

GUNNAR MYRDAL AND THE SCIENTIFIC WAY TO SOCIAL DEMOCRACY, 1914–1968

BY
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Man tries to tie his political conscience to a scientific straitjacket.

Gunnar Myrdal²

I. INTRODUCTION

In his presentation speech for the 1974 Nobel Prize for Economics, the Swedish economist Erik Lundberg gave the following account of the career of Gunnar Myrdal, co-laureate with Friedrich von Hayek that year:

Professor Myrdal began [his] career with important contributions in pure economic theory But thereafter [he] greatly extended [his] range in order to deal with problems which cannot be studied only within a narrow economic framework . . . [with] the conviction that the major socio-economic questions of our time cannot be fully understood without an interdisciplinary broadening of the range of problems studied as well as of the methodology applied (Lundberg 1974a).

This “official” assessment differed substantially from the personal appreciation of Myrdal’s intellectual development he gave the same year in an academic review:

Myrdal had returned to the valuation problems in economics, and sadly enough the clear-cut and extremely stimulating exposition and refreshing conclusions of 1930 have disappeared and have been substituted by rather muddled thoughts on value relativity problems entering at every stage of research (1974b, p. 478).

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²*Inledning* (1928), Gunnar Myrdal Archives (hereafter GMA), Box 6.1.004.

A member of the Stockholm School of Economics that Myrdal had helped to establish, Lundberg admired his colleague's theoretical monetary work culminating in the *Monetary Equilibrium* (1939), and subscribed to the value neutral methodology Myrdal had expounded in his seminal *The Political Element in the Development of Economic Theory*, first published in Swedish in 1930. Myrdal's best-seller *An American Dilemma*, published 1944, however, marked a turn to institutional economics and methodological value-ladenness, two features characteristic of his subsequent research on development economics. Lundberg never understood how such a brilliant theorist could embrace a methodology in which "the only way in which we can strive for objectivity in theoretical analysis is to expose the valuations to full light, make them conscious, specific and explicit, and permit them to determinate the theoretical research" (Myrdal 1944, p. 56).³ For him, as for most economists since Lionel Robbins (1932) at least, scientific objectivity was warranted by the economist's ability to keep values outside science, a fundamental principle Myrdal's methodology apparently challenged.⁴

A closer look at Myrdal's writings, however, shows that he never abandoned his claim for objectivity: despite his acknowledgement that social sciences were inescapably dependent upon *some* value premises, he thought that the scientist's work could remain "objective" as long as *his own* values did not interfere. He indeed recommended that the value premises chosen to guide his investigation reflected *the values held by a significant part of the society under study* rather than the economist's.⁵ Accordingly, there might well be more consistency in his intellectual development than is usually believed, a consistency that becomes apparent only if Myrdal's extrascientific activities are brought into the picture. Indeed, Myrdal was also a social democrat activist, a statesman, one of the architects of the Swedish Welfare State in the thirties, and the executive secretary of the United Nations' Economic Commission for Europe between 1947 and 1957. Of paramount importance is also his lifelong sentimental and intellectual collaboration with Alva Reimer-Myrdal, sociologist, child psychologist, international civil servant and winner of the 1982 Nobel Peace Prize. These aspects of Myrdal's life have been exhaustively documented by historians, sociologists, and political scientists, but they have hitherto received little attention from economists and have seldom been considered together a recent exception is Barber 2008.⁶ Our claim is that such fragmentary histories

³Also an admirer of Myrdal's monetary theory, John Hicks (1954, p. 796) interpreted Myrdal's evolution as "a turn away from economics toward sociology."

⁴These ideas have however been in the literature for much longer, as shown by Robbins's reference to Max Weber and Friedman's—the archetypal exposition of this now conventional belief—famous quote of J. N. Keynes (1953, p. 4).

⁵See Myrdal (1944) pp. lxxiv, 1058; Myrdal (1969) p. 48; Myrdal (1972) p. 461.

⁶See Dostaler (1990) on Myrdal's monetary theory, Southern (1987) on *American Dilemma*, Carlson (1990) on his work on demography, Dykema (1986) and Streeten (1992) on his development economics. Dostaler, Ethier & Lepage (1992) and Myrdal (2005), intended as thorough accounts of Myrdal's life, slice it up in thematic chapters. Myrdal (1969, p. 10) himself divides his life in three distinct periods, theoretical, political, and institutional economics. Eliaeson (2000) and especially Jackson (1990), although focused on *American Dilemma*, give more subtle accounts by showing the continuities and antinomies in Myrdal's work. Also of interest are the biographies written by Myrdal's three children, Bok (1992), Fölster (1992), and Myrdal J. (1982), and Myrdal (1982) containing many autobiographical memories.

damage the understanding of both his intellectual and political achievements. Myrdal's political commitments were indeed infused with a social engineering utopia and a quest for scientifically based policies typical of interwar social scientists. Reciprocally, his political activities entailed a concern for the applicability of his research. Accordingly, this paper intends to show that Myrdal's essential desire to reconcile objectivity and applicability is the running thread of his intellectual development.

There is however a substantial gap between what Myrdal wrote about methodology and the way he practiced it in science. Our thesis is that while he claimed success in keeping his political values outside his scientific work, the boundaries between the two spheres actually became blurred as he came to consider his social-democratic and Enlightenment beliefs as scientific. While many historians and methodologists have claimed that economic theorizing is influenced by ideology (for historical studies, see e.g. Samuels (1976) and Amadae (2003), and for methodological discussions, see Klamer and McCloskey (1998), Backhouse (2005), and Colander (2005)), these accounts are generally collective and consequently do not provide a detailed analysis of the process whereby economists' private values actually enter their science (an exception is Hoover (2003)). In tracing Myrdal's intellectual development, this paper offers one case study of how political values interacted with economic science. Ironically, the conclusion is reached that the methodology Myrdal fashioned to preserve objectivity became the very channel whereby his Enlightenment values informed his science.

Section II traces the transformation from monetary theorist to political activist during the thirties. Because of his early theoretical bent, however, he conceived his political recommendations (his "social engineering" in his own words) as genuine science. Section III shows how his methodological quest came to fruition when he resumed scientific research with the *American Dilemma* project. There, his earlier political experience weighed on his research on race relations so that it unmistakably led to radical policy proposals. Finally, Section IV shows that with ageing and the end of the collaboration with his wife, the influence of his radical worldview on his research became even more significant, notably his 1968 work on development economics, *Asian Drama: An Inquiry into the Poverty of Nations*.

II. FROM VALUE-FREE SCIENCE TO SOCIAL ENGINEERING, 1914–1938

Gunnar Myrdal was born in 1898 in the agricultural province of Dalarna, Sweden. His rural background imparted the young boy with a lifelong sense of patriotism and egalitarianism. He inherited the psychological features of his father, an energetic, charismatic, and utterly ambitious building contractor, and retained from his religious mother a strong sense of duty to the community, an emphasis on conscience as a guide for conduct, and an uncompromising moralism that survived his later turn to atheism. An exceptionally gifted child, he was the first of his family to go beyond grammar school when he entered the prestigious Norra Real Gymnasium, Stockholm, in 1914.⁷

⁷Comprehensive accounts of Myrdal's early years can be found in Jackson (1990), pp. 36–50, and in Bok (1992), pp. 5–60. See also Gunnar's and Alva's youth letters edited by Hirdman (Myrdal, A., 2003).

