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Editorial board

Giacomo Becattini
Marco Dardi
Peter Groenewegen
Alon Kadish
John Maloney
John Whitaker (Chairman)

Managing Editor

Tiziano Raffaelli

Addresses

Articles, reviews and books:

Dipartimento
di Scienze Economiche,
Via Curtatone, 1
50123 Firenze, Italy.

All other correspondence:
Philomena Guillebaud,
Marshall Library of Economics,
Sidgwick Avenue,
Cambridge CB3 9DB, U.K.

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Tiziano Raffaelli

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INTRODUCTORY REMARKS

The past twenty years have seen a remarkable resurgence of interest in the economic thought, biography, and professional leadership of Alfred Marshall, a resurgence culminating in last year's extensive celebrations (reported below) of the centenary of the publication of Marshall's Principles. With the additional impetus given by the activities of that celebratory year, the time seems appropriate for the launching of a new research bulletin or newsletter focussing on Marshall studies. Growing recognition of Marshall's importance as an intellectual figure of great stature in late-Victorian thought makes such a publication as essential for the 1990s and beyond as the similar publications devoted to other nineteenth-century giants in the social sciences, such as Jeremy Bentham and John Stuart Mill, which have been appearing for some time.

The aim of the Bulletin will be to provide a convenient - eventually, it is to be hoped, indispensable - international channel for the exchange of information and views among the growing number of scholars throughout the world with an interest in Marshall and his times. Better and speedier communication of pertinent information should help to raise the quality and effectiveness of research and scholarship.

At this formative stage, the Bulletin's aim is the modest one of keeping interested scholars aware of each other's activities and publications, and providing a forum for the exchange of views, information and queries about research problems and research materials. Staple items will be listings and reviews of pertinent books, articles and working papers, reports on lectures and conference sessions, announcements of forthcoming conferences, short notes on information sources (especially manuscript ones) and on queries, research suggestions, discoveries, speculations, and so on. Doubtless as it becomes established the Bulletin's scope and format will evolve in the light of experience and revealed needs.

All those with an interest in Marshall studies owe thanks to Professors Becattini and Dardi, and also to the University of Florence and the Consiglio Nazionale delle Ricerche, for the initiative and support that have made the present venture possible. Success of the Bulletin will, however, require readers to play an active role in using the Bulletin to communicate to other scholars their own activities and concerns. May it have a long and successful life.

John Whitaker
University of Virginia



Four Meetings about Marshall: Reports, Impressions and Reflections

Giacomo Becattini
University of Florence

The pages which follow are intended to supply some information, impressions and reflections regarding four meetings of scholars concerned with the life and thought of Alfred Marshall all of which were held in 1990 in England or Italy. It will not constitute a straightforward and detailed account of what was said, nor will it be an attempt to relate them to the current state of debate in the history of economic thought or analysis, but simply comprise a mixture of hard facts and personal opinions which it is hoped may be of some use to those interested in the subject.

The presentation is organised as follows: a brief account of the events themselves; a brief examination (scarcely more than a list) of the new knowledge acquired about Alfred Marshall's life; an equally brisk examination of the debate about Marshall's thought which took place at the four meetings, with some odd references to "strictly complementary" contributions, either just completed or about to be completed; a few "impressions" of the "Marshall season" of 1990 limited to the four meetings mentioned; and finally a few personal reflections on the problems arising from the discussions and the most promising lines of research. An appendix will provide a systematic summary of the four meetings.

Reports

1. The first Conference (henceforth Cambridge I), organised by the Royal Economic Society, took place at St John's College, Cambridge, on 9 July 1990. It was attended by 49 scholars, for the most part British (33, of whom 14 were from Cambridge itself), but with some participants from Italy (4), USA (3), Austria (2), Australia (2), Japan (3), Canada (1), and Germany (1). The papers presented by B. Loasby, C. Bliss, D. Laidler and D. Collard have already appeared in John Whitaker (ed.), *Centenary Essays on Alfred Marshall*, Cambridge University Press, 1990. The interesting lecture given by John Whitaker himself on the problems posed by the task of editing Marshall's correspondence, which he is carrying out for the Royal Economic Society, is not included. Professors F. Hahn and R. Matthews brought

the day to a close with some pithy comments before the dinner in the Great Hall of St John's.

The second Conference (Cambridge II), organised by the Faculty of Economics and Politics of the Cambridge University, was held in the Marshall Room at Sidgwick Site on 28-30 August 1990. It was attended by 63 scholars, 47 of whom had not been present at Cambridge I. The provenance of the participants also differed considerably from that of Cambridge I, in that the British scholars were a minority (20, including 7 from Cambridge) and was attended by many more from abroad: Japan (13), USA (6), Italy (7), Australia (3), Germany (4), Canada (2), Netherlands (2), and South Korea, Spain, Brazil, France and Sweden (2). Most of the papers presented have appeared in Rita McWilliams (ed.), *Alfred Marshall in Retrospect*, Elgar, 1990.

Two of the essays included in McWilliams' volume ("Alfred Marshall and the General Equilibrium Theory of Value and Distribution: an Examination of Notes XIV and XXI" by R. W. Dimand, and "The Spread of Alfred Marshall's Economics in Italy" by M. Gallegati) were not presented and discussed at the Conference. We feel bound to add that the observations made by Sir Austin Robinson at both the English Conferences provided even more food for thought than can be derived from his nevertheless interesting prologue to the McWilliams volume.

The occasions during the Conference which, in the writer's view, made the most lasting impression on those present were at the official dinner at Newnham College, when Professor R. Coase talked about the intriguing results of his research into "Alfred Marshall's Family and Ancestry", and when Mr James Claydon, who had collaborated with Mary Marshall at the Marshall Library, presented some objects which had been the personal property of the couple. The atmosphere of reminiscence was completed by a visit to Alfred's grave and at Balliol Croft, where Mrs Marshall's rose bushes still flower. A certain amount of fetishism on occasions such as these does no harm to anyone.

The Conference was enriched by a substantial and welcome attendance by staff of the Marshall Library, including the Director, Donald Ross, the archivist Dr Frances Willmoth and by Alfred's great-niece, Philomena Guillebaud (the daughter of Claude Guillebaud, the son of Marshall's favourite sister) who had also helped to organise Cambridge I.

The third meeting was not a Conference as such but simply a session of the Annual Meeting of Scholars of the Italian Society of Economists which was

dedicated to the centenary of the *Principles*. This was held on 2-3 November 1990 in Rome (henceforth Rome). The meeting heard a major paper by Professors M. Dardi and A. Gay on "History as Dynamics in Marshall's *Principles*" presented at the plenary session of the Society, while the remaining papers were given, and discussed, at a special session on 3 November 1990. Twenty scholars, all Italian, attended the special session, of whom only 3 had taken part in the previous meetings. The Italian texts of the papers will be published, with brief summaries in English, in G. Becattini (ed.), *Attualità di Marshall*, forthcoming in 1992, published by Il Mulino in the "Collana della Società Italiana degli Economisti". In addition to economists and historians of economic thought, the attendance included two geographers, an agricultural economist, a sociologist and a philosopher.

The fourth meeting, which was organised by the Economics Departments of the Universities of Florence and Ancona, was held in Florence between 18-20 December 1990 (Florence). The Conference brought together a particularly numerous group of scholars, with 109 in attendance, of whom 86 had not participated in any of the earlier meetings. Most participants, naturally, were Italians (90), 42 of whom were from the two universities concerned, but despite the proximity of Christmas the attendance from abroad, though less numerous (19) was prestigious, including 4 scholars from Great Britain, 3 from the USA, 3 from France, 3 from Germany, and one each from Australia, Japan, Israel, Korea, Netherlands and Sweden.

The proceedings of the Conference in English will be published in a special number of the Review *Quaderni di Storia dell'Economia Politica* which is due to appear early in 1992. This will include a number of papers which were not presented and discussed at the Conference itself. Also noteworthy was a presentation to the Conference of a paper by D. Ross on "The History of the Marshall Library and the Marshall Papers".

To sum up this part, a total of nearly 200 scholars attended the four meetings mentioned. Those who came to more than one of the meetings, thus demonstrating a particularly strong interest in the life and/or work of Marshall numbered about 50. Assuming that about 10% attending Florence were likely to have been "birds of passage" and that those giving papers numbered 46, the reservoir of interest in Marshall studies on which these meetings could draw varied between 50 and 180. To these, of course, should be added the further participants in the American meetings in Atlanta (Georgia) and Lexington (Virginia) reported by Whitaker, at the German meeting in Halle mentioned by Groenewegen, and at the Tokyo Conference also reported in this Bulletin. Anyone who reads the present article who

may know of other centenary conferences, or any other occasion dedicated to Marshall, is asked to let the editors of the *Bulletin* know the details. In any case, even in the absence of any further news, the Conferences already mentioned suffice to give us an initial idea of the scope, the geographical distribution, and (in much less detail) the range of disciplines covered by those concerned with Marshall's work and character.

2. We shall divide Marshall's biography into seven stages: 1) his family background, his childhood and his university studies at Cambridge; 2) the period between his graduation in mathematics and his marriage; 3) the period he spent between Bristol, Sicily, Bristol again, and Oxford; 4) Cambridge before the *Principles*; 5) Cambridge after the *Principles* and up to Pigou's appointment; 6) the last years of his life 1909-1924; 7) the immediate post-Marshall period. We shall then consider separately a number of special relationships between Marshall and his contemporaries (the world of women, Edgeworth, non-British economic thinkers).

On the first period, Cambridge II provides us with a fundamental contribution: Ronald Coase (Cambridge II) virtually completed the demolition of the famous biographical essay by Keynes which he began in 1984 (Coase, 1984). As he himself puts it: "I have described the first sentence of Keynes' *Memoir* as a 'masterpiece in concealment'. Alfred Marshall's birth-place is there given as Clapham, 'a leafy London suburb', as Corry explained, whereas he was actually born in Bermondsey in the midst of the tanneries. Alfred's mother gets the bare mention of her name. The reason for this became obvious when I learnt that she was a butcher's daughter. His father at the time is said to have been a cashier at the Bank of England, whereas he was a clerk [...] Alfred Marshall's family lived at the edge of gentility and the truth had to be suppressed if this was necessary to maintain respectability." (Coase, 1990, p.9). Little or nothing is known of the period which followed, until he graduated in mathematics. But, as Coase says, "a detailed study of his life as an undergraduate would help us to understand better many of his basic positions" (Ibid p.23)

Nor is much known about the second period, apart from the generalities so often written and repeated on the basis of scraps of information provided by Alfred and Mary, information which, in the light of the above, needs to be checked with care. A certain amount of light is indirectly shed on this period by the work done by Peter Groenewegen and Tiziano Raffaelli. Groenewegen, examining Marshall's position on the history of economic thought (Groenewegen, Florence) highlights the substantial influence of Hegelian ideas on the young Alfred, a subject which, despite the testimony of Mary Marshall, had not greatly impressed previous economic

biographers, apart from Gerbier (Gerbier, 1976). Groenewegen's contribution should be read in conjunction with the same author's essay on Hegel and Marshall (Groenewegen, 1990- 1). Raffaelli has already published editions of Marshall's early philosophical manuscripts (Raffaelli, 1990) but the definitive edition of these will appear in the series Research in the History of Economic Thought and Methodology, Archival Supplement. Raffaelli is also editing, jointly with Eugenio Biagini and the writer, Marshall's 1873 Lectures to Women. A limited echo of this hive of activity can be found in the papers presented by Raffaelli and Biagini at the Florence Conference. Raffaelli's paper on "Gli studi filosofici del giovane Marshall" (Raffaelli, 1991) may be regarded as a further contribution in this research perspective. A valuable piece of work on the British cultural background in the 1870s has come from the pen of the American historian R. Butler (Florence). The same author has produced another noteworthy contribution in the account of Marshall's visit to the USA which forms part of his doctoral thesis (Butler, 1989)

No substantial addition to our knowledge of Marshall's third and fourth periods was produced by the meetings.

