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An Epic Life

Worldly Philosopher: The Odyssey of Albert O. Hirschman. By Jeremy Adelman. Princeton, NJ: Princeton University Press, 2013. Photographs. Notes. Bibliography. Index. xv, 740 pp. Cloth, \$39.95.

One of the more surprising literary developments in recent years has been the success of biographies of economists living or dead. On the face of it, neither academics nor the dismal science seems much like grist for the biographical mill, but studies of luminaries such as John Nash, John Maynard Keynes, Friedrich Hayek, Milton Friedman, Joseph Schumpeter, and W. Arthur Lewis have all done well in recent years. To be sure, each of these men was both important and interesting, but the authors of these works nonetheless deserve kudos for rendering difficult and often abstruse economic concepts—including in Nash's case game theory, nonlinear parabolic partial differential equations, and Riemannian manifolds—palatable and even enjoyable to large audiences.

To the august list of economists above, we can now add the name of Albert O. Hirschman, the subject of Jeremy Adelman's splendid new biography. Readers of this journal need no introduction to either Hirschman or Adelman. The former famously spent a good deal of his professional career as a development economist in Latin America—in Colombia and Brazil, most notably—and the latter is a well-known historian of Latin America who teaches at Princeton. That said, many readers, I suspect, will come away from reading *Worldly Philosopher* with a much enhanced understanding and deeper appreciation of both subject and author.

A short review can hardly do justice to Adelman's massive study, much less to Hirschman's life, which was chock full, and far richer and more interesting than that of donnish types who measure out their lives in coffee spoons while snugly ensconced in the groves of academe. Otto Albert

Hirschmann—he later changed his name slightly—was born in Berlin in 1915. His parents were Jewish, prosperous, and acculturated: Indeed, Hirschman was named after none other than Otto von Bismarck. After receiving a first-rate classical education at a well-regarded private school--the Französisches Gymnasium-- in Berlin, Hirschman, at once politicized and precocious, fled Germany for Paris in the spring of 1933 shortly after the Nazis seized power.

During the crowded period between April 1933, when he first reached Paris, and January 1941, when he arrived in the U.S. as a stateless immigrant at the age of 25, Hirschman crammed in more living than most of us could in several lifetimes. To hit the highlights, he engaged in anti-Nazi political activity in France, took an undergraduate degree at a business school in Paris, spent some time at the LSE on a fellowship, volunteered on the side of the Republican forces in Spain during the civil war, worked as a demographer at the University of Trieste, where he also earned a *laurea* (equivalent to a Ph.D.) in economics, served briefly in the French Army after the German invasion of the country, joined the resistance, wherein he played an important role in helping to get refugees (some of them extremely famous) out of France—all the while managing somehow to maintain a most active intellectual *and* social life in both France and Italy!

Once Hirschman arrived in America, his life changed in many ways, but hardly slowed down. Employing contacts cultivated in Europe--Hirschman was an avid networker/grantsman throughout his life--the opportunistic young émigré got the Rockefeller Foundation to award him a two-year research fellowship at the University of California. He used his time in Berkeley exceedingly well, improving his academic skill set (especially his math), burnishing his professional contacts, and meeting Sarah Chapiro, a cultivated Russian-French Jewish émigré, whom he married in June 1941. Chapiro was to prove a true intellectual and emotional soulmate, and their marriage lasted almost seventy years until Sarah's death in January 2012.

While living in Berkeley, Hirschman also found time to research and write his “almost instantly forgotten” (215) first book, *National Power and the Structure of Foreign Trade*, which was published in 1943, the same year in which he enlisted in the U.S. Army. Hirschman’s military stint—his third in three different armies since 1936—disappointed him. Although he served with the Office of Strategic Services, whispery questions about his background, some of his former confreres and associates, and his previous political activities limited his role for the most part to low-level work as a translator in Italy. Such questions--ultimately proven groundless--hindered his postwar career in government service as well. Hirschman’s influential contacts and networks helped him get several positions as an economic advisor/analyst—he was involved in the creation and implementation of the Marshall Plan—but the chilly Cold War climate in Washington limited his career prospects and finally led Hirschman in 1952 to leave D.C., indeed, the U.S., and take up a position with the World Bank as a development advisor to the Colombian government. Ironically, this decision, which seemed forced at the time, in retrospect proved fortuitous. For it was as an applied economist in the developing world that he began to make many of the hugely important contributions for which he is remembered today.