The various intellectual influences he experienced there quickly turned him into a rationalist, but the seeds of his later turn to social democracy and political activism can also be traced to this formative period.

The Making of a Rationalist Worldview, 1914–1927

Myrdal's first intellectual epiphany came through his introduction to the philosophy of Enlightenment. He was not so much attracted by its principles of equality, freedom, and democracy as by its optimism, its focus on *reason* as a guide to conduct, and its idea that "if people could only reason more clearly and in a more scientific manner, they would be able to govern their life much better" (Bok 1992, p. 59). The writings of the Uppsala philosopher Axel Hägerström also strongly influenced the young student, in particular its attempts to clear Law from its metaphysical "natural rights" roots and to transform it into an empirical science against the prevailing tradition of "legal idealism." Hägerström explained that values were inherently subjective and therefore impossible to rank on objective grounds, and that those referred to in legal practice should be selected on the basis of a careful empirical study of the human being's psychology and behavior. This "value-relativism" would become a model for Myrdal's conception of economic science.

From 1918 to 1923, Myrdal undertook law studies, but after a depressing short-term practice (Myrdal 1982, p. 183), he turned to economics and completed a dissertation on *Prisbildningsproblemet och Föränderligheten* (*The Problem of Price Formation and the Change Factor*) in 1927. His advisor, the general equilibrium economist Gustav Cassel, had been initially trained as a mathematician, and his resulting insistence on the necessity "to avoid metaphysical speculations and to get down to facts and figures" strengthened Myrdal's rationalism and his exclusive focus on scientific activities (Myrdal 1958, pp. 241–42). Cassel's libertarianism also reinforced Myrdal's family conservatism. However, by the mid-twenties, Myrdal had no interest in politics; his worldview centered exclusively on his scientific achievements. His rationalism had prevailed over his childhood moralism and his elitism had superseded his agricultural egalitarianism, so that he had become, in his wife's words, an "intellectual aristocrat," an elitist scientist convinced of his asymmetry toward the layman and confident that "the intellectuals are not in the same way [as other people] part of class society, but are in a way outside and above society. This makes it possible for them to look with less passion and prejudice on the ongoing struggles," as he had already written in 1919 (quoted in Swedberg 1990, p. x). That he should endorse an extreme value-neutrality position is therefore not surprising.⁸ In 1928, freshly appointed docent at the University of Stockholm, he gave a series of conferences "On the Use of the Notions of 'Value' and 'Utility' in Economic Theory." Supplemented and published in 1930 as *Vetenskap och Politik i Nationaekonomien* (translated as *The Political Element in the Development of Economic Theory* in 1953), his demonstration began with a clear distinction between

⁸A distinction must be made between value-relativity, which states only that no values can be preferred to others on objective grounds, and value-freedom, which, in addition, precludes the use of values in scientific reasoning. The distinction helps understand Myrdal's later intellectual development: if he quickly gave up his value-neutrality claim, he tried to remain faithful to Hägerström's idea.

“economic science, [whose task] is to analyse and explain causal relations between economic facts” and “politics,” an “art” which required “another set of premises, which is not available to science: an evaluation to guide him [the economist] in his choice of the effects that are politically desirable” (1930, pp. 1–2). Myrdal warned against contemporary attempts such as Arthur Pigou’s “welfare economics” to ground normative economics in science, and denied that “ends” could be objectively selected, so that policy recommendations could be derived from “pure” theory. He traced these hopeless attempts to the writings of founding fathers such as John Stuart Mill, Nassau Senior, John Elliott Cairnes, and John Neville Keynes, who had embedded normative content derived from utilitarianism and the philosophy of natural law in the very shape of economic concepts such as ‘productivity,’ ‘equilibrium,’ ‘value,’ ‘utility,’ ‘social housing,’ ‘welfare.’ In the subsequent chapters, he demonstrated how these values had clandestinely survived until present times and confidently set to expel them from positive economics, so that economic theory eventually “stands as firm and unshaken as before” (1930, p. xlvii).⁹

What appears as a conventional position by today’s standards was unusual in the Swedish academic world of the twenties, where the development of economics had been even more closely associated with policy making than elsewhere. Swedish economists were traditionally involved in a unique system of Royal Commissions on taxation and monetary policy, tariffs, regulations of monopolies and government agencies, a secular collaboration called the SOU (*Statens Offentliga Utredningar*, literally the Government’s Public Investigations; see Wisselgren (2006)). Also, the founding fathers of Swedish economics, Knut Wicksell, Gustav Cassel, and David Davidson, were all active in public debate, serving as journalists-lecturers-debaters-opinion makers.¹⁰ As a consequence, Swedish economics was a policy-oriented mix between a continental focus on public finance and taxation and a peculiar Swedish concern for demography, actuarial practice, and social insurance.¹¹ Myrdal’s theoretical orientation and value-free methodology thus constituted a break with the Swedish cultural tradition of policy making. Surprisingly, the last chapter of *The Political Element* nevertheless displays a strong concern for policy and applicability. Its balanced and pessimistic tone and its interdisciplinary and practical subject matter contrasted so much with the rest of the book that Fritz Machlup (1955, p. 951), for instance, complained in his review that “it is a mystery . . . how such a keen critic of

⁹Given the kinship between Swedish and German cultures and academic worlds and various trips to Germany in the twenties and early thirties, it is surprising that Myrdal would always deny him any significant influence on his methodological thought—although briefly mentioning Weber’s work in the *Political Element*’s introduction (see for instance his correspondence with the statistician Herman Wold in Andersson 1999). On the controversial influence of Weber on Myrdal, see the Preface of the 1990 edition of the *Political Element* by R. Swedberg.

¹⁰Wicksell has started his career as a freelance journalist and lectured to labor groups, while Cassel wrote regular columns in widely read daily newspapers and talked to chambers of commerce (Jonung 1991, p. 3). As for Myrdal’s generation, Erik Lindahl, Myrdal’s intellectually closest colleague, wrote his PhD thesis on *Die Gerechtigkeit der Besteuerung* (*The Justice of Taxation*).

¹¹The subject matters discussed at the Political Economy Club—an institution founded by Wicksell in 1916 whose meetings were attended by renowned economists—mixed theoretical concerns with monetary, trade, and unemployment policies (Henriksson 1991). These social justice concerns entailed an emphasis on the price stability issue, which explains the focus of Swedish economics on price theory, and in particular the topic of Myrdal’s dissertation.

all harmony-of-interest doctrines manages to end up with a proposal that economics, theoretical and practical, be based on surveys and analyses of the (anything but harmonious) ‘attitudes’ of the people.” This final chapter in fact captures the tensions surfacing in Myrdal’s worldview and its reorientation toward the political sphere in response to the outbreak of the Great Depression.