On Marshall's period as Professor at Cambridge a number of contributions were made: Whitaker (Cambridge I) gave a thorough detailed account of the "thorny path" leading from the first edition of the *Principles* (1890) to Marshall's death; Kadish (Florence) traced Marshall's clever amendments to the methodological chapters of the *Principles*, discovering a not altogether surprising correspondence between them and the tactics, varying on each occasion, used by Marshall in his struggle to broaden the scope of economics teaching at Cambridge; Phyllis Deane (Cambridge II) presented a brilliant account of the famous controversy on Free Trade at the beginning of the century in which Marshall suffered defeat, at least in terms of economic wisdom, at the hands of the English drawing-room hero of late Victorian times, A.J. Balfour, Prime Minister and part-time philosopher. J. Maloney's essay on Marshall and the business world (Cambridge II and Florence), a very dashing account, full of barbs aimed at Alfred, naturally covers the whole of the latter's life in academe and not just the halcyon years.

For the sake of completeness in this review of recent contributions, mention must also be made of an excellent essay by Groenewegen on Marshall as a Cambridge lecturer (Groenewegen, 1990b).

On the last part of Marshall's life there were no specific contributions but it should be said that the essays by Maloney, Whitaker and Becattini do shed a little light upon it.

A subject which is returning to fashion after a lengthy period of neglect is the study of Marshall's influence upon the Cambridge economists of the 1920s and 1930s. D. Collard (Cambridge I) provides a sketch of teaching and, to a lesser extent, of research there, after the introduction of the Economics Tripos and Marshall's retirement from teaching shortly afterwards, down to the end of the 1920s. G. Harcourt (Cambridge II and Florence) explored in considerable attention to detail the relationship between Marshall's legacy and the economic thought of G. Shove, D. H. Robertson and J. V. Robinson. To this discussion the Italians Roncaglia (Florence) and Marchionatti (Florence) also contributed to some extent in their accounts, notwithstanding differing approaches and aims, of Sraffa's well-known criticisms of Marshall.

Marshall's troubled relations with the "weaker sex" were dealt with by Rita McWilliams in a very intriguing paper (Florence) which gave rise to a particularly lively debate. A valuable result of this paper, which in fact takes up arguments contained in an already-published essay (McWilliams, 1990), is to have limited the period of the "turning point" in Marshall's development to the years between 1877 and 1881. Biagini (Florence), however, throws a little cold water on the glowing image of a young Marshall espousing the feminist cause, thus sowing doubts about whether there ever was a real "turning point".

The "special relationship" between the two English giants, Marshall and Edgeworth, was re-examined in the paper given by P. Newman (Cambridge I), which suggested some further subtleties in its development. In this connection, Creedy's essay which appeared at the same time should also be noted (Creedy, 1990). A. Zanni (Florence), finally, stresses the fact that, despite a certain personal dislike and some obvious theoretical disagreements, a number of important points of methodological convergence can be found between Marshall and Pareto. The relationship between Marshall and Italian economists was explored in an excellent paper by Mauro Gallegati (Cambridge II), although it needs to be pointed out that this was an English translation of an Italian article published in 1984.

3. We shall divide Marshall's thought as follows: 1) philosophical and methodological subjects; 2) demand; 3) supply; 4) equilibrium; 5) distribution; 6) economic development; 7) international trade; 8) money, credit, cycle; 9) taxes.

Several important papers were given on philosophical and methodological subjects. On the vexed question of the relationship between ethics and economics in Marshall's thought new observations were put forward by R. Coats (Cambridge II), whilst Raffaelli (Rome) took up the subject of whether Marshall's ethics were

utilitarian, evolutionary or something else. Among the remarks of direct methodological value extracted by Raffaelli from the young Marshall's studies of the human mind (Florence), a number appear to be quite relevant to the economist. From the three papers mentioned the subject of character, which until now has been considered by analytical economists as typical Victorian fustian, stands out as an essential linkage between many thoroughly economic subjects (e.g. Marshall's theory of the firm and his theory of socio-economic development).

The two papers presented by Dardi (Florence) and Schlicht (Florence) take a new approach to the two delicate subjects of methodological individualism and the problem of aggregation. Both these essays reinforce the concept that Marshall's critical awareness in confronting them is far superior to that of economists who were his contemporaries, and perhaps to many of our own as well. In any case the papers highlight the differences from the mainstream of economics in his style of thought and confirm some basis for assuming a methodological continuum between Marshall and the Keynesian school. The latter conclusion appears to be unwelcome to many Keynesians, but not to Kregel (Florence) who has produced an insightful comparison between the "Marshallian well informed dealer" and the Walrasian "auctioneer". Salanti's particularly penetrating paper (Rome) insists upon the impossibility of reconciling Marshall with the neo-Walrasians.

There were of course considerable methodological implications in many other papers presented at the four meetings, but particular mention should be made of the explicit ones in the contributions of A.K. Dasgupta (Cambridge I), B. Loasby (Cambridge I), P. Mirowski (Cambridge II) and R. W. Dimand (Cambridge II).

On the theory of demand and the needs underlying it, there were three contributions: J. S. Chipman (Cambridge I) analysed the validity of Marshall's consumer rent as a tool for current political economy; Caravale (Florence), criticising Pasinetti's interpretation of Marshall, saw in Marshall's approach to long-term demand a different way of posing the problem and not a wrong answer to the same problem as Ricardo posed it. Balestrino (Rome) returned to the problem of Marshall's theory of the consumer in the light of a recent reinterpretation of the concept of marginal utility (Gay, 1990).

Several studies concentrated on the theory of supply: in addition to those already mentioned by Roncaglia and Marchionatti, particular attention to the problems of supply was paid by J. Whitaker (Cambridge II and Florence), R. Matthews (Cambridge I), B. Loasby (Cambridge I, Florence), A. Maricic (Florence), E. Pesciarelli (Florence), and C. Cecchi (Florence). Taken as a whole these papers were full of contrasting

stimuli in the sense that they incorporated at least two very different interpretations: one based on the re-examination of Marshall's theories in the light of today's approaches to economics, and the other in terms of a review of Marshall's theories in the light of social and economic problems which today's culture, in all its complexity, is concerned with. Loasby's essays, in the present writer's opinion, reflect only partially the first of these approaches and anticipate possible new trends in interpretation. C. Cecchi took a positive view of Marshall's theory of sharecropping, placing it in the context of the current debate on land tenure. Robbins would object to the reintroduction of these subjects in the context of any "scientific" theory of supply (O'Brien, 1990, p.62, n.4), but a growing trend in economics which might be defined in general terms as neo-institutionalist, is now tending once again to accept these types of observation as eligible for admission to the sacred grove of "economic theory" (Dardi, 1990).

The subject of equilibrium and of temporal analysis, the kernel of the fifth book of the *Principles*, exerts such a fascination for Marshall's interpreters that it is hard to find any historians of economic analysis who have not concerned themselves with it, at least in passing or by implication. Despite being such a well-ploughed field the subject was conspicuously present at all the meetings. It would appear to be wiser for the reader to apply himself directly to the papers concerned without, given the subject matter, unnecessary promptings or cumbersome attempts at mediation. We shall therefore simply mention the innovatory interpretation in the essays by Gay and Dardi (Rome) and by Gay (Florence), in which they attempt to introduce the statics of partial and period equilibria as found in the *Principles* into a qualitative analysis of historical change in the economy, vindicating Marshall's claim that the key-note of his book was that of dynamics. There is no need to stress the link between these essays and the paper presented by Dardi (Florence).

On the subject of distribution mention should be made of the papers by Matthews on the labour factor, which is the bridge between the subject of distribution and that of development, of that of C. Bliss and D. Cavalieri on the vicissitudes of the term "capital" in Marshall's work, and that of Loasby on the little-understood (at least by Marshall's interpreters) rôle of the organisation.

Marshall and socio-economic development was the main gap in this whole series of contributions. And it is no accident that of the two papers which deal with the subject (Giovannini (Rome) and Pesciarelli (Florence)), one is by a sociologist.

The subject of the "Marshallian curves" in international trade produced a very detailed reconstruction (Creedy, Cambridge I) of the transition from Mill to

Marshall via Cournot-Whewell.

The monetary subjects were given a thorough and penetrating review by D. Laidler (Cambridge I) and two papers by Gallegati and Delli Gatti (Florence) and Gallegati (Rome) on credit and the economic cycle in Marshall's thought. It is perhaps worth pointing out that these papers were the continuation of a line of research which has recently been elaborated in an article by Dardi and Gallegati (Dardi and Gallegati, 1989).

Finally, there were noteworthy papers offered, on the frontier between Marshall's theory and its applications to public finance, by Chipman, as already mentioned, and by Groenewegen (Cambridge II).

Impressions

A few remarks about the "outward" story of the conferences: Cambridge I more than all the others maintained the attraction of a conference of professional historians of economic analysis. Stigler's text set out the leitmotif which was then picked up and performed by almost all the participants: from the heights of current economic theory it is both possible and right to assess, dispassionately and without making special allowances, the validity of the conceptual framework and the analytical tools used by Marshall. Only a minimum of historical contextualisation is needed. Collard and O'Brien (Cambridge I), the second of whom sought to redefine Marshall's relationship to the classics of British economic thought, are the exceptions who prove the rule.

Cambridge II, in which contributions on the man and on his thought alternated, proved to be livelier and more exciting. Several participants felt that there was a general tone of hostility to Marshall as a scholar and almost mockery of the man. This impression was presumably what prompted a number of participants to spring to his defence in their comments (E.A.G. Robinson, G. Reid (Edinburgh), T. Hutcheson (Birmingham), G. Becattini (Florence) et al.). A noticeable feature of this conference was the very large contingent of Japanese scholars attending it, revealing an area of interest in Marshall's thought of which I believe many confirmed Marshallians were unaware.

Rome concentrated on Marshall's thought, but using it to address social issues and the cultural panorama of today's world. The readings of Marshall presented there, whether philosophical, sociological or strictly economic, may be said to have been informed for the most part by a breadth of interpretation which Marshall himself would have approved. The liveliness of the debate which followed the

papers reflected, moreover, the proven interest among Italian scholars in the so-called "ideological" aspects of political economy. It is perhaps no accident that, while the proceedings of the Rome meeting will be published under the title of *L'attualità di Marshall* ("Marshall today"), those of Cambridge II have been entitled *Marshall in Retrospect*.

