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 EDICIONES
COMPLUTENSE

L'Economie Intégrale de John Kenneth Galbraith (1933-1983), by Alexandre Chirat. Classiques Garnier, 2022, 1073 pp. ISBN 9782406125679

This is a major work. It deserves every accolade as scholarship, intellectual biography, and inquiry into the history of economic thought.

Alexandre Chirat sets out to trace the evolution and development of my father's economic thinking from the dawn of the New Deal to the ascendance of the neoliberal paradigm in early years of Ronald Reagan. His method, unique in studies of my father's work, is to envelope Galbraith in the intellectual context of his time, thus examining his relationships with and to the (but not exclusively) academic figures he read, encountered, and corresponded with. This is possible only because of the existence, in good order, of an archive totaling 750,000 pages at the John F. Kennedy Presidential Library, and other records in the National Archives and other collections. Chirat's work has the unique merit of focusing on this trove while excluding references to correspondence with political figures, non-economists, personal friends, and family. His strategy permits him to organize this massive work in an unusually effective way.

A second fortunate choice is to situate Galbraith in the singularly American tradition of "old institutional economics," rooted in philosophical pragmatism and evolutionary theory, but also in the progressive farming practices of early 20th century North America and in the political experimentation of the New Deal. This choice has obliged Chirat to dig deeply into the ideas of an era glossed over if not forgotten and misunderstood in modern economics. Chirat thus elides a trap into which many fall, that of describing my father as a successor to John Maynard Keynes. The influence of the latter is clear enough, but it came at a time when the direction of Galbraith's thought was, if not fully formed, already established in important respects, and based on deep knowledge of economic structures, attention to institutional and technological details, and a practical perspective that was complementary to that of Keynes but not dependent on it.

A third merit of this work is its detailed investigation into the near-decade that Galbraith spent outside of academic life, in a bewildering variety of public and private roles, including the National Resources Planning Board, the National Defense Advisory Commission, the Office of Price Administration, the American Farm Bureau Federation, the United States Strategic Bombing Survey, the State Department and *Fortune* magazine – each of which played part in the development of his mature vision and ultimately his major works, *American Capitalism*, *The Affluent Society* and *The New Industrial State*, as well as *Economics and the Public Purpose* and *The Anatomy of Power*. There is also no question that the war-time fraternity of engaged economists, along with a few lawyers, including Simon Kuznets, Carl Kaysen, Wassily Leontief, Walt Rostow, Charles Kindleberger, Nicholas Kaldor, and many others played a decisive role in framing the academic community through at least the mid-1970s. This group was imbued by its war-time experience with a keen sense of practical policy, realism, and a relationship to political power that later generations of economists have mostly lacked. But the singularity of the group is often, if not, overlooked. Never, and never again, would academic economics be so informed by, or so accessible to, people with government experience of this kind. Moreover, the experience is not limited to the US economy; Chirat strikingly points to the impact of the USSBS's studies of German industry and to the interrogation of Speer as reinforcing Galbraith's frame of analysis. Further, a personal debt; I found Chirat's inquiry into the precise conditions of my father's return to Harvard in 1948 fascinating, for their insight into academic politics but also and not least because these details cast light on certain personalities known from early childhood, and because they played a determining role in my own life, which began just a few years later in Cambridge.

The second major part of the book deals with the emergence of Galbraith's major works, the so-called trilogy of the 1950s and 1960s. Here the intellectual terrain is more familiar. Nevertheless, there are elements that are strikingly original. One of these concerns Galbraith's relationship to the Congress for Cultural Freedom and by extension, to a degree, with the Central Intelligence Agency. Chirat is correct in viewing my father as a combination of liberal non-communist and anti-anti-communist, a figure along with his peers who were (and regarded themselves as) fully formed intellectually, autonomous and beyond manipulation by a parvenu entity like the CIA. My father's record as an early and vociferous opponent of the war in Vietnam – and as Kennedy's most trusted and effective adviser on that topic – is proof enough of his independence. Among the interesting and valuable contributions in the second part of Chirat's book, I would direct attention especially to his very thorough exposition of the reviews especially of *The Affluent Society* and *The New Industrial State*, and to the controversies and correspondence surrounding the appearance of these works. In this material we find some of the richest intellectual exchanges in academic economics at the time, and a full understanding of how seriously Galbraith's work was taken across the full territory of the field,

including the neoclassical mainstream then emerging at MIT, the free-market Chicago School, and the then-still-vibrant Institutionalists, albeit mostly located in less visible academic settings across the American heartland. From this we can begin to understand how so much of what now passes for mainstream, conventional economics was in fact devised or anyway resurrected in the 1960s and 1970s to preserve the hegemony of the free-market tradition in the face of Galbraith's challenges.

Let me pass to a few points of critique of this broadly excellent work. Chirat winds up his interpretation of Galbraith and his *Économie Intégrale* with a discussion of *The Anatomy of Power* and rests his evaluation of the lasting influence of the "Galbraithian paradigm" on the evident failure of the economics profession to adopt or carry forward that analysis. Indeed, the case is stronger: a central purpose of economics training and scholarship is to obscure and deflect attention from the study of power. But I have never regarded *The Anatomy of Power* as a particularly successful book, still less as a summary of the main line of Galbraith's work. In my view, the core concept is not power but organization. The distribution of power within an organization is better seen as a matter of span and balance ("countervailing power") than as a matter of control by one level over another.

And if organization and the theory of the corporation are the essential distinguishing elements of Galbraith's economics, it may be premature – or a better word, academically provincial – to evaluate the success of his scientific revolution through the lens of the Anglo-Saxon world, or even more narrowly, the English-speaking league of academic economists. It is perfectly true that this league has consigned my father to the penumbra of non-economists, if not airbrushed him altogether from its presentations of doctrine. But it is also true, that in so doing, the English-speaking economists have condemned themselves and any institutions they may still succeed in influencing to decline and ultimate failure. There is no doubt whatever that despite their titanic standing while still alive, the reputations of Milton Friedman, Paul Samuelson, and other rivals of my father's during the mid-20th century have declined sharply with the economic travails of the new millennium, and that the general reputation of academic economics has fallen equally, if not even more.

Whereas, if one looks around the world, one finds ample evidence that the Galbraithian firm, and countries whose policies were explicitly influenced by my father's work, are rising to global dominance. In Europe this is the case of Germany, which –despite some neoliberal "reforms"– has never allowed finance to dominate industry or impede the continuing development of technological excellence in its core manufacturing sectors. In East Asia, this is the case of Japan and Korea, both influenced directly and indirectly by my father's writings, admirers, and close associates. It is the case of the People's Republic of China, whose post-Mao-era planners made a careful study of the practices of the OPA, and whose major state-owned-enterprises are world-rising exemplars of the Galbraithian firm. And it may be the emerging case of the Russian Federation, where Galbraith's works are enjoying a renaissance thanks to the work of the Free Economic Society, and where *The Affluent Society* was published in Russian for the first time in 2018. Thus, the game is not yet over, and overall, the verdict may be rendered by those who have continued to read Galbraith and not by those who have tried their best to forget him.

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