

How the Dismal Science Got Its Name

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Classical Economics and the
Ur-Text of Racial Politics

David M. Levy

Ann Arbor

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Ur-Text

*The hidden original from which all others
descend in confused and imperfect fashion.*

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Acknowledgments

Unbeknownst to me, this book began in 1968 when, as a graduate student of economics at the University of Chicago, I learned from Earl Hamilton the racial context of the “dismal science” label. This simple fact has made it more costly for me than it seems to have been for others to accept that hoariest of copybook maxims that because the classical economists and their modern heirs hold kindred free market doctrines we occupy the same rightist political position. Episodically for the next thirty years I have struggled to understand this racial context. And I have puzzled over the fact that it is so little known.

Along the way, I have remembered what I learned first from George Stigler, that in the classical teaching of Adam Smith trade is based in language. When this doctrine is taken as seriously as it was by Smith’s disciples, one can move seamlessly from an economic account of behavior to an understanding of what it means to be human.

I also learned from Stigler, although the lesson was oblique and did not sink in until many years later when I was working on statistical ethics with Susan Feigenbaum, that the “scholar as truth seeker” model is flatly inconsistent with the rational choice perspective. As a result of ongoing research with Sandra Peart, I have now come to hold not only this position but also the harder one that the scholar as truth seeker is the source of much wickedness. This assumption induces a heterogeneity of motivation in our models because now we hold that scholars who pursue truth are made out of different stuff than we ordinary people, who, after all, seek not truth but happiness.

This book could not have been even imagined, let alone completed, without the help provided to me by the Library of Congress. I am particularly grateful for help in understanding the Rare Book Room and for the loan of a research shelf. Without direct experience with the Library of Congress, one cannot possibly imagine how vast the resources are that were freely and graciously put at my disposal.

The George Mason University Department of Economics, chaired by Walter Williams, and the Public Choice Center, directed by James Buchanan, Tyler Cowen, and Roger Congleton, have been necessary conditions for the completion of this work. Few are the economics departments that take the his-

tory of our discipline seriously and as a consequence attract competent students in the area. I should like to single out three gifted students who have helped me in a vast number of ways: Nicola Tynan, Andrew Farrant, and Maria Pia Paganelli. I was delighted that they were able to present their own research at the Summer Institute for the Preservation of the Study of the History of Economics, which the Earhart Foundation supported in the summer of 2000. They and Brian O’Roark, Clair Smith, and Joseph Johnson have saved me much embarrassment.

Chapter 1 exists because Wendy Motooka pressed upon me the need to take Ruskin seriously. Denise Albanese helped me to read the frontispiece image and think less like a moralist and more like an economist. Maria Pia Paganelli saw wings that had flown by everyone else and caught many errors. David George saw the second face in the image. Royall Brandis, James Buchanan, Suzanne Carbonneau, Arthur Diamond Jr., Bryan Caplan, Sandy Darity, Christine Holden, Harro Maas, Sandra Peart, Salim Rashid, and A. M. C. Waterman have given me help and encouragement. Earlier versions were presented at meetings of the Eastern Economic Association in March 2000 and the History of Economics Society in Vancouver in June 2000. I acknowledge with thanks the research support of the Mercatus Center. The quotations from the trial *Ruskin v Cope Bros* and W. Lewin’s letter are used by courtesy of the University of Liverpool Library.

Without the vigorous encouragement provided by Christine Holden, chapter 2 would not exist. Maria Pia Paganelli, who purports to be my student, helped me to read its images and persuaded this working econometrician that in art there are no error terms.

Chapter 5 appeared in volume 23 of the *Journal of the History of Economic Thought* in March 2001. Reprinted with permission. The suggestions and criticisms of the editor, Steven Medema, and his readers were of vast help. I am under obligation to the Huntington Library for gracious permission to quote from its collection of Kingsley letters. Thanks are due to Denise Albanese, Timothy Alborn, Martin Bernal, John C. Bradbury, James Buchanan, George Caffentzis, Bryan Caplan, David Collander, Tyler Cowen, Sandy Darity, Stephen Darwall, Cynthia Earman, Stanley Engerman, David Fand, Andrew Farrant, Craufurd Goodwin, Christine Holden, Samuel Hollander, Ali Khan, Hartmut Kliemt, Wendy Motooka, Jerry Muller, Sandra Peart, Thomas Johann Prash, Robert Tollison, Nicola Tynan, and Walter Williams for extraordinarily helpful comments on and support of my previous work on the conflict between economists and racists. I have been fortunate to be able to present early states of this work at the Kress History of Economics Seminar in Cambridge, at the York University–University of Toronto History of Economics Workshop, the 1997 History of Economics Society Conference, and the Global Studies Institute at Johns Hopkins. The Economics Department at

George Mason helped finance a trip to attend the 1997 American Statistical Association meetings in Anaheim and to visit the Huntington Library.