In conclusion, Florence, reproduced the wide variety of Cambridge II's contributions on Marshall's life and theory but with a difference: a sympathetic attitude to the writer in question. Of course many of the critical views expressed at the previous conferences reappeared at this one but new papers and many of the remarks made in the discussion shifted, in the present writer's opinion, the balance of feeling at the Florence conference back towards a sympathy for Marshall. At the end of this meeting it seemed perfectly natural to some of the scholars who attended it to set out upon the adventure of the present Bulletin.

Reflections

The biographical and historiographical studies, in both the strict and the broad senses of the terms, considerably increased our knowledge of Marshall the man and of his world, but there are still a number of important gaps. The important period in Marshall's development which concerns us most, even more than the one already pointed out by Coase, is the 1865-1885. Yet it is about this period that we know too little. Of the initial phase in it, when Marshall, avid for "pure thought", was reading voraciously and widely (witness the bound volumes of the *Fortnightly Review* 1869-71 in the Marshall Library), we know almost nothing. Some recent work leads us to hope for something further, but the task is hard and the road is long.

The most yawning gap, however, in Marshall's biography (including his intellectual biography) is represented by the period from his marriage until his return to Cambridge. Whitaker (Whitaker, 1975) has done some excellent work in clearing the ground here and Groenewegen promises further important discoveries, but the present writer is convinced that Marshall's inner feelings, and perhaps thoughts, in this period remain hidden, and perhaps always will. The mature Marshall's quasi-phobia against women who study and teach - and thus by implication against his wife - and his vastly exaggerated denigration of the first version of *Economics of Industry*, of which he had been the co-author with Mary Paley, in my view reveal disorders in his personality which no biographer can ignore. I believe that there was a cover-up of that period by Alfred, which was apparently strictly observed also by Mary, which is similar and perhaps even more

significant than the one discovered by Coase concerning Marshall's family origins and humble birth. It is clear that the Marshall of the Bristol period, who had left his two real mothers, Rebecca (whose death occurs in this same period) and St John's College, to set up a family of his own - a family without offspring - with this other woman, lived for several years in a state of psychological stress, a stress no doubt which originated long before then and which deeply affected his personality. What were the real causes of that stress, as opposed to the endless rationalizations he provides for us? And what were the consequences? These questions still await convincing answers. Anyone recalling the influence of J.S. Mill's relations with his father upon the deepest levels of his thought, cannot be rid of these questions simply by relegating them the sphere of "private life".

There is another aspect of the problem which is worth mentioning briefly: it is precisely in this area that we can most clearly appreciate the convergence of what are today considered Victorian prejudices and the specificity of Marshall's personality as a man and a thinker. This is why the study of Marshall's phobias and obsessions contributes to our understanding of Marshall's time, just as the study of his time contributes to our grasp of the man and his thought. In my opinion, this reciprocal linkage between biographical and historiographical studies of a period should be systematically developed since they constitute two different and mutually illuminating ways to draw together the threads of one and the same social process. An ambitious attempt to link up Marshall's personal history and the unfolding of the Victorian epoch can be found in the three recent volumes by Reisman (Reisman, 1986, 1987, 1990). The 150th anniversary of Marshall's birth is upon us (1992) and there is reason to hope that the acceleration due to the "Year of Marshall" and the recent restructuring of the Marshall Archives (Willmot, Cambridge II, Ross, Florence) will bring some important results in this field. In particular we hope to find many questions answered, as well as many new questions asked, by the biography on which Groenewegen has been energetically working for some years. We really need a "fully-tested" biography on which to rely for our Marshall studies of the next decades. The time is also fast approaching when we shall have access to the whole of Marshall's correspondence, a monumental work on which John Whitaker has been labouring for many years.

The present writer would also strongly wish to see a growing integration between historical studies of the Victorian age in every field (economic history, social history, political history, history of ideas, history of science, history of social thought etc.) of a kind which will permit, on the one hand, an ever-richer and more

many-sided contextualization of Marshall's life and work, and, on the other, an ever-more thorough and detailed reconstruction of the direct influence of his ideas and activity upon the reality of his time, and of his indirect influence upon the reality of our own time through his disciples, conscious or unconscious, faithful or treacherous.

In conclusion, we should ask which of the contributions to Marshall studies this year have done most to make this writer's work relevant today. The answer depends of course greatly upon what each writer thinks about the overall meaning of contemporary economic thought and what direction it is moving in, as well as upon the relationship between that thought and the whole of contemporary culture.

It seems to me that the core of new knowledge capable of inducing major changes in the way we shall soon be reading Marshall is represented by the re-established and clarified linkage between what economic subjects do and the how they are changed by doing it. Until Raffaelli's studies on the young Marshall's ideas about psychology, it was perhaps still possible to limit the connection he made between character and behaviour to the basement of the Victorian curiosity shop, a pathetic left-over from Mill's dream of founding a science of character. Since Raffaelli's studies, however, the conviction is gaining ground that Marshall's whole output, even the parts which are most technically economic, was profoundly conditioned, directly or indirectly, openly or secretly, by that linkage. If this "intuition" of mine proves to be correct, we shall witness over the next few decades, or even sooner, a radical repositioning of Marshall from theorist of price and equilibrium to theorist of industrialization and development. Signs of this incipient trend are, I think, to be found in the work of scholars such as Loasby and Cecchi, among those mentioned here, and more generally in the marked reappraisal, in a whole series of recent works of applied economics (e.g. Goldman et al., 1989; Pyke et al. 1990), of the validity of Marshallian concepts such as external economies, the "industrial atmosphere", the industrial district and so forth, which have long been banished from economics textbooks. Surely the capacity to inspire applied research is one of the clearest proofs of the continuing vitality of ideas from the past? About how many other great economists of the past can the same thing be said?

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The four meetings are referred to as Cambridge I, Cambridge II, Rome and Florence. The four volumes are referred to as: Whitaker, McWilliams, QSEP (Quaderni di storia dell'economia politica), and Becattini. For each paper we indicate firstly the meeting or meetings at which it was presented and then the volume in which it is published (if this is the case).

- BALESTRINO A. (Rome, Becattini) "La teoria del comportamento del consumatore in Alfred Marshall: un'interpretazione marginalista".
- BECATTINI G. (QSEP) "Market and Communism in the Thought of Alfred Marshall".
- BIAGINI E. (Florence, QSEP) "Marshall's 1973 Lectures to Women".
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- CECCHI C. (Florence, QSEP) "Land Tenure and Economic Progress in the 'Principles'".
- CHIPMAN J.S. (Whitaker) "Marshall's Consumer's Surplus in Modern Perspective".
- COLLARD D. (Cambridge I, Whitaker) "Cambridge after Marshall".
- COASE R. (Cambridge II, McWilliams) "Alfred Marshall's Family and Ancestry".
- COATS R. (Cambridge II, McWilliams) "Marshall and Ethics".
- CREEDY J. (Whitaker) "Marshall and International Trade".
- DARDI M. (Florence, QSEP) "The Concept and Role of the Individual in Marshallian Economics".
- DARDI M. and GAY A. (Rome, Becattini) "Dinamica e storicità nei 'Principles of Economics' di Marshall".
- DASGUPTA A.K. (Whitaker) "An aspect of Marshall's Period Analysis".
- DEANE P. (Cambridge II, McWilliams) "Marshall on Free Trade".
- DELLI GATTI D. and GALLEGATI M. (Florence, QSEP) "Credit, Confidence and Speculation: A Marshallian Perspective on Business Fluctuations".
- DIMAND R.W. (McWilliams) "Alfred Marshall and the General Equilibrium Theory of Value and Distribution: an Examination of Notes XIV and XXI".
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- MALONEY J. (Cambridge II, Florence, Mc Williams) "Marshall and Business".
- MARCHIONATTI R. (Florence, QSEP) "Marshall on Increasing Returns and Competition".
- MARICIC A. (Florence, QSEP) "Time, Agents and Dynamics in Marshall's 'Principles of Economics'".
- MATTHEWS R.C.O. (Whitaker) "Marshall and the Labour Market".
- MATTHEWS R.C.O. and SUPPLE B. (Cambridge II, QSEP) "The Ordeal of Economic Freedom: Marshall on Economic History".
- MIROWSKI P. (Cambridge II, McWilliams) "Smooth Operator: How Marshall's Demand and Supply Curves made Neoclassicism Safe for Public Consumption but Unfit for Science".
- NEWMAN P. (Whitaker) "The Great Barter Controversy".
- O'BRIEN D.P. (Whitaker) "Marshall's Work in Relation to Classical Economics".
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- ROSS D. (Florence, QSEP) "An Unusual Commitment: Alfred and Mary Marshall and the
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Establishment of the Marshall Library 1903-1944".

SALANTI A. (Rome, Becattini) "L'irriducibilità di Marshall al paradigma (neo)wallasiano".

SCHLICHT E. (Florence, QSEP) "Marshall, Keynes and Macroeconomics".

TULLBERG MCWILLIAMS R. (Florence, QSEP) "Alfred Marshall and the Male Priesthood of Economics".

WHITAKER J.K. (Whitaker) "What Happened to the Second Volume of the 'Principles'? The Torny Path to Marshall's Last Books".

WHITAKER J.K. (Cambridge II, McWilliams) "Marshall's Theories of Competitive Price".

WHITAKER J.K. (Florence, QSEP) "Marshall's 'Principles' after One Hundred Years".

WILLMOTH F. (McWilliams) "A List of Marshall Correspondence in the Marshall Library, Cambridge".

ZANNI A. (Florence, QSEP) "Pareto's Monologue with Marshall".

Reflections on the Centenary Year

John Whitaker
University of Virginia

As the title indicates, this short piece is intended to convey a selective personal reaction rather than a definitive summary and assessment. Thus, I have not attempted to be comprehensive. The year got under way, a shade prematurely, at the Allied Social Science Meetings in Atlanta, Georgia, where on December 28, 1989 a single joint session of the American Economic Association and the History of Economics society was devoted to "Alfred Marshall: 100 years later". The papers presented proved somewhat miscellaneous. Abe Hirsch of Brooklyn College contributed a subtle and stimulating paper on "Was Marshall a Marshallian?", meaning by "Marshallian" an exponent of Friedmanian methodology, emphasizing predictive ability as the sole criterion for judging theories. The answer "yes and no". Marshall displays Friedmanian leanings in his deviations from Mill but is (unsurprisingly) difficult to pin down. He is cryptic, perhaps a little incoherent, on methodology and, though he downplays Mill's stress on introspection and "disturbing causes", the symbiotic roles he concedes to observation and deduction fall short of an explicit pragmatic or Friedmanian stance on methodology. David Levy of George Mason University aimed to explore Chicago-School affinities further with "Chicago and Marshall's Legacy". In fact, Marshall featured only tangentially, and might well have been passed over entirely, in this sweepingly elliptic paper emanating from the question "whether we can map in a fashion which preserves rank order from what we observe people desiring to what we judge to be desirable". The session was rounded out with my own paper on "What Happened to the Second Volume of the *Principles*?" (subsequently published in *Centenary Essays*). This evoked an intriguing response from Larry Moss of Babson College, the discussant, on "Evolutionary Change and Marshall's Abandoned Second Volume" (an expanded version subsequently appeared in the *Économie Appliquée* symposium). Moss conjectured that Marshall's difficulties in implementing his purported program to refound economics on a biological basis were what held up completion of his *Principles*: an interesting possibility but one not supported in my view by the detailed evidence. Indeed, Marshall's programmatic protestations seem to me to

require taking with a considerable pinch of salt. On the other hand, the argument spelled out in Moss's paper that Marshall's view of biology was a dated one, heavily influenced by Spencer and Lamarckianism and possessing distinct teleological undertones, seems to me correct and important.

