

## History of Economic Thought as an Intellectual Discipline

**D. P. O'Brien**

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D. P. O'Brien is a distinguished historian of economic thought, now Emeritus Professor of Economics at the University of Durham. His best-known work is *The Classical Economists* (1975), which for many years was the standard textbook in the field, but he has continued to publish on a wide range of topics in the history and methodology of economics. The volume under review reprints ten of his recent essays (1993–2003) together with a preview of a forthcoming contribution to *The Elgar Companion to Hayekian Economics*. The book takes its title from that of chapter 2, originally a contribution to a *festschrift* volume in honor of R. D. C. Black.

As with all of O'Brien's work, these essays reveal a vast learning in the primary literature, many excellent and revealing interpretative insights, and a sincere commitment to the now endangered subdiscipline of the history of economic thought. The first of these is most evident in chapters 7 (on Cannan) and 11 ("McCulloch and the Literature of Economics"), though it also underlies his overview of what he calls classical economics in chapter 5—which is either or both an expansion of his contribution to the *Blackwell Companion to the History of Economic Thought* (Samuels, Biddle, and Davis, 2003) and an epitome of his 1975 textbook reprinted with minor changes in 2004. The second is well illustrated by his account in chapter 8 ("Friedrich August von Hayek") of Hayek's abandonment of macroeconomic controversy with Keynes and the Keynesians in light of "his struggles with the theory of capital" (224). It is instructive, moreover, to be reminded in many places of the significant difference in intellectual culture—deliberately fostered on both sides during the first half of the twentieth century—between the London School of Economics (good guys: Robbins, Hayek, and company) and Cambridge (bad guys: Sraffa, Joan Robinson, and company).

The third characteristic is explicit at many points—especially in chapters 2, 7, 11, and 12—and often appears as a lament for the almost complete disappearance of the history of economic thought from the curricula of economics departments in British and American universities. O'Brien believes, as did Cannan, Viner, Robbins, and many others up to the 1980s, that "history of economic thought can be a very good way of teaching theory" (19). This valuable pedagogy is now at risk as economics departments come under increasing pressure to increase their annual output of research and to focus upon those aspects of economics most in favor with the big names in our profession. So far as Britain is concerned, O'Brien blames the mandatory "research appraisal" that university departments introduced in recent years, for *research*, chiefly published in journal articles that are easily weighed and measured, is about marginal contributions to knowledge. *Scholarship*, once the hallmark of a true university, is about enlarging our understanding of the existing stock of knowledge and may require years of reading, rereading, and pondering classic texts; burrowing in the archives for primary documents; painstaking and time-consuming editorial projects; and the writing of lengthy monographs that are more than simply a

distillation of one's previously published articles if any. Scholarship cannot be quantified and, therefore, earns few brownie points with funding bodies, university administrators, or departmental tenure committees.

O'Brien's essays have many merits. The chapters on Marshall (6), Cannan (7), and McCulloch (11) are fascinating. It is gratifying to see (chapter 12) due acknowledgment paid at last to the truly great Paul Samuelson as a historian of economic thought, perhaps the last major theorist to be also a scholar. Too many historians of economic thought—especially in the United States, where some are addicted to what they vainly imagine is “alternative economics”—presume to look down their noses at Samuelson, who symbolizes much of what they hate: clarity of thought, virtuosity of technique, and a willingness to follow the argument where it leads even if it undermines long-cherished, left-wing assumptions.

However, questions may be asked about the heterogeneity of this collection, about various historiographic and interpretative matters, and about the putative theme of the book conferred by its title.

After the introduction (called part 1), the essays are grouped under Methodology (part 2: chapters 2, 3, and 4) and History of Economic Thought (part 3: the remainder). In the first group, neither chapter 3 (“Five Methodological Detours”) nor chapter 4 (“Information and Investment in a Wider Context”) is wholly satisfactory. The former begs many questions, above all, of what constitutes progress in economics. As to the latter, the essay on Richardson's neglected achievement, sad as it is to read, does not throw much light on methodology. Moreover, it has a somewhat dated appearance in its neglect of the now flourishing “information paradigm,” launched by Stiglitz and others in the 1980s. Each of these essays could have been omitted without serious loss. Everything in part 3 is valuable and to the point, but here, too, there is some heterogeneity. The long overview of classical economics in chapter 5 contains little, if anything, that is not said with more detail in O'Brien's *Classical Economists* or with more brevity in the *Blackwell Companion*. Do we really need it here? The remaining heterogeneity is the inclusion of no fewer than three essays on Hayek, amounting to 27 percent of the entire text of this book. There is inevitably much overlap in these three, and the reader could easily dispense with at least one: probably chapter 8, because chapter 9 deals with Law and Economics and chapter 10 reports O'Brien's latest thoughts on the importance of Hayek in the history of economic thought.

Of course the work of any major scholar in this discipline (as in most others) will invite the critical attention of his colleagues. Those who specialize in what O'Brien calls classical economics are the most likely to disagree, and I will merely illustrate with three points among many possible. To begin with, we are never told what to understand by this term and can only infer that O'Brien means by it the *political economy* of the English school, which began with the followers of Adam Smith. However, eighteenth-century political economy (the study of wealth) is precisely not twentieth-century economics (the study of scarcity), and in fact there was never any such thing as classical economics. Second, we are never told that classical political economy begins with, and is a consequence of,

Malthus's, *Essay on Population*, which by integrating diminishing returns into existing analysis began the century-long mutation of (Smithian) political economy into economics. Third, though O'Brien correctly tells us that "the focus of the classical literature is squarely upon macroeconomic issues and, above all, on economic growth" (91), he is almost alone among scholars in telling us nothing whatsoever about the central dynamic concept of *surplus*, which is what links past with present in Smithian and post-Smithian analysis. There are many more such quibbles. Do they matter? As Paul Samuelson himself once said, "I never bother to talk to anyone who agrees with me: I learn nothing from them."

What does this book tell us about the history of economic thought as an intellectual discipline? In a narrow, technical sense, very little. Although at one point O'Brien concedes that the "history of economic thought is an important part of that essential intellectual pursuit, the history of ideas" (337), he makes no attempt, even in chapter 2, to analyze the relationships among various concepts of the history of economic thought (HET) and the larger category of intellectual history (IH). Perhaps because of his understandable dislike of relativism he concentrates almost entirely on a subset of HET we might label history of economic analysis (HEA). His (entirely legitimate) purpose is to exhibit the logical structure of the arguments of dead economists. Following Stigler, he hopes thereby to discover correct theoretical structures with which to interpret their work (23), which is less defensible. Now, if history be about what really happened in the past, then mere HEA can never be more than a handmaid to IH. Valuable as it may be for teaching undergraduates economic theory, it may—and often does—distort history, thereby undermining that scholarship that is more important in university education than technique. Therefore, if HET is really to be an intellectual discipline, it must begin with a study of those contexts—philosophical, theological, scientific, political—in which economic analysis was part of the conversation of the learned, and it must confine HEA to its proper function, which is to throw some light on why our predecessors disagreed with one another. It is not our business to say whether they were right or wrong, or to rank them in any kind of great economists league table. As Quentin Skinner recommended in his 1997 inaugural lecture as Regius Professor of Modern History at Cambridge, our motto, like Spinoza's, should be "non ridere, non lugere, neque detestari; sed intelligere [not to laugh, not to lament, not to curse, but to understand]."

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