

## **Speech by A. M. C. Waterman**

I am deeply honoured by this award, which came as a great surprise to me – and perhaps an even greater one to my colleagues. I shall now have to work very hard for at least ten more years to afford retroactive justification. And when I do, I shall remember how appropriate it was to hold a conference of historians in Rome.

The first modern historian of Rome asserted that History is ‘little more than the register of the crimes, follies and misfortunes of mankind’ – and I suppose we might include ‘Great Controversies in Economics’ in that sorry catalogue. But Rome was more than merely the victim of barbarism and Christianity. It was in Gibbon’s day, had long been – and still is – both symbol and a steward of the collective memory of Western civilisation. Like personal memory, collective memory is what sustains identity. This requires ‘the use of letters’ which as Gibbon reminded us ‘distinguishes a civilised people from a herd of savages incapable of knowledge or reflection.’ Without it, ‘the human memory soon dissipates or corrupts the ideas intrusted to her charge; and the nobler faculties of the mind, no longer supplied with models or with materials, gradually forget their powers; the judgment becomes feeble and lethargic, the imagination languid or irregular.’ We have here a boldly polemical vindication of the History of Economic Thought.

Members of this Society, I take it, are custodians of the collective memory of the economics profession. Without our work, we flatter ourselves, our colleagues may ‘gradually forget their powers’; or at any rate their ‘judgment becomes feeble and lethargic, [their] imagination languid or irregular.’ But they seldom thank us for our kind offices, and many of them prefer to assume that they can get on very well without us. In one sense they are correct. It would be an unfair exaggeration to pretend that those of our colleagues who write articles for the *American Economic Review* on ‘Optimal timing in a non-stationary world’ or ‘Self-confirming equilibrium and model

uncertainty' are merely 'a herd of savages incapable of knowledge or reflection.' They do not need our 'letters' to pursue their aims.

We too are economists, if only those 'incompetent or retired practitioners' derided by Donald Winch; and we practise a division of labour in our own obscure sub-discipline. Some, like Winch himself, undertake the *intellectual history of economic thought*: eavesdropping on the conversation in those dim corners of the *salon* where our predecessors argued furtively about the *Tableau économique* and such-like novel and no doubt unwelcome ideas. Others, like Paul Samuelson, attend to the *history of economic analysis*, which is not really 'history' at all but 'Economic Theory in Retrospect'. Yet though not history, it can be an invaluable historiographic tool. It can enable us to see, more clearly than they themselves could, just what our forefathers were disagreeing about. In my own work I have sometimes attempted to use mathematical reconstruction for this purpose. Winch and Samuelson are the two masters in these related inquiries from whom I have come to such understanding as I have of the history of economic thought.

Studies such as Samuelson's show how 'the history of a science becomes an inseparable part of the science itself' as Paul Feyerabend put it. They formalise and encapsulate our collective memory, and are grudgingly acknowledged by working economists to be worth doing – if not actually worth reading. But studies such as Winch's locate our own, narrowly professional collective memory within the larger, comprehensive collective memory of intellectual society as a whole. 'Political arithmetick', '*économie politique*', 'political economy' and 'economics' have been woven into the fabric of public discourse in the West for exactly four centuries. Though few now remember Antoine de Montchrétien or his English contemporaries, the names and ideas of Beccaria, Condillac, Adam Smith, Malthus, Marx, Pareto and Keynes have entered into the intellectual stock-in-trade of all cultivated people.

Why does the history of their ideas matter? Because good history in general matters. It is our only defence against the widespread, anti-intellectual prejudice of our time: the unexamined assumption that the past has no causal connexion with the present, and

therefore has nothing to teach us. This is more than merely an academic quibble. As George Orwell, C. S. Lewis and others have shown us, sound history is essential to sound political health. Those who wish to destroy the liberties of the subject begin by destroying our collective memory. History is a bulwark against the tyranny of ideology – whether of Hitler, Stalin and Mao, or of religious fundamentalism, anti-religious scientism and political correctness.

The collective memory of civilised societies is closely related, both as cause and effect, to two fundamental social activities, the economic and the religious. As Marx and Engels taught us, our ‘ideas, views and conceptions’ are affected – if not determined by – ‘the conditions of our material existence.’ But what Marx and Engels were less able to see is that religious, specifically Christian, ideas have on occasion been exogenous with respect to ‘material existence’. If only because it is long antecedent, Christian theology is part of the collective memory of modern economic thought.

This is perfectly illustrated in work of my friend and colleague Gilbert Faccarello. His seminal monograph, *Aux origines de l'économie politique libérale*, shows that our present understanding of the self-regulating market economy, mediated by the contributions of economic thinkers from Adam Smith to Kenneth Arrow, is an unintended consequence of Jansenist theodicy at Port-Royal toward the end of the seventeenth century. Another of your members, my friend and correspondent Sergio Cremaschi, has shown conclusively in his latest book that Robert Malthus was a ‘Christian moral scientist’ – as Donald Winch suggested some years ago – and that we cannot understand the evolution of the *Essay on Population* between 1798 and 1817 without a detailed knowledge of its underlying theology.

Everyone here knows, even if few others do, that Sir Isaac Newton published *Philosophiæ Naturalis Principia Mathematica* as a work of natural theology; and that it was studied as such at Cambridge and in Scotland throughout the eighteenth century. Not merely economics alone, but the whole enterprise of modern science, was born in the womb of Christian theology. In some of my own work I have tried to explore the

relations between Christian theology and incipient economic analysis in the eighteenth and nineteenth centuries.

Although Christian theology is universal and world-wide, this ancient and glorious city in which we meet today symbolises and embodies as does no other, the collective memory of Western civilisation and its religion. *Roma Aeterna* was *Caput Mundi* well before the birth of Christ. Since the second century of the Christian era its Bishops have exercised an authority to preserve, and transmit to posterity, the collective memory of the whole Church.

Since 1891 this function has included the promulgation of Christian social doctrine. The *Rerum Novarum* of Pope Leo XIII specifically engaged with the ‘liberal’ economic thought of that time; and it inaugurated a series of ‘social encyclicals’ of which the latest is *Caritas in Veritate* of Pope Benedict XVI. Christian theology and economic analysis are intertwined in these encyclicals. Hence they themselves now belong to the subject matter of our sub-discipline, the History of Economic Thought. Recognising the need to be well-advised by professional experts, Pope John-Paul II created the Pontifical Academy of the Social Sciences.

Papal Social Doctrine has reasserted an ancient political idea deeply embedded in our collective memory. A human society is an organic unity: a ‘body’ whose members must work together under a ‘head’ to survive and flourish. This is obviously in conflict with our economistic conception of ‘spontaneous order’ that descends from the Jansenists through Pierre de Boisguilbert. Whether Christian organicism is good science or bad science, and whether it is necessary for the integrity of Papal Social Doctrine, are important questions for us all. But they are politically sensitive, and invite doctrinaire bias and ideological wrangling. We intellectual historians are far above all that. It is not our business to take sides. It is to observe, record and explain. The noble aphorism of Baruch Spinoza can well be inscribed upon all our hearts:

*non ridere, non lugere, neque detestari; sed intelligere.*