Hirschman did not in truth spend that much time working full time “in the field.” By 1956 he and his family (two daughters and Sarah) left Colombia, decamping for New Haven so that Hirschman could take up a visiting professorship at Yale. Two years later, he moved on to Columbia (not Colombia!) for a few years, then on to Harvard in 1964. Hirschman was not temperamentally suited for the classroom and never much liked it— “[h]e lived for writing, not for teaching,” (458) according to Harvard colleague Stanley Hoffman--and he always spent as much time as he could on sabbatical or research leave, often having finagled jerry-rigged grant support from one or another foundation, institute, or agency. In 1974, he got tapped for a position on the permanent research faculty at the Institute for Advanced Study (IAS) at Princeton, a place “where he dreamed of being.” (461) Given Hirschman’s scholarly and real-world accomplishments by that time, the fact that the Institute’s director was Carl Kaysen,

Hirschman's good friend and his former chair in the economics department at Harvard, was not decisive, but it was not coincidental either, and it was certainly consistent with the highly networked character of his entire life.

Hirschman would spend the remainder of his career at the Institute in Princeton. Indeed, along with Clifford Geertz, he was largely responsible for building the new School of Social Science there into the powerhouse that it later became. Geertz and Hirschman did so in part by bringing in many scholarly friends and collaborators--distinguished ones, to be sure, including many eminent Latin American scholars--via processes that in our more transparent times would probably be considered improper, borderline unethical breaches of COI protocols. In any case, the results they achieved were nonetheless impressive. Hirschman formally retired from the Institute at the end of the 1984-85 academic year, but continued to work and write at the IAS for more than a decade thereafter. His writing career came to an end after a fall in the Alps in June 1996, which brought about a cerebral hematoma and perhaps a stroke. He never really recovered, and, though he continued to visit his office, his mobility was greatly compromised, and he increasingly had trouble hearing, speaking, or even communicating. By the time of his death in December 2012--eleven months after that of his wife--he had in many ways long left the land of the living. This quick, rather breathless biographical "drive by" only hints at the range of Hirschman's activities, contacts, travels, and intellectual agenda, about which interested readers will find plenty more in Adelman's opulent study. Why all the detail? Was Hirschman worth it? To cut to the chase: He was in fact worth it--well worth it--and in the remainder of this piece I shall briefly sketch out the reasons why.

Before the praise-a-thon, it might behoove us to point out some of Hirschman's scholarly deficits and intellectual gaps, that we demonstrate that he had feet of silt, if not clay. First of all, despite intermittent efforts to improve, he was not much at math, particularly for an economist. Secondly,

although he considered himself both an economist and a social scientist, he was not much for formal methods—the coin of the realm (however debased) in most social sciences—seldom proceeding systemically, much less axiomatically. Thirdly, his prose—learned, erudite, and wonderfully allusive—wasn't always easy to follow, and his arguments were often meandering and loose rather than linear and tight. Not for nothing was one of his most famous essays entitled “Against Parsimony: Three Easy Ways of Complicating Some Categories of Economic Discourse” (1984). To be sure, one can be against explanatory parsimony and in formal terms still proceed linearly and tightly. Only Hirschman did not.

The above objections, which some (not altogether unreasonably) will consider mere quibbles and cavils, pretty much exhaust the case against Hirschman as a scholar. Some, it is true, will also criticize him for his resistance to grand theories, master narratives, and the like, but, his unwillingness to embrace such constructs, indeed, his intellectual discomfort with the same is at most a minor vice to be weighed against the many virtues arising from his own contrarian m.o.

Contrarianism—sometimes labeled heterodoxy in the discipline—is uncommon in economics, the most orthodox of the social sciences in formal terms. Hirschman's against-the-grain position manifested itself in many ways. For starters, his literary bent, interpretive modesty, preference for experimentation and improvisation, propensity toward constructive self-criticism, absence of “physics envy,” suspicion of scholarly territoriality, and abhorrence of disciplinary hubris did much to distinguish him temperamentally from many of his colleagues.

But Hirschman stood apart from his disciplinary colleagues, including most contrarians, for other reasons as well. Throughout Hirschman's active life as an economist, most contrarians in economics aligned themselves interpretively and methodologically with Marxist or *marxisant* traditions, which traditions held little appeal to Hirschman once he was out of his teens. Rather, Hirschman's interpretive and methodological contrarianism—based, as it was, upon his eclectic reading and intellectual breadth

as well as his fundamental doubts about, and impatience with deductive reasoning, abstract theory, systems analysis, totalizing approaches, and model-building--ran against the powerful epistemological currents informing both mainstream and critical "paradigms" (a word he came to loathe) in economics.

