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## AN INVITATION TO LOOSE THINKING, WRONG FACTS, POOR HISTORY AND SOME OCCASIONAL GOOD SENSE

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Many simple introductions to economics have been written. They range from Mrs. Jane Marcet's Conversations on Political Economy (1816) to Gertrude Williams' best selling Economics of Everyday Life, so popular in the 1950s. In between these dates, popular primers include those by Millicent Fawcett, Political Economy for Beginners (1870), Rosa Luxemburg, What is Economics? (written in 1906-08) and the then still very comprehensive Encyclopaedia Britannica articles on political economy and economics of which that by J.K. Ingram (separately published in 1888) is a good example. The first of these texts was selected for praise by Torrens in the Edinburgh Review (October 1819) because it was useful for instructing "the Members of our present Cabinet in Political Economy",and such primers, generally speaking, appear to have served a useful purpose by way of introducing young, and not so young, students into the mysteries of the dismal science. Such a proposition, however, would not have been acceptable to Alfred Marshall, the founder of the Cambridge school, who is alleged to have said that "you can't afford to tell the truth for half a crown". This was a reference to The Economics of Industry (1879) written jointly with his wife, a work he later disowned on the grounds stated. It may be noted that this warning has not been heeded and low priced introductions continue to be sold. It needs to be realised however that with the pace of inflation in the twentieth century, the minimum supply price of truth in economics will have gone well beyond the 2/6 mentioned by Marshall. The book under review, for example, has a British retail price of £4.95 at the time of writing, nearly forty times the cover price of Marshall's introduction more than a century before.

David Whynes' Invitation to Economics (Oxford, Martin Robertson, 1983) is a recent addition to the list of introductory texts on political economy or economics. Its title, which smacks more of the dance floor than academe, is derived from the general invitation series of which it is a part, and in which invitations to statistics and politics have already been issued. Titles in preparation include invitations to nursing and to philosophy. At first glance the contents of this book appear appetising, particularly to those like myself who have favoured introductions to economics through a historical perspective. However, as is so often the case in economics, appearances prove to be illusionary and a substantial part of the book consists of poor history, loose thinking, wrong facts combined with some isolated doses of occasional good sense as its redeeming feature.

Let's start with the loose thinking. Despite Oscar Lange's famous jibe about "praxeology" and Joan Robinson's 1971 Ely Memorial Lecture, the flavour of this book is strictly Robbinsian. This is clear from its start to finish. Economics, Whynes invites his readers to believe, "interprets human behaviour as the conscious attainment of objectives, of ends, which they would like to see realised ... by means of scarce resources". (pp. 13-14) Although these ends are specifically denied to be unlimited, the terms of Whynes' invitation to economics are not so restricted. They fully fall within the charges of "social science imperialism" levied by Geoff Harcourt in this context. For example, the reader is invited to contemplate not only the "five solutions at least" to high unemployment (chapter 5) but also economic solutions to "the production of children", "criminal behaviour" and "the political process" (chapter 10). The flavour of the book in this respect is well illustrated by the following sentence. "There is no evidence as yet to suggest, for example, that the demand and supply for sexual services are in any way different from those in the markets for butter or chocolate bars" (p. 190, my italics). This reflects the type of naivety (perhaps not wholly innocent) which provides at least one justification for Marshall's "law" of the value of truth in economics. I might add that there is little attempt to tackle the major difficulties inherent in Whynes' rehabilitation of Robbins' nature and significance of economic science despite the virulent half century debate over its methodological peculiarities and philosophical foundations.

The book also contains some simple errors of fact. At the more trivial level, France is maltreated on at least two scores: it is deprived of the nationality of Walras (p. 68), while the condemnation of Mandeville's book by the hangman was in Middlesex and not, as far as I know, France (p.54). More importantly, the account of the reception of the "powerful stuff" allegedly found in the pages of the Wealth of Nations (pp. 6-7) (which a reader of that book who understood its contents would sometimes find hard to recognise) contains some exaggerations. The claim made about the Decline and Fall of the Roman Empire, for example, is not substantiated and in fact wrong. (Or should I say, wrong in fact?) Adam Smith in no way whatsoever features in Gibbon's magnum opus though this did not prevent the famous historian praising his equally famous contemporary philosopher acquaintance for creating a new science. The keen discipleship of Pitt (p.6) rests on unsubstantiated anecdotes by Smith's first full scale biographer, John Rae. There were also contemporary critics of Smith's economics other than Dr. Johnson. Whynes is not of course alone in misinterpreting Smith. There are now many idolators of a "straw man Adam" who join together in free market - libertarian - deregulation Adam Smith societies, including at least one Nobel Laureate in economics. Such "Smithians" could learn much from the shcolarly exposition on Adam Smith and laissez faire, written in 1926 by that eminent Chicago economist Jacob Viner for the 150th anniversary of the publication of the Wealth of Nations. To return to a further example of Whynes' careless handling of factual material, let me invite the reader to peruse the remarks made about Keynes' writing of The General Theory (1936) and the earlier Economic Consequences of the Peace (1919), especially those on the alleged views and actions of "officialdom" (pp. 80-1). These likewise reveal a rather high degree of elasticity of truth as one of the more remarkable features of this treatise for beginners in economics. Such cases (others can be quite easily found) strikingly contrast with the strong claim made by Whynes at the top of p.110 in the chapter dedicated to good and bad economics (chapter 7): "The well established maxim that you would be ill-advised to believe everything you read applies as much to the literature of economics as to any other (the contents of this book are an obvious exception."