The scene shifts to the annual meetings of the History of Economics Society at Washington and Lee University in Lexington, Virginia, June 23-25, 1990. The centenary as such did not feature in the proceedings, but one session happened to be devoted to Marshall. (To place this in perspective Walras, Ricardo and Sraffa each merited a session, while Smith got two and Keynes four). The session was on "Marshall: Values and Ethics" and was an interesting and cohesive one. The papers were: Hans Jensen, University of Tennessee, on "Value Premises in the Economic Thought of Alfred Marshall" (subsequently published in the *Économie Appliquée* symposium); Ray Petridis, Murdoch University, Australia, on "The Trade Unions in the *Principles*: the Ethical and the Practical in Marshall's Economics" (also in the *Économie Appliquée* symposium); Bob Coats, Duke University, on "Marshall and Ethics" (subsequently published in *Alfred Marshall in Retrospect*); and Jim Henderson, Valparaiso University, on "The Ethicists' Views of Marshall's *Principles*" (subsequently published in the *Review of Social Economy* symposium). The papers all dealt with complex elusive issues on which a clear reading of Marshall's position and intentions can hardly be achieved. Nevertheless, all raised interesting questions and deepened our understanding of an area that had traditionally been viewed as outside the focus of economics. The most pathbreaking paper was that of Henderson who drew attention to the ways in which three "ethicists", W.J. Richmond, W.R. Sorley and J.S. Mackenzie (the last two with Cambridge affiliations) reacted to Marshall's *Principles*, applauding its move into an ethical dimension while lamenting its failure to go further. It is extremely valuable to have on record the views of the critics, who were not without knowledge of economics, although I must confess that they seem to me to have begged many questions about the attainment of ethical consensus, and to have lacked a coherent program for an alternative economics. The other three papers in the session were scholarly statements and assessments of Marshall's views and presumptions in the indicated areas. Since all are readily accessible and defy easy summary, I will simply recommend them to the reader.

Mention of the symposium on Marshall in the *Review of Social Economy* leads me to observe that this was the only American journal to give special attention to Marshall in 1990. The symposium, edited by Hans Jensen, occupied the Winter

1990 issue of Volume 48. Besides an editorial introduction and the Henderson paper already mentioned, the symposium included: David P. Riesman, "Alfred Marshall as a Social Economist"; Ingrid H. Rima, "Marshall's Concern about Poverty: a Hundredth Anniversary Perspective"; Warren J. Samuels and Thomas Schuster, "Aspects of the Discursive and Interpretive Structure of Marshall's Arguments Concerning Labor Economics"; John E. Elliott, "Alfred Marshall on Socialism".

The movable feast passed to Marshall's ancient haunts, St. John's College, Cambridge, and to the Royal Economic Society's Centenary conference held on July 9, 1990 to mark the centennial of the publications of the *Principles*. (The exact date of publication in July 1890 remains problematic but the 18th is close. Marshall received a copy around the 21st). Although nominally one of the conference organizers, my contribution was quite small and Aubrey Silberston and Donald Winch deserve most of the credit. The conference was organized around the *Centenary Essays* that I had brokered and edited for the Royal Economic Society. The conference sessions were devoted to the presentation (and lively discussion) of several of the papers from the volume, which fortunately was available, hot from the press, in time for the conference. The papers presented were those of Brian Loasby, Christopher Bliss, David Laidler, and David Collard. The sessions closed with my own overview and preview of the ever-expanding edition of Marshall's correspondence on which I have been working for too long, but the end of which is, I hope, in sight. The conference closed with a memorable centenary dinner in the Great Hall of St. John's, conducted under the pensive gaze of the Rothenstein portrait of Marshall.

Back again to Cambridge for the Faculty-sponsored conference held fittingly in the Marshall Room above the Marshall Library, with accommodation and meals across the street in Newnham. The program was largely geared to the essays later published in *Alfred Marshall in Retrospect*, but unfortunately two of the conference papers, the only ones provided by Faculty members, did not appear in that volume: Robin Matthews and Barry Supple on "The Ordeal of Economic Freedom: Marshall on Economic History" and Geoff Harcourt on "Marshall's *Principles* as seen at Cambridge through the Eyes of Gerald Shove, Dennis Robertson and Joan Robinson". (On the other hand two of the essays in the volume - those of Dimand and Gallegati were not featured at the conference). The papers and discussions were interesting and stimulating, though revisionism was perhaps too rampant in the overall effect. Yet the aspects that stand out most memorably in retrospect were Ronald Coase's remarkable after-dinner speech on Marshall's family and ancestry

(the text is in the volume), and the post-conference visit that Donald Ross organized to Balliol Croft and Marshall's grave, all of which brought one nearer the shade of Marshall. What would he have made of the fact that his house was on offer at some 500 times its building cost of £1000 (at a rough calculation having risen from about 1.5 times a professor's annual salary to more than 15 times)? Mention should also be made of Sir Austin Robinson's impressive contributions to the conference. His involvement, together with the gracious and helpful presence of Philomena Guillebaud, Marshall's great niece, helped us feel in closer touch with the master and his age.

The best was reserved to last. The conference held in Florence from December 18-20 1990, and organized by the Universities of Florence and Ancona, was, without meaning to denigrate the others, the most satisfying and memorable. This was partly due to the venue, so rich in art, architecture and historical associations, but mainly to the spirited, lively and congenial air pervading the conference. The approximately two dozen papers presented should soon be published and I will not attempt to describe them or to summarize (even if I could recall) the lively discussions they precipitated. What lingers in the memory are the images of the gilded salon in which the sessions were held, the animated conversations over coffee and dinner, and the contact with a lively, energetic and impressively able group of younger Italian scholars. In all, a fitting conclusion to an exciting year.

The Marshall Centenary as Seen in the East and South

Peter Groenewegen
University of Sydney

The west of Europe and North America were not the only places which commemorated the centenary of publication of Marshall's *Principles of Economics*. In the old world of Eastern Europe, already in transition and more specifically in the ancient university towns of Halle (Saale)/Wittenberg, an East Germany on the verge of monetary unification invited economists from the East and West to discuss Marshall's *Principles* in German or in English without simultaneous translation facilities. Ninety economists did so, drawn largely from the East and presenting over twenty papers in the two days of June over which the conference was held. The Japanese, not surprising for a scientific community whose History of Economic Thought Society numbers more than 700 members, celebrated with a work of nine chapters designed to clarify the formation and development of Marshallian economics, not only that presented in the *Principles*, but also that from his early writings and his later works. A small Australian celebration was organised by the New South Wales Branch of the Economic Society of Australia in conjunction with the Centre for the Study of the History of Economic Thought at the University of Sydney, in which Marshall's *Principles* were viewed from an Antipodean perspective.

The Conference at Halle (Saale), 13-14 June 1990, organised by Professor Peter Thal with assistance of Dr. Simone Helle, attracted 90 participants of whom 22 were senior students and 68 academics. Of the latter, 47 came from the then DDR, the other 21, of whom 15 were speakers, came from the following countries: Australia (1), Bulgaria (1), Czechoslovakia (2), German Federal Republic (5), Poland (3), Sweden (1), Switzerland (1), USSR (3), USA (2) and Yugoslavia (2). Surprisingly, no UK economists attended.

The conference opened with substantial contributions from the conference organisers. Peter Thal presented a paper on the relevance of the *Principles* to the study of social sciences in the (then still extant) DDR, while Simone Helle, with a recent doctorate on Marshallian economics, read a paper on the reception of Marshall's cost and supply theory. The morning concluded with Peter Groenewegen's

discussion of Marshall as historian of economic thought, and some lively discussion of the three contributions in German and English.

Six papers were presented in the afternoon. Professor James F. Becker (New York University) discussed Marshall's *Principles* and the advent of neo-classicism in America; Professor Werner Meisner and Dr. Volker Caspari (Goethe Universität, Frankfurt/Main) examined the meaning of Marshall's economics for the modern industrialised economic system; Dr. Atanas Leonidow (Academy of Science, Sofia) commented on Marshall's *Principles* and modern economic theory, Professor Robert Griffin (Southern Connecticut State University) portrayed Marshall as "admiral" and architect of Empire, Professor Bertram Schefold (Goethe Universität, Frankfurt/Main) discussed "Marshall, Sraffa, Samuelson", with the final speaker, Professor Lazar Pesic (Belgrade University) comparing Marshall and Marx's theories of prices and distribution. Discussion of this variety of Marshall perspectives was once again lively, with heated debate on the accuracy of describing Marshall as an imperialist (where Marshall's defence was led from Australia and Frankfurt/Main) while the interconnections between Marshall, Marx and Sraffa also produced lively exchanges on the meaning and inter-relationship of value and distribution theory.

The next morning began with a paper by Professor Herbert Meisner (Academy of Science, [East] Berlin) on Mill and Marshall, in which continuity of thought was contrasted with opposition and conflict. Dr. Juri Trestchewski (Woronesh University) discussed the inter-relationships between the work of the Cambridge School and that of Tugan-Baranowski. Dr. Bettina Küsel (Humboldt University, Berlin) analysed interconnections between the thought of Marshall and Irving Fisher; Professor Zbigniew Romanov (Economic Academy, Poznan) analysed the coherence of price and value theory in the Marshallian system; Dr. Stanislaw Poloucek (Ostrava University, Czechoslovakia) compared and contrasted East European monetary thought and policy with that of Marshall, while the morning closed with a presentation on Marshall's price theory by Dr. Ludmila Speranskaja (Lomonossov University, Moscow).

There were five further contributions. Dr. Heidi Burmeister (Economic Technical Institute, Berlin) discussed Marshall's understanding of the correlation between economic law and human commerce; Dr. Jan Isa (Slovak Academy of Science) examined Marshall and current economic theory; Dr. Friedrin Duaas (Karl Marx University, Leipzig) discussed the inclusions from the classics in Marshall's equilibrium economics; Dr. Sonja Petrovic-Lazarevic (Civil Engineering, Belgrade

University) discussed Marshallian economics and managerial economics, while Dr. Stefan M. Slupko (Lwow University) presented a comparison between Marshall's *Principles* and Tugan-Baranowski's *Foundations*.

A number of observations can be made on this varied but comprehensive program. First, the stress on Marshall's contributions to industrial economics can be noted, a topic in which about a quarter of the papers presented can be included. The relationship between Marshall's economic and current thought attracted a further four papers, one specifically addressed to his monetary thought. Comparisons of Marshall's economics to work of other contemporary and subsequent economists also attracted attention: economists covered included Mill, Sraffa, Samuelson, Marx, Irving Fisher and Tugan-Baranowski. Secondly, I noted the difficulties for Eastern European colleagues in securing up to date source material on the topic; journal literature taken for granted in western (including Australian) universities was just not accessible to Marshall scholars working behind what was then still the "Iron Curtain". Third, and particularly refreshing, was the enthusiasm for, and freedom in, debate: despite the problem of language there were frank and forthright criticisms of opinions expressed on Marshall by economists from both East and West, a healthy sign for academic growth in the emerging East-European democracies.