As an economist, Hirschman was clearly *sui generis*, his explicitly and self-consciously unsystematic, highly personal approach a product in large part of his life experiences: The classical education he received at an excellent Gymnasium in *Mitteleuropa* in the 1920s and early 1930s; his reaction to both Nazism and communism (and to the adherents of these ideologies) in the 1930s and 1940s; and his experience on the ground as an applied economist in the developing world beginning in the 1950s. It is also likely, though, that such experiences impacted Hirschman as they did because of something inherent in or even innate about his intellectual preferences, methodological inclinations, and moral sensibilities. Thus, his thirst for the telling detail, and for seemingly small ideas ("*petites idées*") replete with meaning once unpacked and properly understood. So, too, his zest for the *bon juste*, and his moral commitment to, and comfort in anti-utopian reform, or to what Hirschman, drawing from Kierkegaard's construction "passion for the possible," famously, if uncharacteristically inelegantly, labeled "possibilism."

All of the above intellectual qualities and traits are on display in Hirschman's voluminous writings: Numerous research reports and policy memos, twenty-odd books in several languages--Hirschman worked in half a dozen or so--and scores of articles and essays. Obviously, one cannot do complete justice here to so robust a body of scholarship. One can only point to some of the riches embedded in his greatest works, acting the Sherpa in this high-level and extremely rarefied scholarly terrain.

Hirschman's corpus can be broken down in a variety of ways, and the framing scheme I shall use is hardly the only one possible. If he is best known for his work in other areas, it should be noted for the record that much of Hirschman's early work, including his first book, *National Power and the Structure*

of World Trade, was in the area that would later be called international political economy or IPE. IPE, which rose to prominence beginning in the 1970s, is today one of the major approaches to studying the interface between international economics and international politics. Many of the leading practitioners now look back to Hirschman's "almost immediately forgotten" 1943 book, which attempted to link power politics and international trade policy, as one of the pioneering works in the field. Interestingly, another (neglected) feature of the book—a statistical measure of economic concentration Hirschman developed—is still widely used today. It came into general usage, however, only after another researcher, O.C. Herfindahl, developed it independently in 1950. Herfindahl received a good deal of attention for this index—few people realized early on that Hirschman had developed it first—which led Hirschman, who could be prickly, to publish a somewhat snippy "communication" in the *American Economic Review* in September 1964 pointing out that it was he and not Herfindahl (nor the Italian statistician Corrado Gini, another suspected originator) who first came up with the index. The communication made Hirschman feel better and clarified things for some, if not all users, and today the index is called either the HHI (Herfindahl-Hirschman Index) or, alas, the Herfindahl Index.

So much for IPE and statistics. Many readers of this journal are likely most familiar with, and interested in the many contributions Hirschman made in the field of development economics. His contributions in this area were at once theoretical, empirical, applied, programmatic, and institutional. And nowhere were these contributions greater than with regard to Latin America. Beginning with his stint in Colombia between 1952 and 1956, Hirschman focused much of his intellectual energy on questions large and small—including small questions with large implications—relating to Latin American development, broadly conceived. His scholarship in the area, generally speaking, began with (and was almost always based upon) close empirical observation of the economic, social, and political behavior of individuals and/or groups of one kind or another—including state actors—in *situ*. Sometimes, his findings pertained to "small ball" matters such as electricity rates, technological choice, mechanisms for

encouraging small-scale entrepreneurship, or promoting R & D. At other times, he drew from his “bottom up” experiences in the field--and the accumulation and concatenation of his *petites idées*--to make broader points about development.

He did this most notably, of course, in the late 1950s in his celebrated book *The Strategy of Economic Development* (1958), wherein he challenged then regnant “balanced growth” models, offering up instead an alternative “unbalanced” approach, derived largely from his experiences in Colombia. According to Hirschman, less developed countries often had far too many dire needs for a “balanced” growth approach to work without in a figurative sense breaking the bank. However counter intuitive, It is, in fact, imbalances --imbalances induced by differential investment in various sectors of the economy of an LDC-- that are often most likely to spark broader growth as other economic sectors strive to “catch up” to that or those growing fastest because of (disequilibrium-creating) strategic investment preferences. In many cases, then, imbalances should be sought out rather than feared, much less stamped out.

Although Hirschman’s book won widespread praise, his position regarding the “unbalanced” approach is often misunderstood. He never believed the approach to be universally applicable or trans-historical, and later criticized those that did. Indeed, despite his myriad contributions to the field of economic development, he later lost faith in development economics *qua* field and voiced his deep concerns in print. Again, though, he never repudiated, much less abandoned the field, as he is sometimes alleged to have done. The positions he took when writing on development—like the positions he typically took on other economic, political, and social issues—were qualified, contingent, targeted, temporally and spatially specified positions, not meant to withstand/transcend time and space.

