 1) who "took pride and delight in developing Keynesian economics" and whose work was "built around 'hard-core' Keynesian thought" (p. 2). They cannot both be right. The lay reader is more likely to be persuaded by Davidson, but that is because he writes in an accessible style making a clear, dramatic case, in comparison with which Szenberg and Ramrattan's book appears technical and without a clear plot. Davidson would appear correct in his belief that "convincing the lay reader of how a monetary economy really operates will be an easier task for me than convincing an economics student, while the hardest task will be convincing the professional economist who professes the conventional wisdom by rote" (p. xiii).

Rather than adjudicate between these polarized views, I would prefer to argue that the fault lies with the way they approach their subjects. Placing ideas in their historical context means trying to understand how ideas were perceived by those who held them. This means taking seriously the way they responded to changing circumstances, the way they interacted with their colleagues, students, and others with whom they came into contact. This is what Barber does brilliantly, painting an engaging portrait of an outstanding social scientist. Szenberg and Ramrattan do not even attempt this. Clearly, as biographers of an economist whose work was technical and part of the mainstream, they face an inherently more difficult task than does the biographer of someone who, like Myrdal, wrote prose that lay people could read and whose thinking was to a certain extent idiosyncratic. However, one has only to look at Merhling's (2005) intellectual biography of Fischer Black, in which Modigliani plays one of the leading roles, to see what can be done. Davidson, in contrast, faced the problem of writing about a figure about whom outstanding biographies had already been written. However, in constructing Keynes in the image of modern Post Keynesian economics, he turns his back on the historical Keynes and, in so doing, takes away the context that would also explain the role of Modigliani as one of the young enthusiasts for Keynesian economics.

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James R. Hackney, Jr., *Under Cover of Science: American Legal-Economic Theory and the Quest for Objectivity* (Durham, NC: Duke University Press, 2007), pp. xx, 239, $64.10 (hbk), $22.95 (pbk). ISBN-13: 978–0822339984.

The central thesis of this book appears to be that in the debate over the foundations of the economic analysis of law in the late 1970s and 1980s, the Critical Legal Studies (CLS or CRITs) scholars got it right all along as against Richard Posner and consorts: law and economics acquired undue prestige in the American legal academia by posing as a scientific theory even though it abstracts from distributional concerns, which ought, on the CLS view, to be part and parcel of any theory of law worth its salt.[1] The author fears that the prestige of "law and neoclassical economics," as he terms it (p. 164), is such that it silences all other forms of theorizing in American legal scholarship to the detriment of openness of debate (p. 173). He should like to combat this form of excessive "scientism" and see law and neoclassical economics reduced to middle-level theorizing, leaving room for other perspectives to get

[1]See in particular "Symposium on Efficiency as a Legal Concern," *Hofstra Law Review* 8 (1980): 485–770; "A Response to the Efficiency Symposium," *Hofstra Law Review* 8 (1980): 811–972.