The Rationalist Worldview Challenged: Alva, the “Rebellion of the Youth” and the 1929 Crisis

It was through Myrdal’s encounter and 1924 wedding with Alva Reimer that his rationalist worldview was first challenged.¹² They shared an early commitment to Enlightenment ideals, an unhappy childhood in unsophisticated countryside families and the associated desire to live their lives—and have their fellow Swedes live—according to modern, rational, and scientific ideals. But as a woman struggling to pursue her study against the customs of the day and the daughter of a staunch socialist, Alva also wanted a “more gentle, humane, and solidaristic society” (Tilton 1992, p. 26), and she consequently opposed Gunnar’s elitism and conservatism. She derided his faith in individual rationality and efficient markets by calling his attention to the ideas of Friedrich Nietzsche, Sigmund Freud, and of the contemporary psychologists she was studying.¹³ Also, she criticized his top-down and theoretical approach and advocated an interdisciplinary research style drawing on her personal experience and empathy toward the underprivileged (Ekerwald 2000, p. 334). By 1929, their permanent discussions had made Gunnar receptive enough to her own perspective that they had plans for joint work: “an economist + a social psychologist, united in marriage and authorship, makes naturally and easily a sociologist,” she wrote (Alva Myrdal to Else-Merete & Alf Ross, 20 Dec 1929, GMA, Box 3.1.2).

Alva’s criticisms were taken over by the couple’s friends, in particular the economist Alf Johansson. Close to the labor movement, Johansson showed Myrdal the political assumptions hidden beneath the teaching and theorizing of their masters Cassel, Gösta Bagge—a conservative—and Eli Heckscher—a liberal economic historian—and pointed out that the substantial permanent rate of unemployment in Sweden called for a more interventionist stance. He provided Myrdal with J. M. Keynes’ 1926 pamphlet *The End of Laissez-Faire* and advised him to write a book denouncing the ideological content of neoclassical theory. The *Political Element* conferences were thus as much prompted by his sincere belief in value-neutrality as by his efforts to get rid of his master’s laissez-faire ideology.¹⁴ Myrdal’s double scientific and political breakaway was shared by most of his young colleagues, so that

¹²Alva’s life and work have received as much if not more attention than Gunnar’s from historians. See the biographies of her two daughters, Bok (1992) and Fölster (1992), and Hirdman (1989), Akerman (1997), and Lyon (2001). On the relationships between Gunnar and Alva, see Vinterhed (2003) and Hederberg (2004) on their private correspondence.

¹³In the late twenties, she was specializing in child psychology and working on her dissertation—never completed—*A Sketch of a Critique of Freud’s Dream Theory*.

¹⁴While gathering notes in view of his 1928 conferences, he noted that “Academic teaching should counterinfluence prevailing liberalism and theories blended with values Students unfortunately end up their economic studies with a liberal faith, which is depressing.” (*Inledning* 1928, Gunnar Myrdal Archives (hereafter GMA), box 6.1.004).

his 1928 talks at the Political Economy Club, where he condemned his elders' neoclassicism and associated *laissez-faire*, were called "the Rebellion of the Youth" (Henriksson 1991, p. 49). The young generation's turn to interventionism was paired with the emergence of a new approach to business cycles and monetary phenomena which formed the hallmark of this new "Stockholm School of Economics." Myrdal's political turn also impacted his research methodology, since it entailed a growing concern for the applicability of his work. In 1929, while writing *The Political Element* in London, he wrote to Cassel: "I shall not—in the whole of my remaining life—sit and think over what Ricardo and Malthus meant by values I have always been a practical man, but I had to learn theory, which implied that I had to put aside my concerns for a few years, however clearly practical and human I want to handle a subject that would be more directly connected with people's life" (Myrdal to Cassel, 29 Oct. 1929, GMA, Box 3.2.1, folder 001).

By the end of the twenties, the seeds of a worldview change, both scientific and political, had been planted. But Myrdal would probably have remained a rather theoretical scientist had he not accidentally found himself at the front seat of a dramatic event—the Great Depression. Earlier that year, both Gunnar and Alva had been awarded a Rockefeller grant for a one-year trip around the United States to study, respectively, American social science methodology and the methods in American social psychology. Leaving London in the fall of 1929, they reached New York just in time to witness the stock market crash. Myrdal was astonished by the lack of response from the government, a mere "prosperity propaganda," and by the hopelessness of American social scientists, which contrasted sharply with the huge financial and human endowment and the pathbreaking research he witnessed during his stay at Columbia, Chicago, Wisconsin, and other universities. His letters to Cassel emphasized his puzzle: "All strivings are so powerless inside the gigantic machine No honourable person devotes himself to politics and he would be ridiculously impractical if he did Economists have an obscure and ineffective role, and most of them took refuge in technical knowledge and specialization" (Myrdal to Cassel, 18 Jan. 1930, GMA, Box 3.2.1, translation borrowed from Jackson (1990)).

The American experience acted as a catalyst on Myrdal's worldview. He met social scientists from various backgrounds, among whom the economists Jacob Viner and Frank Knight, the sociologists W. F. Ogburn, Ernest W. Burgess, and Alex Sorokin, father of the sociology of knowledge, and the philosopher John Dewey, all from Chicago, and the Austrian psychologist Alfred Adler, then at Columbia. He was also introduced to other economic methods, in particular institutionalism. He was at first unconvinced by Wesley Mitchell's "banalities" and "senseless generalisations," as he wrote to Cassel from Columbia at the moment he was participating to the formation of the Econometric Society. However, a few months later, he was drawn to the interdisciplinary and practically oriented research on labor and agriculture conducted by John R. Commons's team at Wisconsin (Myrdal to Cassel, 24 Mar. 1930, GMA, Box 3.2.1). Myrdal's journey also completed the awakening of his political conscience: "*laissez-faire* has lost because of events, not because of intellectual criticism," he reflected (Bok 1992, p. 87). But most important, his experience provided a bridge between his new vision of science and his political convictions by arousing a desire for activism and framing the notion that such action could be made consistent with scientific ideals. The "Progressive Era" ideals and the technocratic

“social control utopia” pervasive in the American scientific community at the time suggested that a conciliation was possible, as exemplified by the lives of William I. Thomas and Dorothy Swaine Thomas, or Robert and Helen Lynd, two couples with whom they became close friends.¹⁵ Both couples seemed on the edge of objective research, the Thomases with their “life-history” ethnological methodology enabling a sociological rather than moral analysis of crime, delinquency, or immigration, the Lynds with their application of the methods of cultural anthropology to the study of modern urbanisation. At the same time, all were involved in radical political activities.¹⁶ From this example, Myrdal retained the possibility to make science both objective and useful for political purpose, to make political activism rational, and to keep the two separate. During the thirties, however, the boundaries between applied science and political agency would gradually become blurred.