The hospitality of the host institution should also be noted. On the evening of 13 June, the Prorektor of the Martin Luther University provided a lavish reception and dinner for the conference participants; on Friday, the organisers (Thal and Helle) hosted a bus tour and lunch for the foreign delegates to the Dom in Naumburg (a splendid Gothic cathedral) and a tour of Goethe's house in Weimar. The last undoubtedly would have appealed to Marshall who, Mary Paley recorded after his death, was a great admirer not only of Goethe's poetry but, as the *Principles* records on several occasions, of Goethe's philosophical and methodological views on the social sciences. Whether Marshall himself visited Halle (it is quite possible he did so during his 1891 'rundreise') history does not record, but its associations with Handel (it was the birthplace of this eighteenth century composer so popular in Victorian England) would have greatly appealed to him. As the Australian delegate to this conference representing its History of Economic Thought Society, I was doubly pleased in being present at this conference. Apart from the intellectual stimulus it provided, it also created an opportunity to study the burgeoning market economy in this part of the world (particularly black market foreign exchange transactions), and to make new friends with colleagues with similar interests. I had

the pleasure of again meeting Peter Thal at the commemoration meeting in Edinburgh of the Bicentenary of Adam Smith's death (July 1990) in which Nobel Laureates paid tributes to themselves and to their great Scottish predecessor*, and above all, to visit Dresden. The last city, it is well known, was the place where Marshall first started learning German, where he enhanced his appreciation of classical music through the concerts he attended and where likewise he changed his views on the relative merits of Raphael's Madonnas (the Sistine Madonna in particular) and those by Holbein. Hence the East German celebration for this Marshall student created both an intellectual, cultural and biographical feast.

Little can be said by this author on the commemoration of the Marshall centenary by our Japanese colleagues in Japan. A substantial volume on *The Economics of Marshall*, edited by Shoichi Hashimoto (Kyoto, Minerva Press, 1990) is a tangible and enduring monument to the extent of this celebration. Its contents, reproduced as Table I, show the thoroughness of its coverage, which adds to the regret felt, on many occasions, that inability to read Japanese prevents sampling these treasures of Japanese scholarship. For example, having addressed the topic myself at Halle and Florence (see Becattini's contribution in this issue), I would have been delighted to learn what a Japanese colleague made of Marshall's views on the history of economic thought. Likewise, I would be interested in the Japanese perspective on the formation of Marshall's economics, a topic of enduring fascination to Marshall scholars. As in East Germany, much stress is placed in this Japanese contribution on Marshall's theory of production and growth, without neglecting his views on the theory and politics of foreign trade and intriguingly "an aspect" of his price theory. The twenty-odd pages of literature notes on Marshall in Japan and the world provide a tantalising conclusion to this book whose contents is filled with the promise of so much intellectual stimulus. Perhaps part of it can be translated for publication in future issues of this journal thereby bridging the language gap which sadly so often still prevents the sharing of knowledge on an international basis.

* Subsequently I heard that German re-unification has exacted a heavy penalty from the organiser of the Halle/Wittenberg Marshall Conference (and translator of Smith) by dismissing him from his university post, a fate shared by some of the other colleagues I met. This type of intellectual purge fits uneasily with the liberalisation and democratisation the market economy and unification was alleged to bring.

TABLE I

The Economics of Alfred Marshall, edition by Shoichi Hashimoto, Minerva Press, Kyoto, December 1990, pp. X, 306 (Japanese).

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Prologue

Introductory Chapter, "Alfred Marshall on the History of Economic Thought", (Shoichi Hashimoto, Kansai University, Osaka)

Chapter 1, "The Formation of the Economics of Marshall", (Mikio Nishioka, Doshisha University, Kyoto)

Chapter 2, "The Province of the Evolutionary Economics: One Unfinished System", (Hiroshi Isokawa, Kinki University, Osaka)

Chapter 3, "The Economics of 'Standard of Life'", (Masashi Kondo, Ryukoku University, Kyoto)

Chapter 4, "The Doctrine of Elements of Production", (Shoichi Hashimoto, Kansai University, Osaka)

Chapter 5, "The Theory of Industrial Organisation", (Shoichi Hashimoto, Kansai University Osaka)

Chapter 6, "An Aspect of the Price Theory", (Toshio Ogata, Chuo University, Tokyo)

Chapter 7, "The Theory of Organic Growth", (Masashi Sakaguchi, Toyama University, Toyama)

Chapter 8, "The Theory of Foreign Trade and its Politics", (Yoshio Onoda, Hirosaka University, Aomori)

The Literature Notes concerning Alfred Marshall in Japan and World

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A final comment on the Australian commemoration of the Centenary of the Principles. As far as I am aware, this consisted of a single public lecture given at the University of Sydney in May 1990, which examined Antiopodean aspects of Marshall's economic work (Groenewegen, 1990a). The Economists Conference of 1990 provided no papers on Marshall, though the two conferences (1989 and 1991)

of the History of Economic Society of Australia which straddled the Marshall year provided a number of interesting Marshall papers. In 1989, it produced papers on Marshall and Hegel (Groenewegen, 1990b), 'Increasing Returns and Marshall's Theory of Value' (Hart, 1989), and 'Alfred Marshall and General Equilibrium' (Worrall, 1989); in 1991, 'A Weird and Wonderful Partnership: Alfred Marshall and Mary Paley Marshall 1877-1924' (Groenewegen, 1991). Once again, some of these Australian contributions at least display an appreciation of the continued importance and relevance of Marshall's industrial and production economics.

As a participant also at the two Cambridge and Florence/Ancona conferences already discussed by Becattini and Whitaker in this issue, one final conclusion may be permitted to this reviewer. Despite the many conferences there was relatively little repetition and overlap in the papers presented. This demonstrates the richness of the Marshallian terrain, the potential productivity of Marshallian studies, the still very substantial scope for correcting misinterpretation of Marshall's economics and, as was stressed in many of the conferences surveyed in this issue, the continuing relevance of Marshallian economics for today.

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BOOK REVIEWS

The Scottish Journal of Political Economy, vol.37, 1990, n°1. Special issue for the Centenary of Alfred Marshall's *Principles of Economics*, edited by D.P. O'Brien: Oxford, Basil Blackwell.

This slender collection of essays, although inevitably limited in coverage, is more effective than might be expected in exposing and clarifying the peculiar traits which mark Marshall out as a unique character in the history of our discipline and an exponent of a now unfashionable, but not outdated, line of thought. This laudable result is the effect of intelligent choice as well as insightful treatment of the aspects of Marshall's work selected for survey. It is a case which proves that few but powerful and well-placed spotlights may be enough to illuminate even such a complex intellectual phenomenon as Marshall by all accounts was. His singularity is highlighted by way of comparison and contrast with the other two eminent marginalist economists of British cultural descent, Jevons and Edgeworth, dealt with by two specialists, respectively R.D. Collison Black and J. Creedy; his powers are shown at work in the field where they emerge at their best, the analysis of industrial structure (D.P. O'Brien); and the "hidden half" of his life-long labour, oral teaching, is meticulously reconstructed by P. Groenewegen utilizing contemporary testimonies and other as yet unpublished documents.

After reading the four essays the reviewer is sufficiently emboldened to attempt a synthetic characterization of what appears to be the main source of Marshall's many peculiarities. In a well-known passage Keynes spoke of Marshall's "double nature" of "preacher" and "scientist". One might add that even in his scientific nature two radically different types of scholar coexist. First, the analyst following a rational approach to the study of society, on the same line as Edgeworth and Jevons, the line to which most of contemporary economic theory still belongs. Second, a more romantic and perhaps dated figure of global interpreter of society, one who tries to penetrate its very essence through direct human experience, a sort

of *erleben* taken as the basis of historical understanding. The former avails himself of the abstract forms of mathematics as instruments to unfold the implications of sets of hypotheses. The latter is always craving for, and pondering over facts, in the shape not only of statistical evidence but also of immediate acquaintance with the landscapes, environments and characters which make up the tangible side of economic life (on this, see especially O'Brien pp.65-7). The two types support and control each other, so that the former never loses sight of the distinction (which pure analysts often tend to overlook) between formal models like "as if" metaphors and simplified blueprints of parts of the real world; and the latter is aware that his intuitions and sensations acquire full status as scientific propositions only when spelled out in the proper analytical language. This sort of internal, two-way censorship separates Marshall from Jevons and Edgeworth who, *qua* economists, participate in the first type only. Unlike both of them, the analyst that Marshall was always seems sceptical and almost crippled by the very richness of his insight and his impatience to communicate fuller meanings than abstract forms can convey.

Utility, which plays a prominent part in the essays by Black and Creedy, is very much a case in point, as utilitarian language is what Marshall had in common with marginalist economists of all sorts, and yet his attitude towards economic utilitarianism was in a sense unique. It seems unquestionable that Jevons and Edgeworth considered the analytical representation of utility as a numerical function to be the best possible description of the structure of motivations of the economic agent, hence an almost *real* entity although difficult to observe and measure. It seems equally clear that Marshall conceived of it merely as a figure of speech, useful in clearing up the principle that prices can - with provisos - be interpreted as indicators of the marginal force of different motivations. But economic behaviour is more complex than mere utility maximization, and the very idea that anything of the internal constitution of the individual may be rendered through a utility function is substantially dismissed. Here seems to lie the explanation of why, as Black (p.10) recalls, Jevons was so worried about the problem of "finding numerical data" for his functions, while Marshall did not care and was satisfied with the "rough" money measures provided by demand functions. Also, some light is shed on Marshall's preference for demand and supply curves over Edgeworth's indifference curves (Creedy, pp.28-30). Edgeworth was perhaps justified in thinking that he had attained a more fundamental explanation of market phenomena, yet his device, for all its mathematical appeal, was in Marshall's opinion ill-suited "to express the every-day facts of economic life" (see Note XII*bis* in the Mathematical Appendix

to the *Principles*). Partial utility and demand functions were for Marshall the extreme frontier of meaningful mathematical precision, beyond which one needed a more flexible language to deal with the problems posed by the different qualities of motivations and the interaction between activities and wants. Such a language was in large part identified by Marshall with the language of evolution.

With regard to the last point, Black takes advantage of his superior knowledge of Jevons to show that the gap between him and Marshall was of a methodological rather than philosophical nature. Contrary to received opinion, they both shared in the prevailing philosophical trend of mid-Victorian England, resting their hopes of ethical progress on the promised (by Spencer) reconciliation between utilitarianism and intuitionism through the theory of evolution. But with Jevons this remained a parallel issue not allowed into the precinct of economic theory, so that what he and Marshall actually differed on turns out to be their "conception of the shape which the reconstructed science [of economics] would have" (p.14), Jevons aiming at the separation of economics from other branches of social science, not to say of ethics, Marshall on the contrary pointing towards the construction of an integrated whole which has been aptly described as "applied social ethics" (p.15).

