

growth theory and supply-side economics. James Ahiakpor does to the law what his title promises: demonstrating Keynes's success with its misrepresentation. Bruce Littleboy's contribution is classified by Kates under "The Case Against," but he is only mildly critical of the law and finds a synthesis of Keynes and Say conceivable. Nor does he favor new classical economics: "There is arguably more to learn in Say, Mill and Ricardo about how markets function and malfunction than there is in Lucas or Barro." I must confess I could not altogether follow Michael Gootzeit in his argument that early twentieth century monetary economics has finally made Say's Law obsolete. In my opinion, his contention that hoarding by "speculative demand" for money destroys Say's principle at best only attacks the short run, Say's Identity version of the Law.

Of the other two chapters "against," John Henry's contribution on Say's Economy questions, Say's present day relevance by stating that he wrote about some sort of agrarian barter economy. This seems a clear injustice against an author who made it abundantly clear that he wrote about the long-term growth perspective of the industrial economy. Precisely this version of the law was hailed by Baumol (1977) as Say's original contribution.

Finally Bruce Keen revives the Marxian critique of Say's Law by reasoning that it is only applicable to "a market economy without capitalists and the accumulation of wealth." His interpretation of the law is incompatible with the existence of a surplus and of accumulation. As Marx himself disliked "the dull Say" it is not surprising that till the present day the two conflicting paradigms of capitalist development do not meet.

All in all, this volume is a useful book because it addresses an important issue in the history of economics, not as an antiquarian problem but as a question of present-day relevance. As such, it could be useful classroom stuff. The polemic tone of several contributions makes for good reading. Yet, I was left with the question whether Kates and some of his associates might not be victims of the same syndrome they pretend to attack. They combat the standard Keynesian orthodoxy, which represents "Say's Law" as a theorem embracing everything that is wrong with classical economics. But aren't they fighting a comparable straw man in suggesting that Keynesian orthodoxy is part and parcel of twenty-first century mainstream economics? And if a principle is embraced by neo-Austrians and new classicals alike, does this not signify that it must be a very broad notion, indeed, badly needing further specification? These considerations however are not fundamental objections against this instructive volume of scholarly essays.

Evert School  
Groningen University

John Maloney, *The Political Economy of Robert Lowe* (New York and London: Palgrave Macmillan, 2005) pp. ix, 188, \$69.95 ISBN 1 4039 4782 1.

Robert Lowe (1811-92), later Viscount Sherbrooke, was a maverick who made his political career as a *Times* leader writer in his attacks on Gladstone but who nonetheless rose to become Chancellor of the Exchequer in Gladstone's first administration (1868-74). A master of invective, unburdened by tact and seemingly never happier

than when his opponents were filled with animosity towards him, Lowe is also remembered for such career highlights as his introduction of payment-by-results into English elementary education and his rumbustious opposition to what became the Reform Act, 1867. Among historians of thought he is a “name,” but not much more, included in the history of English political economy for his stance on the Irish question and for the stridency of his support for classical political economy in face of sundry challenges. While there have been studies of Lowe, they have focused on his political career, and we thus welcome Maloney’s monograph on his economics.

Maloney has little to say about Lowe’s early life (Parry 2004, provides a fuller account), with the story really beginning with his years practicing the law in New South Wales (1842-50) where he cut his political teeth and amassed sufficient wealth to ensure that upon his return he could support his political ambitions. This was a formative period for both Lowe and for Australia, with his contribution still marked today in a parliamentary constituency named in his honor for his advocacy—using the tools of political economy—of the discontinuance of the transportation of convicts. Returning to London, he obtained a position as a regular for the *Times* in 1851 and election to Parliament in 1852 as an independent Liberal, quickly securing what we now call a junior ministerial position. Formal progress, however, was comparatively slow as he did not make the Cabinet until he became Chancellor, but along the way he endured a succession of subordinate posts which allowed him to make his distinct mark in a number of policy areas. He was first at the Board of Control, where he was largely responsible for the India Act, 1853, and where he displayed his zeal for improved government efficiency and market-augmenting reforms that would be the hallmark of his career; then at the Board of Trade during a period when the free trade impetus made commercial policy and foreign policy often one in the same; and then the Board of Education (which included duties regarding health, albeit limited at that juncture) where he proclaimed that it was “a great Economical truth that Education is no exception to the rules of Political Economy,” and he thus set about “to bring the ideas of Adam Smith into schools and universities” (pp. 16, 38).

Lowe was almost constantly in office between 1852 and 1864 when he resigned after charges that school inspectors’ reports had been censored. Though exonerated by a Parliamentary select committee shortly thereafter, this episode must have reinforced his aversion to growing government regulation, for in this case it had motivated vested interests (schoolteachers and the inspectorate) to mobilize to protect themselves by impugning his honesty and that of his officials. Maloney brings out clearly Lowe’s interpretation of the Smithian concern for inherent governmental inefficiency relative to the market, situating it in the new circumstances of emerging democracy whereby, for example, as Lowe presciently forecast, were the railways to be nationalized—and Gladstone had made such a proposal as early as 1844—opprobrium would inevitably fall on government as soon as anyone died in a national railway accident. His instincts for the dangers of what we would now call regulatory capture pervade his time at the Board of Trade, though he was also, as Maloney makes clear, a through-and-through Benthamite in his approach to the choice between intervention and *laissez-faire*. In particular, and with apologies for the anachronism, reading Maloney’s assessment of Lowe on the perils of democracy for good government, and property rights and prudent economic policies in

particular, one cannot but think of him as a pioneer of economics and law, and public choice.