Making Social-democratic Reforms Scientific: Myrdal’s Social Engineering

The Myrdals reached Sweden right at the moment the depression hit the country. They immediately joined the Social-Democratic party, and as soon as it came to power in 1932, they threw themselves into reforms. Myrdal’s political activities, however, exhibited a peculiar “scientific” flavor. Not only did he rely on his scientific expertise to draft reports on agriculture, industrial sectors, and public housing, but he further described his social democratic principles as the natural outcome of a scientific analysis of Sweden’s economy devoid of ideological interests. As he explained in “Socialpolitikens Dilemma” (The Dilemma of Social Policy), the program he wrote for his party,

[The new social policy ideology] is intellectual and coolly rational, whereas the old, still dominating, was quite sentimental . . . It is to a great degree liberated from the inhibitions of liberal ideology. On the other hand, it is too technically oriented to lose itself in purely general and unworldly model constructions. This is so because it is oriented towards facts, its romanticism is that of the engineer . . . a purely technical analysis of a social policy question has a certain tendency to go in an extremely radical direction; not primarily because of an especially radical initial attitude, but quite simply because a purely technical analysis has no place in its schedule for institutional conventionalism (1932a, pp. 85–90).

Such statement was met by Hecksher’s astonishment that the leading advocate of value freedom could claim to “have demonstrated the unscientific nature of liberal politics while the socialist one would be pure science” (Heckscher to Myrdal, 18 Dec. 1934, GMA, Box.3.2.1, folder 005). He intended to rationalize every aspect of the Swedes’ life, as shown by the variety of fields touched upon by Alva and himself

¹⁵The collective worldview of the Progressive Era is described by Leonard (2003, p. 706): “a belief in the efficacy of social control via state scientific management, in particular faith in the ability of academic experts to suspend their own interests and to circumvent . . . the messy business of everyday interest-group politics.”

¹⁶Thomas was even arrested by the FBI under false motives, fired from Chicago University, and then never given a stable position in any university. Lynd was a prominent figure of labor movements. On the influence of the Thomases on the Myrdals, see Lyon (2001) and Myrdal (2005, p. 5).

since the beginning of the thirties—including macroeconomics, income redistribution, education, health care, sexual education, and housing.¹⁷ With his unflinching self-confidence, Myrdal considered this political project he called “social engineering”—as an echo to the “social control” *Zeitgeist* that was emerging in various scientific communities, as science.¹⁸ This rationalization was to be achieved through the implementation of a sweeping social plan, one outlined in the best-selling *Kris I Befolkningsfrågan* (*Crisis in the Population Question*), published 1934. In their book, the Myrdals explained the recent dramatic decline in Sweden’s birthrate by the pervasive economic precariousness, which in their view could be fought only through an ambitious welfare program, the socialization of production, and the redistribution of property and income. One of the most controversial proposals of the book was their defense of eugenics and sterilization policies. Unaware of the possible confusion with the rising Nazi ideology, the two technocrats merely considered their proposal as a scientifically efficient way to improve humankind: “Modern society evolves consciously and unconsciously in the same direction: to rationalize and complicate production and all of human life and thereby to raise the demands upon ourselves and our fellow human beings. The problem ultimately amounts to: how can we raise the quality of human material to keep pace with the demands of modern life?” (Myrdal 1934, pp. 246–252).¹⁹

The book’s inextricable mixture of political, moral, and factual arguments made its reception mixed.²⁰ Its plea for greater equality led to the implementation of several welfare state measures, but many readers found it excessively prescriptive, moralistic, and paternalistic (Tilton 1992, p. 21). Myrdal’s fellow economists were also disturbed by this half political tract/half scientific study. While Cassel restricted his criticisms to the book’s factual analysis, the Heckschers explicitly put the Myrdals’ scientific probity on trial in a long and angry exchange of letters. They accused the authors of distorting historical proofs and confusing causes and effects, pointed out their “attempts to rule out morally their opponents” and called Gunnar a “propagandist agitator.” The general uneasiness created by this hybrid work was later summarized by Myrdal’s daughter: “How could they be so certain, I have often wondered, about what is right or wrong, humanitarian or dangerous, factual or sentimental? In this book . . . the most astounding points of view, sometimes emanating entirely from their own hopes and fears, are presented as facts. All writers are prone to such overstating, but Alva and Gunnar were so especially certain that what they said was ‘scientific’ and therefore incontestable” she characteristically wrote (Bok 1992, p. 151).

¹⁷They personally tried to put their programme in practice, as exemplified by the famous futuristic house designed by functionalist architect friends, Uno Ahren and Sven Markelius. For instance, their bedroom exhibited a wood sliding wall in the middle of the bed so that Alva could decide when she preferred to stay alone.

¹⁸The role played by Myrdal’s psychological character is emphasized by his daughter: “Gunnar’s egocentricity was nevertheless of an unusual kind. True, he thought that the world circled around him . . . Was it not true, he might ask, quite “scientifically” true, that he was much more praiseworthy than most? Why should he repress the truth of his own brilliance?” (Bok 1992, p. 185).

¹⁹Leonard (2003) explains how eugenics was an important part of the Progressive Era thinking. It was considered an instrument of social control at the time.

²⁰Carlson (1990) exhaustively surveys the writing and the following debates surrounding *Crisis*.

In their letters to the Heckschers, the Myrdals conceded that the population question was “utterly moral and political” and that the book was “a political struggle undertaking,” but nonetheless set it above “partisan politics,” as much in its goal—educating the average Swedish reader who has “no sense of social responsibility” and “creating a social pathos among workers,” as in its method—“based on solid social scientific studies of the matter under investigation.” Myrdal’s unclear characterization of his own work bears witness to his struggle to redefine the boundaries between science and politics. While acknowledging his “tendency for partiality and subjectivism,” he pointed out to Heckscher that he imposed especially restrictive safeguards upon his scientific work, such as his refusal to write columns in politically committed newspapers and his long-standing reflection on these methodological matters that have led him to work with “explicit values premises” as a guarantee for scientific objectivity.²¹ The methodological struggle displayed in these letters would settle only with the *American Dilemma* project. And it is through the value-ladenness methodology he fashioned to preserve his objectivity that his political activism would deeply affect the scope and direction of his science.

III. MAKING PURE SCIENCE USEFUL FOR POLICY: VALUE-LADENESS AND THE *AMERICAN DILEMMA*

The Painful Acknowledgement of Value-ladenness, 1929–1938

“How then can the results of economic inquiry be made to serve practical purposes?” (Myrdal 1930, p. 191): the opening paragraph of the *Political Element*’s last chapter, the only one written in Washington after Black Thursday, illustrates the challenge with which the Great Depression confronted Myrdal. Greater applicability meant that “[applied science] would have to become more relativistic, i.e. it would have to be related to *explicit value premises*,” he acknowledged, but his value-relativism and his dismissal of the “harmony of interests” assumption in the previous chapters of the book ruled out the possibility to choose these values objectively or to consider them as *given* by society, by some institutions, or the government. Myrdal (1930, p. 204) thus tried to escape the value choice issue by recommending, first, that a “map of the field of social interests” of the population under study be drawn with help of techniques taken from psychology and sociology, and second, that alternative policies be designed for *each* value set identified. However, he remained deeply dissatisfied with this solution, a judgment echoed by a reviewer’s comment that “what Myrdal desired from his colleagues in the 1920s beyond a more careful construction of syllogisms is not very clear” (Dewey 1955, p. 83).²²

²¹E. Heckscher to G. Myrdal, 13 Dec. 1934; G. Myrdal to H. Heckscher, 14 Dec. and 19 Dec. 1934; GMA, Box 3.2.1, folder 005.