Differences in economic method, as well as in philosophic position, seem also to provide a clue to understanding the relationship between Marshall and Edgeworth on utility. But Creedy's essay, although circumstantial and precise, is not equally effective in pointing out where the gist of the matter lies. We are told at the start that Edgeworth, unlike Marshall, was a "thorough-going utilitarian" and strongly critical of idealism (p.23), but the point is no further explored, and while differences in the analytical treatment of demand, bargaining and Giffen goods are painstakingly discussed, in the end we are left with the feeling that there must be more to it than that. At one point the reader is even misled into a false understanding of the point at issue between Edgeworth and Marshall. This is when Creedy reconstructs the famous 1891 controversy over the theory of barter without even mentioning the main reason for disagreement, that is the assumption of recontracting (nowadays, "tâtonnement") - an assumption that Marshall excluded but Edgeworth took as an essential component of the notion of competitive equilibrium (any different notion, he wrote in his rejoinder in *Giornale degli Economisti*, "would be open to suspicion"). It is the absence of recontracting that explains the difference between Marshall's *final* rate of exchange (which, with constant marginal utility of one of the traded commodities, is determinate) and the ratio between the quantities exchanged (which is in any case indeterminate). (The reader may refer to the much more satisfactory

reconstruction of the controversy in P. Newman's contribution to the *RES Centenary Essays* volume, reviewed in this issue). Beyond misinterpreting the whole affair, Creedy thus also misses the opportunity to point out and discuss a fundamental divergence in the conception of the way competitive markets work - a divergence to which we might well apply what O'Brien says of the whole of Marshall's industrial analysis, that it is "fundamental to an understanding of his whole approach to economics" (p.61).

In fact, the Marshall-Jevons-Edgeworth triangle would not be enough to give us an adequate idea of Marshall's position in modern economics were it not for O'Brien's piece, which follows Marshall over ground which was exclusively his and where there is no risk of confusing him with his contemporaries. Marshall's object here is the explanation of allocation processes seen as the prevalent outward manifestations of moral life in modern industrial societies. Hence his attention to the civilizing and educational (or dis-educational) aspects of work, his treatment of entrepreneurship as experimenting activity and of competition as insecurity of acquired positions against the menace of innovators, with the grand antitheses between innovative urge and bureaucratization, static efficiency and dynamical incentives, looming in the background. On the whole, an animated moral tale which "defies generalized modelling" (p.72), only here and there cast in a formal mould of equations, and abundant in hints and insights which successive generations did not care to take up and explore. Here Creedy's remark (p.19), on the "many of Marshall's insights [which] have been lost or deliberately discarded by those too impatient to search for the analytical depths beneath the smooth surface", comes regrettably true. From O'Brien's account it appears that the imperfect competition economists of the '30s, so excited by the "discovery" of an algebraic apparatus which in substance had already been developed by Marshall, far from revolutionizing economic theory were actually fighting a rear-guard battle in defence of the determinacy and generality of the theory, against the historical relativism which would have been brought about by open recognition of path-dependence and irreversibility as the main characteristics of market processes. One has to turn to contemporary industrial organization theory to see Marshall's suggestions finally - although unawares - developed and the spirit of his analysis partially reflected in the state of fragmentation and open-endedness of the field.

The last point suggests a passing reflection on the influence Marshall exerted, or meant to exert, on the development of economics as a science. Might not a certain fragmentation of the field have been one of the goals he was obscurely aiming at,

with all his emphasis on the importance of local and historical circumstances in preventing any theoretical statement from being unconditionally valid? It would be rash to assert this on the sole evidence of his writings - after all, the very title of the *Principles* suggests the idea of a system of thought founded on well-identified universal propositions. However, signs of a more pragmatic, relativistic approach are not lacking. On closer consideration, the general propositions which receive the designation of "principles" - for example, the "principle of substitution" - turn out to be in the nature not just of factual statements but mainly of methodological prescriptions. Their factual content is so all-embracing that they make sense only as guides for the educated eye, suggestions of what to look for in order to understand the tendencies at work in the economic world. Besides, there is the authority of Marshall himself in sparse remarks like the often quoted one on economics being "not a body of concrete truth, but an engine for the discovery of concrete truth" (*Memorials*, p.159). Now, Groenewegen's essay on Marshall as a lecturer lends force to this interpretation of his contribution to economics as consisting more of methodological prescriptions than of a systematically ordered description of the world. In fact, the most peculiar feature of Marshall's didactical style turns out to be a certain Socratic bent, in the sense of concern with transmitting "know how" rather than "know that". This is confirmed by all the testimonies assembled by Groenewegen. "What he cared to do [...] was to make the students think with him" (Mrs. Marshall, quoted p.42); "One got [...] a lesson in how economic theorising should be done" (Chapman, p.45); "His style [...] stirred the mind, but [...] left little in the memory" (Benians, p.44); and so on. The aim was to show in practice how the mind of a trained economist works. Thus, it is no wonder that his lectures gave an impression of fortuitousness and lack of system.

Evidence suggests that Marshall gave increasing scope to this inclination of his as he grew older, and Groenewegen remarks that this tendency may have been helped in later years by the fact that the more systematic parts of his teaching had already been stored up in the *Principles*. It may well be so, and one might also add that the trajectory from formal to informal modes of expression reflects a well-established life-cycle common among scholars, especially in our field. But stopping at such an interpretation would leave us with too sharp a contrast between oral teaching and written works, as if all order and system had been condensed into the volume, leaving improvisation free to run wild in the lecture room. We actually know that the *Principles* are not very well organized as a text, and at times a sort of didactic Socratism leaks into them too. As mentioned above, general principles are

no sooner stated than they are shown at work through discussion of concrete instances where they are subjected to innumerable qualifications and exceptions, so that the principles soon fade away and what is left consists of exercises in extracting essential similarities from phenomenal differences. In the end it is not clear whether the objects are the principles themselves or just the process of getting to them through a guided reflection on the facts of everyday experience.

The image of Marshall "supremely happy in the lecture-room" (Benians, quoted p.44) makes us think that in teaching he gave the best of himself, in accordance with his notion of education as the most important factor of social and economic development. The area of research chosen by Groenewegen is thus an important one and worth pursuing further. One might, for example, gain further insight into Marshall as a teacher from the examination papers of John Maynard Keynes kept in King's College Library, full of comments and corrections in Marshall's own hand (I thank Tiziano Raffaelli for information on this point). The *Principles* would perhaps be put in a more appropriate perspective if they were considered not as a self-contained work of theory - as most of the great works of marginalist economists were - but as an educational book designed to train the ruling and entrepreneurial classes to understand the society of which they are a part. Theoretical incompleteness and formal shortcomings in the work would then be evaluated more properly in the light of the practical attitudes it was intended to bring out.

In an article on "Political Economy in the Enlightenment", published in another section of the issue of the *Scottish Journal* we are reviewing, A. Skinner remarks that Marshall shared with Adam Smith the destiny of being discussed more on the grounds of formal theory (about which they both cared little) than for his historical and social views. That, in Skinner's opinion, had its gains and losses. In the opinion of the present reviewer, this collection of centenary essays is to be hailed, if for no other reason, as a sign of the timely reversal of that trend - and, one is also glad to remark, as evidence that the "Scottish tradition" in political economy is still alive and vigorous.

Marco Dardi
Università di Firenze

JOHN K. WHITAKER (ed.), *Centenary Essays on Alfred Marshall*. A Royal Economic Society Publication. Cambridge: Cambridge University Press, 1990, 298pp. ISBN 0-521-38133-9 HB.

This volume of essays, published to mark the centenary of Marshall's *Principles*, was commissioned by the Royal Economic Society, and was edited by John Whitaker who also contributed one of the essays. The contents, described by Whitaker in his introduction, deal "with various aspects of Marshall's life and thought". The essays contain "broad evaluations of Marshall's work, its impact, and its lessons for today's economics as well as contributions of a more specialised interpretive or biographical character", and are presented in the typically Marshallian hope that they will be "of interest to a wide audience of economists and other social scientists, and not just to historians of economics" (p.ix).

The essays, as introduced by Whitaker, fall into four broad groupings:

1. A general overview of Marshall's contribution to economics by George J. Stigler followed by assessments of Marshall's work on the labour market by Robin C. O. Matthews, on monetary economics by David E. W. Laidler, on international trade by John Creedy, and on industrial organization by Brian J. Loasby.
2. An invaluable overview by Denis O'Brien of Marshall and classical economics, and a survey by David A. Collard of Cambridge after Marshall which indicates the need to study at greater detail a period which in his view has been unfairly regarded as "a doldrums waiting for (the real) Keynes to happen" (p.190).
3. Whitaker's own article on the important biographical question of Marshall's inability to produce the second volume of the *Principles*.
4. Various theoretical facets of the *Principles* including Christopher Bliss on capital theory, A.K. Dasgupta on Marshall's period analysis, Peter Newman on the Edgeworth-Marshall barter controversy, and John S. Chipman on the utility of the concept of consumers surplus.

In other words here are twelve distinguished academic economists who have been asked for their views on what had been, according to the editor, "the bible of British economics" (p.ix). For the non-economist who, while invited in the introduction to read the volume, may not be interested in some of the finer theoretical points raised

by some of the essays, it offers an instance of the manner in which economists view their discipline and its history.

Stigler's paper, the first in the book, raises inadvertently the issue of the economist as a hero, i.e. to what extent has or can the work of a single economist exclusively determine the course of scientific development. At the outset Stigler appears to suggest by his choice of subject - "how Alfred Marshall influenced the course of economics" (p.1), that such heroes do exist. But in using the counter-factual argument, suggested years ago by Sidney Hook in the *Hero in History*, Stigler can at best point to instances in which, in his opinion, had it not been for Marshall, certain theories "would probably have come considerably later and in a different form" (p.5). His view of the evolution of economic thought is essentially positivist and deterministic. Had it not been for Marshall some theories might have been delayed or differently formulated, but the overall progress of economics remains inevitable. Marshall, for instance, may have "delayed the coming of the age of abstract formalism of the Lausanne tradition by at least a generation" (p.12). But he could not prevent it. Similarly in rejecting claims made on Marshall's behalf concerning the theory of value, Stigler states that "there could be no longevity to a doctrine of unilateral determination of the prices of goods." (p.3), and that the role of supply and demand as mutual determinants would have been recognized even if "Marshall had not lived".

A less positivist view of the course of the development of economic reasoning is contained in Denis O'Brien's paper in which Marshall's contribution to economics is seen as unique and as of vital significance, and therefore heroic. Nevertheless Marshall's frequent references to the classical economists place him within a definite intellectual tradition. It is difficult, O'Brien argues, "to imagine the history of economics" without Marshall's work on value (p.153). Indeed,

The whole history of economics would have been very different without Marshall's writings, which one cannot say, for instance, of... Fawcett or even Sidgwick. But neither can one say that his work would even have existed, let alone taken the form it did, without his Classical inheritance (p.156).

Nor was Marshall's "heroism", as described by O'Brien, accidental, the work of chance and external impersonal circumstances.

The essential point is that Marshall, more aware than any of the leading economists of his time of the achievements of Classical economics, made the marginal revolution "work" by plugging it into the general circuit of the existing body of economic literature in England. This not only helped others to grasp the nature of the new forms of analysis and to see their potential, it also enabled the

new forms of analysis to develop enormously, not least in Marshall's own hands, so that their achievements distracted attention from the Classical inheritance and ultimately produced a Gestalt switch for economists (p.156).