For Maloney, an account of Lowe's contribution to and practice of political economy necessitates study of his *lifetime* policy stances, and it is an undoubted strength of this study that he gives due weight to his career before he became Chancellor. Moreover, Maloney's task is more difficult than for many of Lowe's contemporaries, as he wrote no magnum opus nor memoirs. Maloney has thus mined the archives, Hansard, and the major periodicals (*Edinburgh Review*, *Fortnightly Review* and *Nineteenth Century*) to reconstruct Lowe's political economy. Above all, and here this study can usefully be supplemented by Maloney (2005), there is much to be learned from Lowe's unsigned—but through the News International Archives, attributable—leaders for the *Times* on an immense range of topics. Lowe's clash with J. S. Mill and others on the Irish question is well-known (Black 1960, Kinzer 2001), and need not detain us here. More interesting perhaps is the reconstruction of Lowe's thought on trade unions at the time when the wage fund theory was teetering in the late 1860s. At one level the labor question appealed to Lowe's proselytizing zeal for the application of political economy to produce rational scientific answers to guide public policy and to educate the working-classes so that they were no longer damaged by their support for tariff protection and propensity for Luddism; at another, there is observable an underlying political calculus about what to do when the balance of powers between capital and labor had been disturbed by the modern factory system. Here, as elsewhere, the picture that emerges—and this is part of Maloney's revisionist intent—is much more nuanced than his doctrinaire reputation. The end result is much less, in Hutchison's (1953, p. 28) delicious phrase, of the "backward-looking bleakness of Lowe." Those particularly interested in this aspect of Lowe should also consult Curthoys' (2004) superb historical analysis of how governments at this time navigated the perilous waters between the individualistic traditions of the English law of contract and the new realities of organized labor.

It is, of course, for his period as Chancellor that Lowe's reputation also rests in British history. He perceived this as the pinnacle of his career, and Maloney rates him the most accomplished economist of the nineteenth century to have assumed the post, though "if anachronism and league tables are to be allowed, he would rank below Dalton and no higher than Gaitskell" (p. 3), the only two other chancellors who, in their own times, would be classified as economists. While endowments are one thing, performance is all in politics and here assessments of his tenure at the Treasury have been conventionally negative: a budget withdrawn in 1871 due to public opposition to a rise in the tax on matches (ostensibly a small matter but one that displayed Lowe's gift for privileging economic logic above political nous); a penchant for somewhat idiosyncratic cheeseparing in public expenditure; and, above all, for a series of mishaps, culminating in two major crisis over expenditure control which were a gift to all those concerned about his judgment and competence. Maloney tries hard to find the positives in Lowe's chancellorship, but in the end sides with Bagehot and Gladstone that he would have been more effective had he been duller and courted apathy rather than controversy.

The final part charts Lowe's writings and public activities after 1874, first as a backbencher and from 1880 as Viscount Sherbrooke. For historians of economic thought,

the major interest here will be chapter 12, which explores Lowe on economic methodology. Unfortunately, the 1876 Political Economy Club performance and the 1878 “Recent Attacks on Political Economy” are not much developed beyond existing accounts. Indeed, here as elsewhere, for this is a slim volume, one hankers for more; perhaps more also which situates Lowe and his contemporaries within the broader process of the transition from political economy to economics upon which Maloney has written elsewhere. That criticism aside, Maloney both rescues Lowe from the worst caricatures of his political economy and conveys something of the excitement and significance of how an earlier age confronted the cardinal choice of government or market as they adapted to and forged the latest stage in the development of capitalism and democracy.

Roger Middleton  
University of Bristol

## REFERENCES

- Black, R. D. C. (1960) *Economic Thought and the Irish Question* (Cambridge: Cambridge University Press).
- Curthoys, M. (2004) *Government, Labour and the Law: The Trade Union Legislation of the 1870* (Oxford: Oxford University Press).
- Hutchison, T. (1953) *A Review of Economic Doctrines* (Oxford: Clarendon Press.)
- Kinzer, B. (2001) *England's Disgrace: J. S. Mill and the Irish Question* (Toronto: University of Toronto Press).
- Maloney, J. (2005) Robert Lowe, The Times and Political Economy, *Journal of the History of Economic Thought*, 25 (1), pp. 41–58.
- Parry, J. (2004) Lowe, Robert, Viscount Sherbrooke (1811–1892), *Oxford Dictionary of National Biography*, edited by H.C.G. Matthew and B. Harrison (Oxford University Press), [www.oxforddnb.com/view/article/17088](http://www.oxforddnb.com/view/article/17088).

J. M. Pullen and Trevor Hughes Parry (Eds) *T. R. Malthus: The Unpublished Papers in the Collection of Kanto Gakuen University, Vol. I* (Cambridge: Cambridge University Press for the Royal Economic Society, 1997), pp. xxiv, 140, \$70, ISBN 0-521-58138-9; *Vol. II* (2004), pp. xviii, 341, \$110.00, ISBN 0-521-58871-5.

In the late 1980s a large collection of hitherto unknown Malthus manuscripts, formerly the property of the economist's great-great-nephew, Robert Malthus (who died in 1972), came on the market and were acquired in 1990 by Kanto Gakuen university in Ota, Japan—a relatively new university that specializes in economics, administration, and law. It is to the very great credit of that university, and particularly of its then-President, Professor Takeo Satoh, who steered the project through to completion, that “from the outset . . . it was the intention not to jealously guard the papers in a secret vault, but to make them available to the world-wide community of Malthus scholars and researchers” (I, p. xii). Visitors are conducted to a purpose-built library well equipped with showcases and work-tables, climate-controlled for the preservation of the manuscripts, where they receive every assistance