²²Myrdal’s tension between objectivity and applicability is also mirrored by the contradictory interpretation later scholars gave of this final chapter. While Swedberg (1990, p. xxvii) thought that “[Myrdal] put his hope in the existence of a body of perfectly objective knowledge (the ‘technology of economics’),” Jackson (1990, p. 58) understood that “Myrdal attempted to sketch out a new type of economic research that would take account of the bias of the economist’s valuations . . . and involve the economist in political change.”

A consequence of his unsettled methodology, Myrdal's scientific production in the thirties comprised highly theoretical as well as applied work. His famous restatement of Wicksell's conditions for a monetary equilibrium in a dynamic expectations framework, "Om penningteoretisk jämvikt: En studie över den 'normala räntan'" ("Monetary Equilibrium from a theoretical point of view: A study of the 'normal interest,'" revised and translated in English in 1939 as *Monetary Equilibrium*) remained abstract throughout. In the last two chapters, Myrdal attempted to apply his methodological precepts by discussing the values underpinning the choice between price stabilization and employment policies, only to reach the very general conclusion that that monetary policy was a small element in a wider set of social policies and institutions which should be submitted to democratic choice (1939, chapter 8 section 5). If he could also perform applied work on monetary issues, it was because, as he noted in 1931, "in the present crisis the interests of most social groups actually converge in such a way that it affords a basis for a considerable agreement on policy once the facts have been established" (translated in Myrdal 2005, p. 21). Myrdal's statement reflected the strong consensus reached during the 1931 Political Economy Club meeting, held at a time when unemployment had reached a climax and Sweden had come off the Gold Standard. There, economists of all political sensibilities agreed on the policy ends to pursue—protecting the level of employment while maintaining the value of money, as well as on the means to implement—those which operated via the formation of expectations.²³ The consensus between the old generation led by Heckscher and the young generation led by Myrdal, however, broke down when the latter, in charge of the common public statement, reframed the agreed macroeconomic policies in a broader set of interventionist measures akin to his central planning ideals (Henriksson 1991, p. 55).

As his theoretical debates with the conservative Heckscher and the liberal Bertil Ohlin more often deteriorated in a fierce battle over the merits of free market vs central planning, Myrdal was increasingly led to question the independence of economic science from values. In "Ends and Means in Political Economy" (1933), he acknowledged that discussions of "means" as well as discussions of "ends" were inherently value-laden. Also, theoretical investigations were "ultimately an expression of a valuation which lends 'interests' to certain hypotheses and certain relations between facts" (translated in Myrdal 1958, p. 228). That even the most abstract research involved *a priori* values was exceedingly difficult to accept for him: "The scholar has not yet been born who could experience a hysterical conflict in the foundation of his research without being seriously disturbed in his work: the conflict between clearly recognizing the unscientific character of his political theorems yet using them in a manner suitable to this purpose," he complained (Myrdal, 1958, pp. 222–225). He feared that the only solution he had in mind—working with explicit value premises in theoretical as well as applied research—may amount to "conscious Machiavellianism" for those whose scientific method had become "a second nature" like him. This inescapable value-ladenness was "the eternal dilemma of research and

²³This ability of the Swedish economists to "work together smoothly and cordially . . . despite differences in social attitudes that would split a German faculty wide open" was unusual enough so as to be emphasized by John Van Sickle, a Harvard economist who represented the Rockefeller Foundation, a major founder of Sweden's interwar statistical research (Craver 1991, p. 90).

its innermost tragedy, its essential absurdity,” he concluded the following year (translated in Myrdal 2005, p. 61). His uneasiness was increased by the bad reception of his methodological writings in Germany. His *Political Element* was turned down by several publishers and Joseph Schumpeter and Emil Lederer opposed the publication of “Ends and Means” in their *Archiv für Sozialwissenschaft*. The official reason was that the paper was too pessimistic, but Gerhart Mackenroth, the German methodologist who translated Myrdal’s work, confided to him that Lederer “assimilates your article to what is called *Methode* in Germany, namely those pseudophilosophical theories, those backyard speculations” (Mackenroth to Myrdal, 9 July 1931, GMA, box 3.2.1, folder 007).²⁴

Probably disappointed by these reactions, Myrdal devoted the following years to his political activities. Only when he moved to the United States in 1938 to head a study on race discrimination within American society at the request of Frank Keppel, the Director of the Carnegie Corporation, did he find the opportunity and the intellectual environment to put his methodological principles into practice.

Objective Value Choice in Practice: An American Dilemma, 1938–1940

The Carnegie trustees were looking for a fresh scientific outlook free of the usual biological and sociological biases of the existing race studies, and had selected a Swedish economist because he was neither American nor citizen of a colonialist country. For his part, Myrdal was “longing [to get] back to disinterested work again, where I do not have my heart mortgaged, as in these Swedish things, where I am neutral and sceptical,” and he sensed that his complete ignorance of race relations would warrant the scientific objectivity that had been challenged in the thirties (Jackson 1990, p. 86). Since Sweden was renowned for its advanced implementation of welfare state policies, however, Myrdal also thought that the ultimate purpose of the study was social engineering aimed at improving the black community’s living conditions.²⁵ After ten years political activism, he could no longer conceive of theoretical work as detached from policy.²⁶

Upon arrival in the United States with his family, Myrdal immediately began surveying the existing race relations works in biology, sociology, psychology, anthropology, and economics. He found that it exhibited the same methodological tensions he had himself experienced in the thirties. Many social scientists, including some prominent figures of the Chicago School of Sociology, were striving to draw their discipline away from an overtly prescriptive analysis of society by resorting to statistics, quantification, and empirical research.²⁷ Other researchers—among whom

²⁴More receptive to Myrdal’s approach, Karl Manheim got interested in the book and contacted Myrdal to set up an English translation in 1944, but he died before the project started.

²⁵The American journalist Marquis Childs had published a bestseller in 1936 entitled *Sweden: The Middle Way*, in which he described and popularized the Swedish experience in social reforms.

²⁶The Carnegie officials had by no means in view an enhancement of civil rights. For a comprehensive study of the motives of the Carnegie Corporation, the unwinding of the study, and the following comments, see Jackson (1990). Myrdal (1987) gives his own account of the writing of *American Dilemma*.

²⁷For instance, John Dollard, who wrote the decade’s most influential case study on race relations, used life history interviewing methods and relied upon psychoanalysis to identify his own bias towards race prejudice and those of the subjects under study (Jackson 1990, pp. 97–98).