Marshall had "made the marginal revolution work" (p.157). Otherwise the result, most likely, would have been confusion.

Something of the nature of the difference between the positivist and the historical view may be found in some of the papers in which Marshall is criticized for his obsessive concern for ensuring the comprehensive character of his system. For the present day economist, in this case John Creedy, the main interest in Marshall's work is the search for traces of later theories and concepts. Edgeworth's comment - "there is more than meets the eye in Professor Marshall's foreign trade curves", is extended by Creedy to the majority of Marshall's work as an explanation "why he will continue to be studied with profit by many generations of economists" (p.105, see also p.45 - Laidler on the current interest in Thornton, Ricardo, and Keynes). Consequently R.C.O. Matthews is led to express his regret that as "with so much else, one can wish that he [Marshall] had spent more of his later years in developing his earlier ideas instead of rearranging them" (p.41). Similarly Loasby finds Marshall too one-sided in his concern for system-building to the extent of frustrating the development of the basis he himself had constructed for the analysis of industrial organization (p.125). However these criticisms would deny a crucial component of Marshall's mental constitution. His concern for creating, and later sustaining, a system of economic principles, with its roots in nineteenth century evangelicalism, is akin to other contemporary searches for surrogate religions. His was not simply a scientific strategy and his continuous efforts to update the *Principles* at the expense of producing the second volume was not solely due to "an unreasonable perfectionism bordering on the pathological" (p.221), but, not the least, to a deeply felt need to preserve the system's totality.

Incidentally something of the semi-religious nature of Marshall's economics may be gleaned from Dasgupta's account of long-period equilibrium - "a state towards which the industry tends to move, given the condition of demand" but which cannot be practically realized (p.254). Part of the transition towards long period equilibrium was to take the form of a better understanding of the market (and, supposedly, other social and moral factors) by the buyers and sellers - a common ingredient of the Victorian concept of progress in which rational collective action was to dominate human affairs. In the state of long-period equilibrium a stationary state would be reached through population and wealth growing at roughly the same

rate. There would be no shortage of land, little change in methods of production and in the conditions of trade, and the character of man would be taken as a constant (p.255), the result of the triumph of rationalism over the baser human motives.

Finally there is the image of the character of academic work. Some of the writers liken the exchange of economic ideas to a battlefield where winners and losers are decided by the quality of their weapons and their skill in their deployment. According to Bliss, "the history of economic thought, like the history of other battles, is written by the winners" (p.226). Newman on the Edgeworth-Marshall barter controversy finds that "neither showed greatness in battle and each was petty in victory or defeat" (p.273). And in Chipman's article sceptics and supporters of the use of the theory of consumers' surplus are divided into "strongly antagonistic camps" (p.278). Laidler, on the other hand, regards the history of modern economics as consisting mainly of a dialogue founded on the continuity of teachers and students. Marshall, according to Laidler, helped transform "monetary economics into a mature branch of Economic science" by creating "a strong internal dynamic which is the hallmark of a well defined discipline" (p.75). The two views are not mutually exclusive. The dialogue within a school does not preclude hostile exchanges between schools as well as disciplines. It is to be hoped that the prevalence of similar volumes, aimed at bringing the results of the work produced within one discipline to the notice of other academics, might help to promote a more benign state of inter-disciplinary cooperation.

*Alon Kadish
The Hebrew University of Jerusalem
and the University of Manchester*

RITA MCWILLIAMS TULLBERG (ed.), **Alfred Marshall in Retrospect**. Aldershot: Edward Elgar, 1990, 230+viii pp. ISBN 1-85278-344-3.

Although the centenary of Marshall's *Principles* was marked by the publication of a number of items, including this volume, it is hard not to feel that the celebrations were a little muted, given the importance of both the *Principles* and its author. This volume of essays is thus of particular interest as a part of that rather muted celebration.

It begins with a "Prologue" by Austin Robinson which brings out well a certain innocence of perspective - Cambridge as the world centre of economics - in the latter part of the Marshallian era, an innocence which was to turn perhaps rather sour in the late 1930s and early 1940s. This contribution is particularly interesting as it 'credits' Sraffa with being at the back of the attacks on Marshall, thus confirming that the basis of the anti-Marshallian movement in Cambridge was Marxist, at least in origin, which may or may not explain some part of its peculiarly visceral and intemperate nature.

The Prologue is followed by an essay by R.H. Coase "Alfred Marshall's Family and Ancestry" which is so interesting that it would be worth buying the book simply to own this extraordinary piece of work. The essay is also a salutary reminder of Keynes's slovenly scholarly ways which are bared for all to view. It has indeed been apparent for some time, and not only to Coase, that Keynes simply 'wrote up' what Mrs. Marshall supplied, adding his own idiosyncratic glosses as he was wont. But the detailed information which Coase has dug out - certainly not least the discovery that Marshall was related to Henry Thornton - produces an astonishing and completely absorbing account.

This is really the high point of the volume. With John Whitaker's account of Marshall's theories of competitive price we are, as he recognises, on very well-trodden ground. Though the taxonomy employed in this essay is interesting, it is rather difficult to reconcile different parts of an analysis which switches quite suddenly from an interpretation of Marshall in straightforward neoclassical terms to an acknowledgement that the downward sloping supply curve is characterised by changing technology, learning by doing, and non-reversibility. In part the problem is no doubt simply expository; but it also reflects the difficulty of reconciling Marshall's continual reference to the time framework in which economic activity

took place with the need to reinterpret his concepts in neoclassical terms. There is another aspect to this essay which I raise with hesitation. John Whitaker has done distinguished work in Marshall scholarship and all are in his debt. Yet the reader sometimes receives the impression of a certain irritation with Marshall - we are told that his "treatment of the matters dealt with here is sufficiently baffling and fraught with apparent inconsistencies that no-one can claim to have deciphered an entirely coherent vision that must have been at the back of his mind". Irritation with Marshall for not being sufficiently neoclassical is of course an old tradition; but it is rather a sad one.

An essay by Robert Dimand on Marshall and General Equilibrium, which follows, provides an excellent account of this aspect of Marshall's work although, in following those who believe Marshall to have attached considerable importance to this aspect of economic analysis, he neglects the fact that Marshall was concerned to give note XXI of his Mathematical Appendix '*realistic form*' (italics supplied) and perhaps glosses over Marshall's concern at the lack of usable content in GE analysis. Nonetheless this is an extremely useful discussion which may also help to counter the noxious idea (which I can testify, in the light of the 1865 Tripos papers, is quite untrue) that Marshall was not an able mathematician. It is true that in some respects at least the Tripos was somewhat antiquated; Dimand notes that Marshall believed that equality of numbers of unknowns and equations ensured the existence of an equilibrium (even though knowledge that this was not the case dates from about 1815). But Marshall cannot be blamed for this Cantabrian insularity later savaged by Hardy.

This excellent paper is then followed by what can only be described as an extraordinary tirade by Philip Mirowski in which we are assured that "Marshall should not be regarded as a discoverer of anything nor an original theorist of any stripe in the light of the history of neoclassical theory; he was [...] first and foremost a textbook writer, a populariser and synthesizer of contradictory doctrines. The appropriate points of comparison are Jane Marcet, Henry Fawcett and Harriet Martineau rather than Walras, Jevons and Edgeworth" (p.83). It seems best to pass by without comment this essay, containing as it does, an account of nineteenth century economics, garnished with references to nineteenth century physics, neither of which was I able to recognise except in the sense that one can 'recognise' the image in fairground mirrors. It is with considerable relief that one turns to an excellent essay on Marshall on Taxation by Peter Groenewegen. This is certainly something which is worth reading, and re-reading, with considerable care. It does

however contain one strange item which requires comment. On p.104 we find Marshall described as "a true follower of Ricardo who had also used tax incidence analysis as a major application of his theory of value and distribution". Yet Peter Groenewegen is the author of a very excellent paper which shows that this statement is certainly untrue, and its untruth in the context of this discussion is manifested in the following page where the material about the shifting and incidence of taxation, notably in terms of the elasticities of supply and demand, is not in the least Ricardian. But it would be unfair to labour this. It is a pity that the space available did not permit the paper to extend to the matter of public debt; but the essay is valuable for all that. So is the next essay, one by Phyllis Deane on Marshall on free trade. Although these matters have been explored before, notably by Bob Coats and by John Wood, the matter is still worth discussing particularly when it is as well discussed as it is here. The fact is that an ultimate belief in freedom of trade seems to have been almost a litmus test of moral character for economists as different - as in many ways they are - as Marshall and Edgeworth. For to reject this would have been to reject one of the core truths established in the development of economics - to the continuity of which Marshall was devoted.

Discussion of dissemination is an important yet neglected part of the history of economics, and there is an excellent contribution to it in the essay by Mauro Gallegati in this volume. Italian economists have already done valuable work in this area, notably Piero Barucci, and this essay goes on to show that two important centres of Italian thought manifested significant Marshallian influences (pp.136, 140-1) while Pareto, at first seeing little difference between Marshall and Walras, came to distance himself from Marshall and all things Marshallian. This essay is not only an extremely interesting contribution to the diffusion literature, it also provides intriguing background to Sraffa's famous (if perhaps intellectually over-rated) 1926 attack on Marshall.

Marshall's treatment of ethical matters is discussed by Bob Coats in the next paper. The matter of ethics, as well as of rather broader philosophical questions, is important in the work of Marshall. Schumpeter was either taking refuge in tautology, or simply wrong, in asserting that these considerations had no influence upon the *important* aspects of Marshall's economics. Bob Coates is able to draw upon a very wide general knowledge of the history of ideas, going far outside economics. However it would be nice to feel that Bob Coats was a little more generously disposed towards Marshall than he seems. For it is very evident to the sympathetic reader of Marshall that his concern with "the Residuum" was very real;

and in the light of what we know now, following the remarkable work of Ronald Coase, concerning Marshall's straightened and harsh childhood, this is not at all surprising.

The final paper is an interesting contribution from John Maloney on Marshall and Business. Unfortunately he too concludes on a sour note, questioning how many businessmen Marshall actually knew - an unfair question indeed, in the light of Mrs. Marshall's account of Marshall's vacation industrial tours. Moreover it would have been perhaps rather better if the essay had been written after reading Ronald Coase's extraordinary contribution with its striking material about the entrepreneurial Uncle Charles. Nonetheless this is an entertaining and well-written chapter which has much to say of interest, not least about the Economics Tripos which, as is well known (and, with hindsight, ironic) Marshall sold to Cambridge as business education.

The volume concludes with something very necessary - a listing of Marshall correspondence in the Marshall Library by Frances Willmoth. Despite the enormous contribution made by John Whitaker's two volumes of Marshall's *Early Economic Writings*, new and important material continues to surface including (so I am informed by Peter Groenewegen) the 'Red Book' of time series. Some guide to what may be there is certainly needed, and this is a most valuable start.