A case in point: During the 1970s and 1980s, as much of his beloved Latin America took an authoritarian turn, Hirschman's development interests moved more and more into what might be called the political sociology of development. By then, he was moving more generally into close dialogue with the other social sciences, dissatisfied, as he was, with the limits of orthodox economics. Thus, the context for his frequent "engaged" collaborations during this period with likeminded colleagues from Latin America--Fernando Henrique Cardoso, most notably--as well as with sympathetic Latin Americanists and foundations based in the U.S. In such efforts, Hirschman, self-styled "reformmonger" that he was, was in effect attempting to marshal academic and real-world support for liberal reformist pathways in Latin America against extremist positions/movements on both the left and right. In so doing, he often used his platform at the IAS—as well as the Institute's coffers and contacts—to establish projects and programs intended to encourage such ends. A number of impressive publications grew out of these efforts, another outgrowth from which was the strengthening of both academic/intellectual capital and reformist political networks throughout Latin America.

Such reformmongering efforts, however time-consuming, however important, capture neither the range nor the brilliance of Hirschman's intellectual activities during the "long '70s and '80s," which, for our purposes, can be construed as commencing with his most famous book, *Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States* (1970), running through *The Passions and the Interests: Political Arguments for Capitalism before its Triumph* (1977), and concluding with *The Rhetoric of Reaction: Perversity, Futility, Jeopardy* (1991). Over the years, *Exit, Voice, and Loyalty*—on the menu of policy choices individuals or groups/collectivities can opt for in responding to failing, deteriorating, or otherwise less than satisfactory situations, processes, outcomes, or even products—has, of course, become one of the most influential books in the academic social sciences, employed with reference to all types of political, economic, and social phenomena in various and sundry settings.

According to Hirschman's scheme, individuals or groups finding themselves in deteriorating or untenable political or economic environments, workers in failing businesses, consumers encountering flawed products on markets, etc., can opt for "exit" strategies of one sort or another--emigration, resignation, or switching brands--or opt for "voice" in the form of greater levels of political participation, or more input into company strategy or product design, etc. Each option has consequences; there are always opportunity costs involved; and there is no one strategy that is fail proof, let alone optimal. The simplicity, elegance, and utility of Hirschman's finely honed scheme--based on a few of Hirschman's "*petites idées*"--help to explain its widespread employment even today. I myself used the framing device in a co-authored piece in 2003 relating to the responses of African Americans to the stifling political landscape of the U.S. South between the Civil War and World War II.

The above themes, however wide-ranging, hardly exhausted the range of Hirschman's intellectual interests. Beginning in his later years at his gymnasium in Berlin, he had been interested in the classic works in the Western canon--he had great admiration for Machiavelli and Montaigne in particular -- and he drew from this tradition for intellectual inspiration throughout his life. His long-time interest in one specific part of the Western tradition, civic humanism, was piqued at the IAS in the 1970s because of the frequent contact he had there with the intellectual historian Quentin Skinner and the group Skinner had assembled for a project on the history of political philosophy. Skinner's magisterial two-volume work, *The Foundations of Political Thought* (1978) grew directly out of this project, but, indirectly, Hirschman's own brilliant foray into intellectual history, *The Passions and the Interests*, did as well.

At a time when most social scientists writing on the history of capitalism--or, more euphemistically, on the rise of "market society"--were, on balance, quite critical of capitalism's effects on both the human spirit and on social relations more generally, Hirschman, ever the contrarian, offered a very different perspective, one based on a fresh and extremely close reading of a large number of

seventeenth- and eighteenth-century texts (some well-known and some relatively obscure) relating to political economy. What comes across vividly in Hirschman's book is a sense of the intellectual ferment occasioned by the rise of the market, a combination of anxiety and excitement that often led down unforeseen intellectual paths.

After analyzing these early modern texts, Hirschman leaves readers with a mixed, but, on balance, positive view of the economic and political possibilities (for both individuals and society) opened up by the disruptions and dislocations occasioned by capitalism's rise. Drawing widely from writers from various traditions—not merely from civic humanism and the Scottish Enlightenment—Hirschman seizes upon some of the overlooked ways in which the market, rather than undermining community and social solidarity, actually rendered society more civilized and sociable by promoting the moderation of so-called passions (and the violence and brutality that generally ensued therefrom) through the elevation in importance of economic interests. The latter proved no panacea, to be sure, but, on balance, such interests—contrary to the view of early capitalism's critics on both the right and the left—created the conditions that ultimately made a “more humane polity” possible in the West. This highly original reinterpretation of important questions in the intellectual history of the early modern period—by a development economist no less—garnered much praise, as Adelman points out, often “from quarters where he was hitherto unknown” (520).

