

HISTORY OF ECONOMIC THOUGHT CONFERENCEDUKE UNIVERSITY, 23-26 MAY 1982

by

Michael Schneider

Following the lead provided in the last issue of this Newsletter by John Wood's lively account of the History of Economics Society meeting held at Michigan State University in 1981, I am devoting most of this report on the 1982 meeting held at Duke University to conveying my personal impressions of the conference. To put the conference in a nutshell, there were 92 registered participants, and 72 papers were listed for presentation over three days; the papers were accommodated by three or four being presented in each session, and three sessions being run concurrently. The contributions made by the discussants, and discussant-author interactions, proved to be the most stimulating part of the majority of sessions; formal appointment of discussants is a practice which in my view is much to be commended, since it greatly increases the probability of well-informed discussion. Less commendable at the Duke conference was the apparent lack of any firm guidelines to chairmen as to the time to be allowed for presentation of papers.

There follow my personal impressions, presented on a day to day basis.

Day 1 (Sunday 23 May)

After spending a few days working at the Kress, Widener and Pusey libraries at Harvard, and staying overnight at the Raleigh-Durham airport, on the afternoon of Sunday 23 May I travelled by 'limo' (limousine - American for small bus) to Duke University, in the process meeting Malcolm Rutherford (Victoria, British Columbia), who like myself, it turned out, is currently engaged in research on underconsumption theories. After settling in at Lancaster House, I went on a conducted tour of the campus, mainly with a view to meeting other participants. Those I met included Keith Tribe (Keele), who was

to give a paper on the German cameralists of the eighteenth and early nineteenth centuries.

There followed a reception, at which high-quality European wine was served. Here I met again, for the first time since our Cambridge days in the late nineteen-fifties, John Whitaker (Virginia), expert on Alfred Marshall, who later in the conference was to be chosen as president-elect of the History of Economics Society, and hence convenor for the 1983 conference, which is to be held at Virginia; and among others, Bob Coats (Nottingham), who visited Australia in 1980. I also met for the first time that lively redhead, Ingrid Rima (pronounced, as she made crushingly clear at one of the later sessions, to rhyme with 'rhymer', not 'dreamer'), whose Development of Economic Analysis I have for some time used as a textbook for third year history of economic thought students. Martin Bronfenbrenner, convenor of the conference, was on hand, as was his wife, who was kind enough to invite me to dinner.

While partaking of a Japanese smorgasbord at the Bronfenbrenner's home that evening, I met Tadashi Hayasaka (Tokyo), Tamotzu Matsuura (International University of Japan) and Takeji Kamata (Yokohama National), and discussed with them the division of historians of economic thought in Japan between non-Marxists and two branches of Marxists. I also met Murray Wolfson (Berkeley), one-time visitor to Japan and author of several pieces on Marx, and David Hume specialist Gene Rotwein (Queens, CUNY), who did his Hume Ph.D. thesis at Chicago under Viner. Rotwein described Viner as a forbidding man of broad outlook, and contrasted him with Knight, who was more approachable but narrower in outlook (though not as narrow as Friedman, whom he greatly influences). An article by Rotwein on Viner and the Chicago tradition is due to be published in HOPE next year.

Back at Lancaster House, I skimmed quickly through some of the 42 conference papers (in 3 volumes) which had been handed to participants when they arrived (another commendable feature of the Duke conference). At midnight John King (Lancaster, and twice Visiting Fellow at La Trobe) turned up, having been delayed eight hours at Kennedy airport; much talk ensued.

Day 2 (Monday 24 May)

The first session I attended, entitled 'Institutionalism and Economic Thought', included papers on Commons, Mitchell and Homan, and contributions from five discussants, of whom Walter Neale (Texas) was the most provocative. Some participating institutionalist economists disclaimed any expertise as historians of economic thought, and many failed to be convinced by the session that there had been, or perhaps ever could be, much meaningful dialogue between practitioners in the two fields, though it was pointed out that the two had been covered by Mitchell with some success.