Howard Odum, the most distinguished Southern white sociologist, and Columbia sociologists led by Lynd, author of a structural analysis of race relations in Middletown—however maintained that the ultimate aim of the social scientist was to guide policy making on social issues (Lynd 1939). In the face of this bifurcated American scientific community, Myrdal's strategy was to secure the collaboration of the largest number of leading social scientists of all methodological and political orientations. However, the study's nucleus staff was exclusively made up of personal friends with similar methodological orientations and progressive political activities. It included Myrdal's Swedish assistant Richard Sterner, Dorothy Thomas, Lynd, and the black political scientist and economist Ralph Bunche, recipient of the 1950 Nobel Peace Prize for his pioneering role in race relations and decolonization and his mediation between Israel and Arabic countries. Such a welcoming community enabled Myrdal to develop his new "institutionalist" identity and his value-ladenness methodology without being challenged in his scientific identity as during the thirties.²⁸

In line with his institutionalist perspective, Myrdal commissioned his team to draft preliminary reports on various aspects of the black community: traditions, culture, class stratification, family life and sexual patterns, social attitudes, church, crime, economic conditions with a focus on unemployment and labor discrimination, etc. Special consideration was given to the study of existing biases and stereotypes in white and black communities and in the existing literature on race issues. In particular, Thomas's survey of the inborn qualities of black peoples was intended to dismiss genetic arguments for racial discrimination. For his part, Myrdal was seeking in his travels throughout the South and his readings a unifying framework for the various reports and identifiable causes of discrimination. In September 1939, he circulated a memorandum aimed at providing some "value premises" to guide his team's investigations. It gives a clear idea of the process whereby his value choice was achieved. "As different valuations are . . . actually held in society," he argued, "the value premises should be given as a number of sets of *alternative* hypotheses." This involved a "mapping out of the '*field of interests and ideals*,'" an investigation of the actual opinions and attitudes, not only those of the black community but those of the American society as a whole. He then restricted the number of alternative value sets "to a manageable few" for practical purposes. Finally, because each collaborator had to work with the same value set for consistency matters, Myrdal proposed that "*one single set of value premises may be selected for utilization in a preliminary analysis and that the other remaining sets of value premises are introduced at a later stage of the investigation to make possible the final judgment in terms of alternative valuations and policies*" (Memorandum, Sept. 1939, 8–10, GMA, Box 4.2, folder 05, Myrdal's emphasis). While giving the reader the feeling that the social scientist need not make any choice that could endanger his objectivity, Myrdal thus ended up with a single value set "as a temporary solution." He chose the "American State religion": the body of ideals of justice, equality, and freedom, to be found in the Declaration of Independence, the Constitution, and the Bill of Rights. Those ideals were the most

²⁸It is in this period that Myrdal began to call himself an "institutionalist," and thus to acknowledge that he belonged to a specific scientific community (Myrdal 1972). For a review of his institutionalist work, see Angresano (1997).

consistent body of values to be found in American culture, he argued, one permanently referred to in the interviews he conducted, in the newspapers he read.

While the coincidence between this value set and his private faith in Enlightenment is striking, at that time it did not embody any underlying moral and political agenda of the kind displayed in *Crisis*. It rather reflected his effort to make sense of a complex social issue which had its inception in the roots of a culture he did not fully grasp.²⁹ The value premises chosen were merely intended to dismiss biased previous scientific works on race issue, so as to make room for his own analysis mainly focused on economic causes such as labor discrimination. Only with World War II would this “American Creed” gain a personal and moral dimension and become a resistance weapon, thereby reinforcing the interplay between his scientific investigation and his commitment to social-democratic values.

The War, Value Dilemmas and the “American Creed,” 1940–1944

When the German forces invaded Norway and Denmark in April 1940, the Myrdals immediately returned to Sweden to help the government organize the resistance against the Nazis. Upon arrival, however, they could only witness helplessly the collapse of their lifelong dream of turning Sweden into an enlightened and exemplar country as their government granted a transit right to the German army and established stringent press censorship. “Everything is terrible,” they wrote at the outset of the war, “the whole ideological basis for all of our interests and ideals seems to break down” (quoted in Jackson 1990, p. 136). This bitter disillusion led Gunnar to a reconsideration of the comparative moral strengths of Sweden and the United States. In *Kontakt Med Amerika* (1941), written with Alva, he intended to enhance the Swedes’ resistance to Nazi ideology by borrowing some features from the American culture. While Sweden had gone further in fighting inequality through unemployment insurance, old age pensions, and health care, Myrdal reflected, American institutions eventually proved more efficient in keeping freedom and democratic values alive in the minds of citizens through frequent reference to the Declaration of Independence and the Constitution. His conclusion that Sweden was dramatically lacking the kind of public moral reference that the “American Creed” was for the American people was a sharp break from the customary patronizing view of American culture shared by Swedish intellectuals.³⁰

In the course of Myrdal’s collaboration with his wife, the hitherto instrumental value premises chosen for the study gained a moral significance. Already in 1939–1940, Alva had paralleled Hitler’s ideology with the discrimination towards the black community in a series of papers on the American race issue describing the “political and economic condition, with its great class inequalities, limitation of the right to

²⁹Myrdal did not immediately notice the similarity between his values and the American State religion, if only because he had previously held a rather condescending view of American values. In an article written shortly after the Rockefeller trip, he depicted American workers as “deeply bourgeois in every sense of the word . . . Patriotic conservatism, capitalist Americanism, spiced with hate and contempt for ‘European’ subversive dogmas, are not only Main Street’s petit bourgeois froth and triumph, but also the slum’s compensation for a sad and wretched daily life” (quoted in Jackson 1990, p. 65).

³⁰The book soon became a bestseller and was secretly circulated through Norway, where it was read as a resistance tract.

vote, illiteracy, and racial persecution as a type of fascism” (quoted in Jackson 2002, p. 8). As Alva’s insight found an echo in these troubled times, Myrdal gradually put greater emphasis on the moral nature of his race study: “though our study includes economics, social and political race relations, at bottom our problem is the moral dilemma of the American—the conflict between his moral valuations on various levels of consciousness . . . between high precepts and local interests” (Myrdal 1944, lxxi). The war also impacted his science by transforming his understanding of social behavior, one he outlined in two long methodological appendixes to *An American Dilemma*. The layman faces value dilemmas he unconsciously tends to suppress by distorting facts, Myrdal argued at a moment when he was himself caught in terrible value dilemmas—finish his great study in America or travel back to threatened Sweden with wife and children in the midst of terrible dangers; remain silent and obedient to the government or denounce Nazism and possibly be invaded. In Myrdal’s eye, the task of the scientist was thus to uncover the undistorted reality, including the value conflicts experienced by citizens, so as to help settle them.³¹

Paradoxically, it was at the time when his scientific work took a moral dimension that Myrdal felt he had achieved the conciliation of applicability and objectivity. This new-found confidence in his objectivity derived from his observation that previous scientific biases, such as theories on the biological superiority of some races, had been unmasked with the help of scientific experiences such as IQ tests (Myrdal, 1969, p. 51). Also, being selected to head the study on the basis of his nationality created a confidence that as an “outsider,” he was compelled to be more conscious of “his own preconceptions” (Myrdal 1944, p. xxviii). Most important, if he maintained that applicability required working with explicit value premises, he now clearly saw that they were to be taken from those held by significant parts of the population under study, so that his were kept outside the analysis (Myrdal 1944, pp. 1041–1045; 1058–1061). Myrdal’s methodology thus crucially depended upon a subtle combination of a dispassionate and objective outlook on the social situation and the empathy necessary to understand the layman’s inner value conflicts. While the first requirement was revealing of his feeling of asymmetry toward the layman and his self-confidence, the second rather reflected Alva’s empathetic abilities, her knowledge of behavioral science techniques, and her fascination with the new-born field of public opinion research such as the Fortune and Gallup surveys she used in her articles. As a matter of fact, Gunnar was simply unable to work without her. When he went back alone to the United States in 1941 to finish *An American Dilemma*, he felt deeply depressed and unable to write, and he urged her to leave the children in Sweden and undertake a six-month trip in the midst of terrible danger to join him. Had she refused, she later reflected, he would have divorced her.

