RACE, LIBERALISM, AND ECONOMICS
Race, liberalism, and economics / edited by David Colander, Robert E. Prasch, and Falguni A. Sheth.

Includes bibliographical references (p. ) and index.


Library of Congress Cataloging-in-Publication Data

HT1531.R328 2004
305.8'00973—dc22 2003021576
To Julie Kidd

whose generosity
made possible the conference on which
this volume is based
Contents

Preface ix
Introduction 1

PART 1  
Classical Economic and Early Approaches to Race

Apes, Essences, and Races: What Natural Scientists Believed about Human Variation, 1700–1900  
Brendan O’Flaherty and Jill S. Shapiro 21

David M. Levy and Sandra J. Peart 56

Contextualizing David Levy’s How the Dismal Science Got Its Name; or, Revisiting the Victorian Context of David Levy’s History of Race and Economics  
Susan Zlotnick 85

John Stuart Mill on Race, Liberty, and Markets  
Falguni A. Sheth 100

PART 2  
Neoclassical and Modern Approaches to Racism

“Not an Average Human Being”: How Economics Succumbed to Racial Accounts of Economic Man  
Sandra J. Peart and David M. Levy 123
One Hundred Years of American Economists on Race and Discrimination, 1881–1981
   Robert E. Prasch 145

Racial Discrimination in the Labor Market
   William A. Darity Jr. and Patrick L. Mason 182

Liberty and Equality and Diversity? Thoughts on Liberalism and Racial Inequality after Capitalism's Latest Triumph
   Marcellus Andrews 205

The Anatomy of Racial Inequality: A Clarification
   Glenn C. Loury 238

PART 3
Policy Issues

Pragmatism, Liberalism, and Economic Policy
   David Colander 259

Better Recreational Drugs: Unleashing Technology to Win the War on Bad Drugs
   Vanita Gowda and Brendan O’Flaherty 275

Bibliography 285
About the Authors 309
Index 315
Preface

Economics is about policy, and policy by nature is transdisciplinary. This book attempts to look, in a broader manner than is usually done, at economic ideas as they relate to race and to policies that deal with racial inequalities. It was inspired (or maybe the better word is provoked) by David Levy’s work on the history of economics and its relationship to racism. David’s work was, as it usually is, provocative and interesting, but it seemed to us that there was more at stake than was initially evident from his articles and from those he published with coauthor Sandy Peart. Specifically, it seemed that David had a broader agenda of revitalizing the Chicago approach to race. A conference was designed to explore that broader goal and to consider the issue of race in a broader perspective than is usually done. This book is the end product of that conference.

The conference was made possible by the generosity of the Christian A. Johnson Endeavor Foundation, which has funded David Colander’s chair at Middlebury College. It was one of an ongoing set of conferences that have been run at Middlebury College on economic issues. These conferences have always tried to bring out, rather than hide, controversy, and this one was no different; we chose a set of very bright participants from a variety of different fields, including philosophy, English, and anthropology as well as economics, and we let them at each other. The diversity of approaches of the conferees was not only from outside economics; there was also a significant diversity of views among the economists who attended.

While this volume is derived from the papers presented at the conference, it diverges from the conference in a number of ways. We used the conference as raw material and then, after the conference, organized the themes that came up in discussion into what we think will be an interesting and provocative volume. This places enormous burdens on the participants, whom we asked to expand on issues that were raised at the conference and that we believe are important for understanding the subject