After the break there was an enticing session entitled 'Keynes, Cambridge, and Kalecki'. Marc Jasulic (Vassar) made an interesting attempt to explain "the falling rate of profit since 1965" by adapting Kalecki, and Gerard Dumenil (Paris) clarified or obscured (according to taste) Marx's theory of money by attempting to summarise it using boxes (this paper was transferred from another session). Then Ed Nell (New School of Social Research) presented part of a paper entitled 'Keynes after Sraffa' in which he argued that "the scope and significance of Keynes' theory only comes out in TRI" (that is, "The Theory of the Rate of Interest", Keynes' contribution to the 1937 Festschrift for Irving Fisher) from which, together with a close reading of the General Theory, it could be deduced that Keynes "anticipates the central ideas of Sraffa's Production of Commodities by Means of Commodities". Nell, who was chairman of the session, allowed his own exposition . . . . .4/-

to go on for an hour or so but unfortunately failed by a long chalk to complete his fascinating argument, as time ran out completely, and there was hence no opportunity for discussion.

It appears that both concurrent sessions, by way of contrast, ended early. - One, on 'Karl-Marx', included a paper by Michael Perelman (California State, Chico) which argued that Marx, during his days as correspondent for the New York Daily Tribune, got from Carey the idea that Ricardo had emphasised social conflict, though of course making use of the idea differently. The other, entitled 'Classical Economics', included a paper by Bill Thweatt (Vanderbilt) which took issue with Peter Groenewegen's contention (Economic Journal, 1973) that we owe the widespread use of the phrase 'supply and demand' to Ricardo's Principles. Both these sessions I regretted having to miss.

In the afternoon there was a quite interesting session on 'Alfred Marshall', including an informative and non-controversial paper by John Whitaker on 'Marshall and Cunynghame'. However, the discussants argued that Larry Levine (New Brunswick) overstressed the classical element in Marshall's theory, that Ingrid Rima (Temple) underestimated Marshall's preoccupation with social questions, and that Rona Wilensky (Denver) had failed to prove her case that consumer behaviour is never influenced by diminishing marginal utility.

A 'Dinner Meeting' that evening took the form of a sumptuous meal accompanied by the 1982 Distinguished Lecture, delivered by R.D. Collison Black on the subject of 'Political Economy and the Irish'. Collison Black began by quoting Galbraith's comment that "all races have produced notable economists with the exception of the Irish who can doubtless protest their devotion to higher arts", and then capped it with the question, "... if asked what have the Irish done for political economy? the Irish could well reply, what has political economy done for the Irish". What followed was interesting, though not a match for this beginning.

On one side of me at the dinner was Timothy O'Neill (St. Mary's, Halifax), who remembered me on the basis of an appearance I made at Craufurd Goodwin's HET graduate seminar at Duke in September 1974; on the other side was Bill Thweatt, who talked about both his objections to Peter Groenewegen's views on the origin of the phrase 'supply and demand', and his own diagrammatic representation of Adam Smith's views on economic growth, whose widespread use had surprised him. After dinner I met William Frazer (Florida), who had earlier given a paper entitled 'On the Foundations of Friedman's Methodology', and is to have an article on this subject published in AER next year, and renewed acquaintance with Ken Carpenter (formerly chief librarian at Kress).

### Day 3 (Tuesday 25 May)

By some quirk of programming, what one would expect to be a heavy session on 'General Equilibrium Economics' was scheduled for the early hour of 8 a.m. In spite of the hour, however, this turned out to be the best session which I attended, in terms of quality of papers, exposition, and discussion. Ed Burmeister (Duke) argued persuasively, without persuading everyone, that Sraffa's analysis of the wage-profit frontier was empty in that it could not be applied to any situation even remotely resembling reality. Roy Weintraub (Duke), instead of expounding his highly technical paper, attempted to persuade us that general equilibrium theory provides the most progressive research programme we currently have, and then went on to give a fascinating account of its development from Cassel (!) to 'Arrow-Hahn'. Donald Walker (Indiana) provided much evidence that Jaffé had been wrong in his contention that Walras sought to disguise the normative bias of his work; when asked how a man of Jaffé's scholarship could have made this mistake, Walker replied that he thought it was because Jaffe simply assumed this to be true of all economists. The sole discussant, Roy Rotheim, made interesting supplementary remarks on all three papers.

Revived after all this by a cup of coffee, I went to hear Israel Kirzner (New York) argue that Robbins diverted the path of Austrian economics; a version of this paper has since appeared in Bell and Krystol's The Crisis in Economics. At the same session Nicholas Capaldi (Queens, CUNY) read from beginning to end of over-ambitious paper entitled 'The Role of Facts in the World of Value', in which among other things he attempted to dismiss general equilibrium theory in one paragraph. Concurrently, John King was delivering his paper reassessing the Ricardian Socialists (later to be published in HOPE), and Takeji Kamata was presenting an interesting paper on Thomas Hodgskin.