Against the contemporary effort by economists to get rid of all psychological elements in their theories, Myrdal thus founded his objectivity on his value-ladenness methodology. His claim that he had succeeded in putting aside his own values is,

³¹Again, the influence of Alva shows through these ideas. Uncovering the value dilemmas at stake in every social problem had always been the trademark of a woman whose entire life was a painful balancing between her children, her career, and her jealous and possessive husband (Bok 1992). This experience she later translated in a book in collaboration with the sociologist Viola Klein with the telling title *Women’s Two Roles* (1956).

however, challenged by the criticisms addressed to *An American Dilemma*, and even more by the peculiar value premises he chose in his second *magnum opus* on Asian economic development.

IV. THE IMPOSSIBLE TASK, 1945–1968

Myrdal's Objectivity and Empathetic Skills Challenged

The similarity between the “American Creed” chosen as value premises for *An American Dilemma* and Myrdal’s private values is striking. Somehow aware of this proximity, he acknowledged at the beginning of the book that “this sense of hopefulness, together with the complete identification I could feel with the moral force, which in the book I referred to as the American Creed, made it subjectively easier for me to carry out the assignment” (1944, xiii). As argued by Jackson (1990, p. 337) it was precisely Myrdal’s personal commitment to the values described in the book, together with his strong self-confidence, that provided *An American Dilemma* with its breadth of vision, its analytical relevance, and its new perspective on this secular discrimination issue. The personal stake and the irreverence his egocentrism imparted him helped him dismiss biological explanations of inequalities among races, and resist the discontent and pressures of some Carnegie trustees.³² That Myrdal’s Enlightenment values informed the *American Dilemma* study thus eventually seemed to enhance rather than damage its scientific quality, judging by the public and academic success of the book. It received acclaim from the press, praise from liberal social scientists, and surprisingly few criticisms from positivist social scientists—such as those from Chicago—despite its heterodox methodology. *An American Dilemma* appeared in January 1944, at a time when black leaders, encouraged by the role the black community had in the war economy and the army, were speaking out publicly against discrimination. The ideological fight against fascist ideologies also entailed a growing support for civil rights from Northern white intellectuals and journalists. In this context, the explicit reference to the moral dilemma, the uncompromising tone, and the objective, scientific, and “outside observer” flavor of the book were widely celebrated by white as well as black reviewers. In the *New York Herald Tribune* of January 26, Lewis Garrett compared the book’s vision to that of Tocqueville and to the works of Bryce. W. E. B. Du Bois, the dean of American Negro studies, characterized *An American Dilemma* as a “monumental and unrivalled study.” L. D. Reddick, a Marxist historian, was pleased that “Myrdal calls things by their real name. Exploitation is exploitation, discrimination is discrimination, injustice is injustice This book is, in a word, the complete vindication of the case of the Negro for complete democracy,” and the iconoclastic black journalist G. Schuyler concluded that “only a man from Mars could have surveyed the idiocies of the so-called Negro problem with more impartiality.”³³

³²Racial prejudice, whether substantiated by biological theories or not, was pervasive among American intellectuals before the war (Leonard 2003).

³³The critiques in the press, the scholarly journals, the black and white Southern reactions, and the mild reception of marxist intellectuals are exhaustively accounted for in Jackson (1990), chapter 6.

As the Civil Rights movement strengthened in the late fifties and sixties, however, some unheard criticisms made in the forties were brought to the fore and supplemented. Several black intellectuals and white liberals remarked that Myrdal had misunderstood black American culture, ignored their people's history, and neglected its African roots.³⁴ For instance, Woodson dismissed *An American Dilemma* as "the impressions of a foreigner of limited and infrequent contact with Negroes" (Jackson 1990, p. 248). In the same spirit, Ralph Ellison, a famous Afro-American writer and specialist of black culture, noted in 1944 that

Myrdal sees Negro culture and personality simply as the product of a "social pathology." Thus he assumes that "it is to the advantage of American Negroes as individuals and as a group to become assimilated into American culture, to acquire the traits held in esteem by the dominant white Americans." It does not occur to Myrdal that many of the Negro cultural manifestations which he considers merely reflective might also embody a rejection of what he considers "higher values." (Ellison 1944, pp. 339–340).

In the book indeed, Myrdal had endorsed an 'assimilationist' position, according to which black American culture was different from white American culture only to the extent that it was a pathological response to oppression.

From the *American Dilemma* work only, it is difficult to grasp the extent to which Myrdal's private values influenced his science. On the one hand, there is the similarity of values and the misunderstanding of black culture. On the other, American culture is indeed historically rooted in Enlightenment philosophy, which makes its use relevant for a study of American society. Consequently, it would be worth investigating how he analyzed a completely alien culture. His study of East and South Asian economies provides such a setting.

Missing Alva

In 1947, Myrdal moved to Geneva as executive secretary the newborn United Nations' Economic Commission for Europe (see Jackson 1990, pp. 300–320). His international viewpoint led to an interest in development theories, and he came to the view that the neoclassical equilibrium framework was totally ill-suited to the understanding of developing countries. Instead, he fashioned an institutionalist explanatory framework based on the concepts of disequilibrium, circular causation, and cumulative and backward effects in line with the ideas from Wicksell he had developed in *An American Dilemma* (Myrdal 1957; 1960).³⁵ The move to Geneva also entailed dramatic changes in Myrdal's personal situation. As Alva witnessed her husband's emancipation from her intellectual support thanks to his team of able international economists—including Walt Rostow, Ester Boserup, and Nicholas Kaldor—she went through a severe depression. She finally left to New York in

³⁴This is to be contrasted with his claim that "my *American Dilemma* was not a study of the Negro but of the American society from the viewpoint of the most disadvantaged group" (Myrdal 1972, p. 458). See Jackson (1990) and Southern (1987) for exhaustive accounts of these criticisms, especially marxist ones.

³⁵For an exposure of Myrdal's development economics, see Dykema (1986).

1949 to head the United Nations' section dealing with welfare policy, and subsequently spent five years in charge of the UNESCO social science department in Paris. Beyond their lives, their worldviews also had diverged: while Gunnar remained a paternalistic, ethnocentric, and elitist scientist, Alva had come to favor grass roots and participative democracy, and to support international lobbying and diplomacy rather than scientific advocacy as the best mean to increase welfare. At the moment Alva's career took off—she was the first woman ever to occupy such a high level of responsibility in an international organisation—Gunnar entered a period of self-doubt (Bok 1992, pp. 218–221). A 1952 car accident had caused a great loss of mobility, which made him increasingly dependent on others to do research. It was a turning point.³⁶ The sense of having aged quite suddenly made him newly insecure vis-à-vis Alva, whose absence he sorely resented. The end of their intellectual collaboration would indeed have dramatic effects on his subsequent scientific endeavor.