Chapter 6 is reprinted with an improvement from *Reflections on the Classical Canon: Essays for Samuel Hollander*, edited by Sandra Peart and Evelyn Forget (New York: Routledge, 2000). I am grateful for Routledge for permission to reprint. Peart found the Whately review of *Uncle Tom's Cabin* for me. Thanks are due for comments on earlier drafts from James Buchanan and Larry Moss and thanks, too, to Wendy Motooka and Gordon Wood for clarifying conversations. Most of my reading was done at the Library of Congress. I am in the particular debt of Cynthia Earman of the Rare Book Room, who initiated me into the mysteries of the collection-specific shelf list. Andrew Farrant, Maria Pia Paganelli, and Nicola Tynan saved me many errors when they helped me check the quotations. I would also like to express my gratitude to the organizers of the Hollander conference, Evelyn Forget and Sandra Peart, for arranging such a wonderful party for Sam. I also thank the Center for Study of Public Choice for a research grant. All the errors are my responsibility.

For chapter 7, Wendy Motooka and Bryan Caplan each put a detailed list of pointed queries at my disposal. Andrew Farrant found many errors in previous versions. An earlier version was presented at Peter Boettke's Kaplan Seminar on Political Economy at George Mason University.

Chapter 9 was previously published as "A Partial Spectator in the Wealth of Nations: A Robust Utilitarianism," in the *European Journal of the History of Economic Thought* 2 (1995): 299–326. Reprinted with permission from Taylor & Francis Ltd. (<<http://www.tandf.co.uk/journals/>>). This gave me the opportunity to correct a mistake (the word *spectator* occurs twice in Adam Smith's *Wealth of Nations*, not once). I discussed various aspects of this chapter with Susan Feigenbaum for years. Lisa Oakley helped sharpen the argument. An earlier version was presented at the 1993 History of Economics Society meetings. I benefited from the lively discussion that followed. I particularly would like to thank Mary Ann Dimand for her formal comments and both Warren Samuels and Jeremy Shearmur for their informal comments.

Chapter 10 is reprinted from the *American Journal of Economics and Sociology* 58 (1999). I thank Tyler Cowen and G. George Hwang for their comments on a previous version.

Chapter 11 was previously published in *Economic Inquiry* 35 (1997): 672–78. Reprinted with permission of Oxford University Press. The earliest version was presented at the 1994 History of Economics Society meetings in Babson Park, where I benefited from the useful comments of Jerry Evensky. A later version received detailed comments from Wendy Motooka and Thomas Borcherding. Without a fellowship at the Research School of Sciences (Director's Section) at the Australian National University, obtained through the good offices of Geoffrey Brennan, I would not have thought seriously about Aus-

tralian languages. Brian O’Roark saved me from many errors when the old computer file was lost.

Chapter 12 first appeared as “Bishop Berkeley Exorcises the Infinite: Fuzzy Consequences of Strict Finitism,” in *Hume Studies* 18 (1992), from which it is reprinted with permission. I have changed some notation and dropped some technical digressions to help make the point which is important for my argument clearer. The original essay grew out of discussions with Jennifer Roback about fuzzy economic theory. Earlier versions were presented at the 1991 meetings of the History of Economics Society and the Western Economic Association. I have benefited from the comments of Tim Brennan, John Conlon, and James Buchanan. Clair Smith found many errors when this chapter was reconstructed. After the completed manuscript was sent to the Press, Bridget Butkevich has attempted the heroic task of verifying the quotations. The reader will soon appreciate how important this is.

Quotations from the following volumes of the *Glasgow Edition of the Works and Correspondence of Adam Smith* are reprinted with permission of Oxford University Press:

Essays on Philosophical Subjects, edited by W. P. D. Wightman and J. C. Bryce (London: Clarendon, 1980). © Oxford University Press 1980.

Lectures on Jurisprudence, edited by R. L. Meek, D. D. Raphael, and P. G. Stein (London: Clarendon, 1978). © Oxford University Press 1978.

Lectures on Rhetoric and Belles Lettres, edited by J. C. Bryce (London: Clarendon, 1983). © Oxford University Press 1983.

An Inquiry into the Nature and Causes of the Wealth of Nations, edited by W. B. Todd (London: Clarendon, 1976). © Oxford University Press 1976.

The Theory of Moral Sentiments, edited by D. D. Raphael and A. L. Macfie (London: Clarendon, 1976). © Oxford University Press 1976.

Just as this book is being bundled off to be set into type, I have had the vast pleasure of seeing an illustrated summary of it—as well as ongoing research with Sandra Peart—launched on Liberty Fund’s web site, <www.econlib.org>. There the reader can find both texts and art which are germane for the argument.

Finally, I wish to thank Ellen McCarthy for her faith, Jennifer Wisinski for her meticulous intolerance of my infelicities, Jillian Downey for her design of the book’s interior, Stephanie Milanowski for the design of the dust jacket, and Carol Roberts for the index.