Four papers on diverse subjects but of uniformly good quality were presented at a session after lunch. Ronald Bird (Alabama) traced the generalisation of rent theory from Ricardo through Marshall to Pareto. Bruce Caldwell (North Carolina, Greensboro) made some most innovative suggestions on ways in which theories might be tested, including the idea that exponents of theories themselves might be asked to specify what they would regard as a fair test. Richard Phillip (Old Dominion) compared 'Marx's and Veblen's Conceptions of the Abstract'. And William Guthrie (Appalachian State) traced the development of the ideas on methodology of Keynes (John Maynard, not John Neville). The sole discussant, Vincent Tarascio (North Carolina, Chapel Hill), commented on this wide range of papers with apparent ease. Then Warren Samuels (Michigan State) pointed out that what all four papers had in common was the fact that each author had studied under Tarascio, adding that the range of topics and approaches illustrated Tarascio's encouragement of each of his students to develop in the direction the

student wished, a quality which he found most praiseworthy.

Following this session there was a reception, at which inter alia I renewed acquaintance with Craufurd Goodwin, and on payment of \$US29 to the efficient secretary-treasurer Larry Moss (Babson) belatedly became both a member of the History of Economics Society and a subscriber to HOPE. Then on to another Dinner Meeting, dinner being accompanied on this occasion by the Presidential Address delivered by Warren Samuels on the subject of 'Friedrich von Weiser's Influence on Joseph Schumpeter', which he argued was much greater than is generally recognised. During the dinner I met Abraham Hirsch (Brooklyn, CUNY), and had a long discussion with him on the state of HET in Australia; and renewed acquaintence with both that grand old man of HET, Joe Spengler (Duke), and Dudley Dillard (Maryland), who had put me on to some unpublished work on underconsumption theories when I visited Maryland briefly in 1974.

#### Day 4 (Wednesday 26 May)

I missed what I gather was a most interesting 'slide presentation' entitled 'Cobden and the Manchester Liberals, a New Interpretation'; lack of familiarity with the localities involved apparently sometimes led astray the presenter, Camille Castorina (Rollins), who had uncovered some previously unknown links between Cobden on the one hand, and Lasalle and other socialist thinkers on the other. Instead, I heard Larry Moss and Karen Vaughn (George Mason) present a paper on 'Austrian Capital Theory After Böhm-Bawerk', which included a critique of Burmeister's critique of Sraffa; Stefan Bohn argue that Lange failed in his attempt to show that a socialist system

can be based on rational calculation; and Richard Fritz (Central Florida) trace the origins of modern views on the relationship between development and financial institutions to Hildebrand, Hilferding and Schumpeter (during the discussion it was pointed out that the latter two and von Mises were all members at the same time of a seminar run at Vienna).

After the break came the session at which Don Davoie (George Mason) and I were to present our papers. Don Davoie's paper on 'Marx and the Quantity Theory' was an interesting one; what I found most open to objection in it was his argument that Marx's implicit acceptance of the quantity theory of money where inconvertible paper money is used should have led him to revise his labour theory of value, which latter seemed to me not vulnerable to so oblique a form of attack. Tony Brewer (Bristol, visiting Duke) made some perceptive comments on my paper.

The conference broke up after lunch, though John King and I stayed on overnight, and spent the next day working in the excellent Duke University library. To conclude, let me say that despite some organisational defects the conference was overall a great success, and a most stimulating and rewarding experience for those who participated. Finally, I wish to express my gratitude to the School of Economics, La Trobe University, for meeting part of the cost of my participating in so worthwhile a conference.



## THE 1982 G.L. WOOD MEMORIAL LECTURE

Last year's G.L. Wood Memorial Lecture, given on 21st June, was delivered by Geoffrey Harcourt. His subject was "Reflections on the Development of Economics as a Discipline", a topic of interest to readers of this Newsletter. Michael Schneider, who was present at the lecture, accordingly prepared a shortened version of it (among other things, reducing the five quarters to Geoff's customary four). It is this shortened version, sanctioned by the lecturer, which appears below.