When Alva moved to Delhi, India as Swedish ambassador in 1955, Gunnar joined her in view of applying his development theories to a comprehensive survey of South and East Asian development, with a special focus on India. But unlike the great brotherhood he had experienced with American Enlightenment values, he felt totally estranged from Asian culture: “when I saw those half-naked brown bodies in an Indian textile factory, they seemed utterly alien to me. I couldn't find anything in common with them,” he later confessed to his friend Paul Streeten, also a development economist (Streeten, 1992, 113).³⁷ He thus missed even more painfully his foregone intellectual partnership with Alva. Utterly successful as an ambassador, she introduced Gunnar to many Indian economists, sociologists, and officials, including Nehru of whom she had become a friend and admirer. Still, although she agreed to write the *Asian Drama* appendixes which related to the situation of women and children in India, their exchanges remained far more limited than in the past. As a result, Myrdal's approach to Asian development lacked the degree of true concern and respect for people's yearnings that Alva could have brought. Furthermore, the team he had gathered thanks to the funds provided by the Twentieth Century Fund did not reproduce the intellectual atmosphere of the *American Dilemma* and ECE years that had enlarged and qualified his personal outlook, and he was no longer involved in Swedish or international academic life. Lacking these balancing influences, he became even more convinced of the correctness of his views, and gradually gave up the Enlightenment optimism that had formed the hallmark of *An American Dilemma*. Defining himself as a “cheerful pessimistic,” he preached his ideals in a more moralizing tone (Streeten 1992, pp. 113).

After ten years of research, he finally published the monumental 2200 page *Asian Drama* in 1968. The central thesis of the book was that Asian peoples encountered

³⁶This period marked the end of his intellectual heydays, his daughter reflected: “When I think back, I wonder whether it was not then that Gunnar's sparkling originality and genius began to be less in evidence. His self-confidence seemed to diminish and the tendency to boast and to downgrade others became more marked” (Bok 1992, p. 221).

³⁷He found the task of diving into Asian people's psychology extremely difficult: “I used to wake up in the middle of the night and think with horror and fear: What in hell am I doing and when will it be ready? Writing a book like that is like standing in the trenches of the first World War up to your knees in mud” (Bok 1992, pp. 289).

a dilemma between their “archaic” values and the modernisation ideals necessary for economic development, agricultural and industrial. He saw in the traditional and religious values of Asian peoples, their “superstitious beliefs and prejudices,” a hindrance to development. He urged that these traditional values be replaced with what he called the “modernisation ideals”: rationality, planning for development, rising productivity, rising living standards, social and economic equalization, and improved institutions and attitudes. (Myrdal 1968, pp. 61–62). Needless to say these values once again looked curiously like Myrdal’s. But again, he firmly denied any influence of his private values on his scientific research, and maintained that the study was perfectly objective.

The writer must in honesty add that the distinctive aura of Enlightenment surrounding the modernization ideal in South Asia is congenial to him and to his collaborators. . . . Undoubtedly, this attitude made it easier to work with, and stick to, this set of value premises. As instrumental in this study they were not, however, selected on that personal ground, but rather for their relevance and significance in South Asia. The sympathy of the writer and his collaborators for those ideals may have been psychologically favorable to the conduct of the study but has in principle to be considered as accidental and logically irrelevant (Myrdal 1944, p. 56).

Despite this disclaimer, Myrdal’s choice of the study’s value premises was clearly influenced by his western ethnocentrism. From the various value-sets of South Asian peoples, he retained those he felt closer to, namely the rationalistic values of India’s ruling class who had received a British education. In particular, he took as a model Nehru, who had been educated in Cambridge and who shared his socialist, democratic, and rational planning orientation. No wonder then India’s westernized elites acclaimed Myrdal’s analysis.³⁸ Many Indian intellectuals, however, faulted him for seriously misunderstanding their culture, a criticism similar to that leveled against *An American Dilemma* by black intellectuals. The review of the Indian journalist Kusum Nair is especially interesting since she had spent time both among Indian peasants and American farmers and had collaborated with Myrdal.³⁹ She faulted his vision of South Asian development for being “based on ideal types, or even plain welfare folklore and traditions of modernity. Underlying is the sweeping assumption that runs right through the study, that rationality and rational thinking are exclusively European traits” (Nair 1969, pp. 450–451). Some white Western social scientists also agreed. The review of the anthropologist Clifford Geertz is worth noting because he had conducted extensive ethnographical research in Southeast Asia and because he intended to take into account the religious, political, and cultural “frames of meaning” that people use to give sense to the world in his work, a methodological claim similar to Myrdal’s. He is merciless:

Myrdal’s portrayal of India is “completely stereotypic, . . . astonishingly abstract, . . . unnuanced and unparticularized . . . It would seem impossible to write nearly a million words on a country with so rich a history, so profound a culture, and so complex

³⁸The reception of *Asian Drama* is covered in Jackson (1990, pp. 330–344).

³⁹She related her experience in a famous book *Blossom in the Dust* (1962), prefaced by Myrdal.

a social system and fail to convey the force of its originality and the vitality of its spirit somewhere; but Professor Myrdal has accomplished it" (quoted in Jackson (1990) p. 341).

These criticisms strengthen the doubts cast on Myrdal's ability to undertake a reflexive examination of his own prejudice. As Eugene Dykema (1986, p. 153) concluded in his review of Myrdal's development theory: "Myrdal rejects Western ethnocentrism and a Western 'approach' to development theory, but demands Western mores and Western standards of judgment as necessary conditions for development."

V. CONCLUSION

Myrdal's worldview was thus characterized by a tension between his political activism and his willingness to remain an impartial scientist. The very methodology he designed to reconcile applicability and objectivity eventually became the channel whereby his values came to inform his science. He thought he could rely on his special asymmetric position to observe the value dilemmas in the societies he studied, but his social-democratic values and his social control utopia informed his scientific outlook so deeply that he eventually saw in American as well as in Asian citizens his own desire for rationality, his own progressive values.

The study of Myrdal's intellectual development also reveals that the connection between his scientific thinking and private experiences arose when he faced the challenge of applicability, where the frontier between applied "science" and policy becomes blurred. There, he had to negotiate the boundaries between the scientific and the private spheres, where ethical and political values are involved. Whether concealed in everyday practice or expounded in some explicit methodological position, this negotiation crucially depends on the economist's biography and psychology, on the technical development of the discipline, and on the major social and policy ideologies forming the *zeitgeist* in which he lives. Since the Great Depression, then the War and the Cold War, economists have become increasingly involved in the policy-making process (Bernstein 2001), which suggests that a comparison of the way various economists claim to handle and actually do handle the applicability issue may be worth examination.

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