There are clearly some difficulties on this score in his invitation to good economics.

This leaves poor history and only a few examples of historical errors need suffice. First, Whynes' characterisation of the "list of contents of the Wealth of Nations" as not differing greatly from that "of a modern textbook" (p.5) contrasts strongly with one made by Schumpeter about which economist apart from Adam Smith commenced with and based his treatise on the division of labour. Second, it is asserted (surprisingly in the context of Say's Law) that the classical school of Smith, Ricardo and Malthus based itself on the "individual as the root cause of, and the ultimate end of, economic activity" (p.53) a proposition that sits peculiarly, for example, with Ricardo's definition of political economy in terms of distribution of production among social classes, Malthus' equally well known concern with the growth and consequences of the wealth of nations and Smith's definition of the science embracing the needs of the State and not only of individual members of a "Commonwealth". The discussion of Marx as the "dark fellow from Trier" with a disagreeable personality (pp. 55-64) is particular filled with historical crudities designed to misinform rather than enlighten. In the summary sentence about the aspects of capitalism studied by Marx (p.55), the part he emphasised most - the laws of motion - is omitted. Marx's formula of dialectical materialsm is simplistically described in Fichtean terms (pp. 56-7) and distorts its more useful properties. Proudhon and Bakunin can hardly be described as Marx's "fellow travellers" (p.62). Finally on Marx, the sentence "it is manifestly untrue, of course, to say that Marx was totally ignored; his theories, after all, were adopted by Lenin with quite spectacular results" (p.63) is typical of the innnuendo in Whynes' invitation to his readers to study Marx's economics. Such a flippant comment clearly diminishes the enormous effect which Marx had on many economists including, for example, many of the second generation marginalists. A final and major historical failure of this book is its treatment of post-1870 economics. This is depicted as both a solution to "the paradox of value" ascribed to Smith and a concentration on marginal analyais. It is not seen as a major change in emphasis and scope in economics: namely, the creation of the Robbinsian problem as the economic problem. Such a correct historical aseociation of Robbins with marginalism would let at least one cat out of the bag. If Robbins' view of the economic problem only rationalises the views of Jevons, Menger, Walras and their successors then the beginning of science in the eighteenth century with Smith's Wealth of Nations becomes difficult to sustain if Robbins' view is regarded as the definition (pp. 67-8). Whynes leaves other historical puzzles in this discussion. Why, for example, did Cournot, Gossen and Lloyd have to be rediscovered if contemplation of the margin sent economists into "paroxysms of delight"? Why are no hints provided for the serious student of economics about the inherent problems in the acclaimed "symmetry" between the analysis of consumption and production? (p.70). The process of listing all Whynes' peculiar historical assertions could almost go on indefinitely.

In fairness, there are a few redemming features in the book. These include the questioning of the accuracy of so-called economic facts with citations from Morgenstern's important contribution to this subject(pp. 124-131). Likewise, there is a good introductory discussion of the dangers in confusing causality with correlation (pp. 131-140). However, on forecasting, on common sense, on the nature and role of assumptions in economic theory, Whynes is often on rather shaky methodological grounds. The book therefore provides an enormous amount of miseducation, the correction of which would be difficult and time consuming. Accepting his invitation to apply the calculus of benefit and costs I have to say that the costs of this book from serious miseducation in the discipline greatly outweigh the benefits of its occasional useful insights, its important underlying aims and its superficial and easy style. If the intention of the book was to get students to take economics seriously (Preface), a more serious and hoenst approach by the author would have helped considerably. Loose thinking and untidy argument, carelessness with the facts and a blinkered if not misleading view of its history cannot be described as a good invitation to the serious study of economics.