There is much that is of interest in this volume - almost every paper is worth reading. This is no inconsiderable achievement, given that this is (I would guess) basically a conference volume with no discernible overall theme. At the end of the day one returns again and again to the astonishing paper by Coase. But there is much else in the volume which is of great value. Yet, except in the paper by Coase, Marshall's greatness is really not acknowledged. None of Marshall's own generosity (and in the case of Ricardo over-generosity) to his predecessors is in evidence. There seems little willingness to recognise that Marshall the mathematician refused to take what would have been for him the easy way out by building models, and that because he chose the hard way the end result is not only vastly more difficult to pin down but also vastly richer and more suggestive. A visitor from Mars reading this volume might wonder what it was about Marshall which made it worth devoting all this paper to him. And yet despite the continued implication that we may one day find feet of clay, they obstinately refuse to emerge. What emerges from this volume instead is not clay but a complex, though solid, geological structure underneath some loose soil. Some of this loose soil has been supplied by others, rather than being part of the original Marshallian structure. The Sraffian sleight of hand, in

which competition and *perfect* competition were used interchangeably (to the complete confusion of Dennis Robertson, in the 1930s debates, though Gerald Shove was not fooled) is a case in point. Some of this was the unwitting fault of Pigou with his equilibrium firm (1928) replacing Marshall's Representative Firm, in apparent ignorance of the two significant roles (information about profit opportunities and about supply response) which Marshall's concept in its industrial context had to perform. But at the end of the day this towering figure in the history of economics will always be assured of his place, whatever the grudging nature of some of the evaluations.

Dennis P. O'Brien
University of Durham

Redécouvrir Alfred Marshall (centenaire des Principes)
Économie Appliquée, Tome XLIII, 1990, n. 1, pp. 245. Presses
Universitaires de Grenoble. ISBN 2 7061 0372-2 ISSN 0013 0494.

This special issue of *Économie Appliquée* (containing 11 articles, 9 of them in English) is worth noting for its intent to throw light on Marshall's standing as a great and unique social scientist whose message, going well beyond the limits of "pure economics", is relevant to the reappraisal of modern social theories. The French foreword by B. Gerbier openly declares that the aim of this issue is to focus on "l'hétérodoxie de cet auteur", an author "difficile, d'une gigantesque culture philosophique, historique et scientifique en général" (p. 11). This polemical declaration is meant to oppose an anti-Marshallian bias which, according to Gerbier, has been and still is widespread everywhere and especially in France (where it has been almost universal, with the notable exception of Perroux).

The first part of the issue, "Patterns of Marshallian analysis", is mainly devoted to Marshall's wide and too often forgotten perspectives. Both Gerbier's and Jensen's articles single out Keynes as the true heir to Marshall's concern for development and justice and to his related view of economics as a science closely connected with the social context. (Incidentally, this emphasis on continuity in the Cambridge tradition, in favour of which so much has been written, now seems threatened by the discovery of pre-Marshallian strong and well-defined elements in Keynes's "vision" which have to be examined and answered by supporters of the Marshall-Keynes continuity thesis).

Jensen's article, avowedly Schumpeterian, sets forth the value-system making up Marshall's "vision" of man and society. Beneath the ultimate values of a Utilitarian theory of behaviour, he sees a set of instrumental values such as war on poverty, income redistribution, State-regulation and education meant to lead gradually to a better society. The article points out how ideas about the future bear on conceptions of the world as it is, but does not examine how this influences Marshallian *economics*. Moreover, the assumed contraposition between Utilitarianism as ethics and as theory of behaviour and Marshall's presumed endorsement of the second only, even though relevant to economic analysis, are debatable if referred to

Marshall's "vision". His evolutionary leanings elude analysis by means of the 20th Century clear-cut separation between ethics and facts which is implied in the word "value" as used by Jensen.

Gerbier's own contribution (in French) is a mixture of biographical reconstruction and sympathetic re-evaluation of Marshall's thought. In line with the first article, he presents Marshall the reformer, favourable to cooperation and State intervention, constituting a viable alternative to Marxism. On the one hand, Gerbier courageously takes Marshall out of a low-profile interpretation, too often involved even when his contributions to the economist's box of tools are generously acknowledged (to be remarked in this context are Gerbier's hints at Marshall's relevance for the theory of development). On the other, emphasising his relations with Hegel and Green and his supposed idea of an Absolute to be achieved at the end of a teleological route, it is doubtful whether Gerbier enhances Marshall's stature in the modern reader's eyes and, what is more to the point, whether he rightly perceives Marshall's conceptions. Gerbier seems to miss more prosaic and effective ways, afforded by evolutionary psychology and sociology, through which Marshall hoped to ensure social progress. Altruism, for example, is not *against* Darwin and Spencer (as Gerbier argues on p. 45), but rather *derived from* them.

Groenewegen digs into Marshall's relations with Hegel in a less suggestive but more exact way. Examining published and unpublished sources, he shows that early in his life Marshall was influenced by Hegel's *Philosophy of History*, in particular as regards Ancient History, the bearing of environmental conditions on society and the notions of objective and subjective freedom; but he concludes that on the whole Marshall was far from embracing any of the main tenets of Hegel's philosophy. While documenting his deep direct knowledge of Hegel's book, the article confirms by and large Talcott Parsons and Whitaker's opinion that Hegelian philosophy is relatively unimportant for understanding Marshall's methodology of economics.

The same cannot be said of Marshall's acquaintance with evolutionary biology, discussed by Moss in the following article. It inquires how a defective grasp of Darwinism could have affected Marshall's scientific enterprise and in particular his failure to produce volume two of *Principles of Economics*. Moss's reconstruction of the debates on biology in Marshall's time is fairly accurate while Marshall's shortcomings in rightly estimating the meaning of Darwinian evolution are convincingly pointed out. In this misinterpretation, however, Marshall was not trailing behind his contemporaries. On the contrary, he was probably even in advance of most of them as he was careful to avoid taking it for granted that progress

is a necessary result of evolution. Moreover, his judgement that competition is between groups of men rather than between individuals, singled out for blame by Moss (p. 89), is not evidence of anti-Darwinian leanings and has its source in Darwin's own conception of evolution in social animals. Whatever our judgement of Marshall's ideas on evolution, Moss is unable to explain why a mistaken conception of it should have hindered completion of the second volume of *Principles of Economics* instead of simply contributing to yielding a bad one.

Part two of the issue, dealing with "Alfred Marshall's originality", opens with a well-known text: chapter III of Shackle's *A Scheme of Economic Theory*, here translated into French. Shackle's treatment of time, related to supply conditions and anticipations of future events, is appropriately followed by Abouchar's article, dealing with the richness and fertility of Marshall's cost analysis, which makes use of a variety of concepts to fit different situations. According to the author, who lists an impressive series of instances in support of his view, replacement of Marshallian analysis with smooth microeconomic cost framework, originally meant to overcome ambiguity and imprecision, removes economics from reality and ends in complete failure as "incapable of dealing with the simplest situations of economic life" (p. 142). Even though he is probably unfair to what he builds as his target - modern cost analysis -, Abouchar clearly conveys the feeling of "realism" which Marshall's economics has in comparison to some modern abstractions of doubtful utility.

Boland's article is concerned with methodological issues. It gives prominence to the vexed question of the principle of continuity and argues that Marshall rightly discusses and assumes it before applying the economic method embodied in the principle of substitution, while modern "imperialistic" tendencies *à la* Becker forget this necessary preliminary step and stretch the method beyond its warranted limits. Two problems, briefly dealt with by Boland, seem to me susceptible of further analysis and capable of driving a more substantial wedge between Marshall and any proposed extension of the simple rule of marginal substitution. Marshall's resort to biological analogies was meant to focus economists' attention on evolution and development more than on equilibrium and stability, while at the same time it did not involve abandonment of psychological explanations given the evolutionary character of psychology in his times and his unquestionable acquaintance with it. This last point in particular is wholly misjudged by Boland, according to whom Marshall had to dispose of psychologistic explanations because they "presume an immutable 'human nature' - e.g., permanently given tastes" (p. 155). This is wrong

when applied to the evolutionary psychology Marshall had studied in his early life.

Petridis's reconstruction of changes in Marshall's dealing with Trade Unions is both well-documented and insightful but the final evocation of Kantian ethics and its bearing on the title of the article ("The Trade-Unions in the *Principles*: the Ethical Versus the Practical in Marshall's Economics") seems to be misleading. The vaguely Kantian tone of Marshall's letters to Caird is evidence of nothing but the receiver's preferences. Even though Marshall's opposition to the Engineers' strike was motivated by their breach of social duty, this breach could in its turn be detected only through reference to practical consequences and not simply inferred from any abstract principle. With Trade Unions, as with other social questions, Marshall's attitude is determined by telescopic investigation of the long-term consequences of actions. Ethics is relevant not as an *a priori* set of rules, but as a relatively stable and slowly changing set of patterns of behaviour, to be judged in terms of consequences more than of principles.

Coming into the last section of the issue, devoted to "Alfred Marshall's historical influence", the reader would expect an updating of the sympathetic attitude towards Marshall which permeates the volume, but is surprisingly faced by a devastating critique of Marshall's thinking and its relevance to the present world. Clairmonte sees him as one of the marginalists who buried the labour theory of value because of its connection with class struggle. According to this critique, Marshall's "fudging" ideas lost contact with underlying social processes such as imperialism, unemployment and monopolistic concentration and the "parochialism of its stultifying premisses" (p. 203) turned economics into an ideological shield for capitalist exploitation. Whatever the worth of this uncompromising view of the marginalist revolution, reminiscent of Marxism, Clairmonte's article does not go too far in assessing specific aspects of Marshall's theories.

While Clairmonte's critiques are of a general type, McWilliams-Tullberg's arrows aim more precisely at specifically Marshallian conservative attitudes on the issue of University education for women. The thorny path from his early enthusiastic support in favour of women's education to later violent opposition against their admission to Cambridge University Degrees is brilliantly reconstructed. Given the provocative utterances with which he opposed such admission, and the energy spent against it, the motives for Marshall's attitude are still a puzzling question in his biography to which the final part of the article risks some plausible answers.

The last article, by Williams, deals with the differences between Marshallian and

Paretian economic policy prescriptions. The last starts from a fixed theoretical model and suggests bringing reality as far as possible into line with it: perfect competition is both the model and the recipe for achieving a maximizing allocative equilibrium. Marshall's competition on the contrary is far from "perfect" and involves only a certain degree of openness of markets in given historical conditions. This difference, shown by Marshall's discussion of "normal value" and already pointed out in this same volume by Petridis (pp. 170-1), leads to opposite outcomes when we realize that Marshall's praise of competition was as an "engine for growth" (p. 235) more than as an uncompromising theoretical model. According to Williams, these different conceptions should have led to different political responses to the birth of giant economic firms, but the "decline and fall" of Marshallian economic policies, due to Pigou's progressive move towards the views of the Lausanne school, left the field open to unremitting opposition by Pareto-inspired anti-trust legislation. (Incidentally, to witness Marshall's many-sidedness, Jensen (p. 28) gives a much more Paretian picture of his ideas about economic trusts).

On the whole, the issue commends itself to Marshallian scholars. It is up to the ambitious task of showing Marshall's right to be considered as an original social thinker who cannot be forced into any scholastic partition; a thinker still an incumbrance to modern social sciences which are more ready to shirk than to solve the problems he faced.

Tiziano Raffaelli
Università di Pisa