As time passed, it became more and more difficult to find such quarters, at least in the humanities and social sciences. Hirschman wrote almost constantly in the period between 1977, when *The Passions and the Interests* appeared and 1991, when *The Rhetoric of Reaction* was published. In addition to several books, a number of his most famous essays came out during this period, including “The Rise and Decline of Development Economics” (1982), “Against Parsimony” (1984), “Reactionary Rhetoric” (1989), and my personal favorite “A Generalized Linkage Approach to Development, with

Special Reference to Staples” (1977). Taken as a whole, these publications tell us much about the evolution both of Hirschman’s scholarly interests and the political environment during the period. Clearly, Hirschman’s movement away from the disciplinary bounds of economics at once continued and accelerated during this period, and by 1991 his scholarly concerns and approaches were so capacious as to render it difficult even to position him securely in the social sciences. At the same time, the chilly climate for liberalism during this period—not only in Latin America, but in the U.S. and the U.K as well—left liberal reformmongers such as Hirschman both frustrated and eager to do what they could to turn back the conservative tide.

The Rhetoric of Reaction, Hirschman’s sweeping final book, represented the aging author’s effort to classify, analyze, and challenge the formal justifications typically employed by conservatives and neo-conservatives—and even the left at times—in opposing, even mocking efforts at liberal reform. Challenging critics’ claims that liberal reform performance leads either to worsening conditions or is futile or jeopardizes previous gains, Hirschman attempted to demonstrate that discourse and discursive structures can have (and have, in fact, had) powerful influences not only on the way arguments are cast but also on how they are received—to the detriment of society as a whole. The book, at once a profound, often erudite examination of the effects of discursive “framing” and a thinly veiled shot across the West’s political bow, garnered somewhat mixed reviews, eliciting equally thinly-veiled exasperation in Hirschman, as Adelman points out.

Hirschman published a dozen or so essays between the appearance of *The Rhetoric of Reaction* and his fall in the Alps in 1996, including “A Propensity to Self-Subversion” in 1994, an unusual piece of work in which he took the bold—and extremely rare—scholarly step of openly questioning, indeed, challenging some of the conclusions he himself had reached in his earlier works. Hirschman had long operated under the assumption that doubt need not be immobilizing—according to Adelman, he and

Italian intellectual Eugenio Colorni, a major early influence, liked to say that they would “prove Hamlet wrong” in their actions and writings (117)—so his 1994 essay was not so much a surprise as a late-life reaffirmation. The piece was included in an essay collection of the same name that came out a year later, and a slender final book, *Crossing Boundaries*, which included a couple of previously published essays by Hirschman, appeared in 1998. After that, scholarly silence, though it should be noted that over the course of his career no fewer than four *festschriften* had been inspired by his work, so his *fin-de-siècle* silence hardly portended that he would soon be forgotten.

And he hasn't been. At the time of his death in December 2012, he was still widely respected for his scholarship, however self-subverted. Such respect, however, was perhaps due even more to his taste for, and facility at “crossing borders”—disciplinary and geographic—to his creativity and originality, and to his “bias for hope,” the title, by the way, of yet another collection of Hirschman's essays, this one appearing in 1971. If he was bitterly disappointed that he never received the Nobel Prize in Economic Sciences—bitterness made even stronger because that award went to a rival in development economics, W. Arthur Lewis (1979) and to James M. Buchanan, Jr. (1987), one of the founders of public-choice economics, a tradition he disdained—there were few doubts about the profound, albeit various and diffuse contributions he had made. In any case, with or without a Nobel Prize, he had won accolades and honors (not to mention grants and fellowships) enough over the course of his unusually distinguished career. Indeed, Hirschman's sense of grievance in this regard as well as his pained responses to less-than stellar reviews of his work—flaws that come across in Adelman's biography-- will likely tarnish and diminish him a bit in the eyes of at least some readers.

But at the end of the day Hirschman was an estimable scholar who lived an extraordinary and extraordinarily meaningful life. Despite not training many students, his intellectual legacy was profound, not least in Latin America, where numerous scholars and scholarly institutions--particularly

in Colombia, Venezuela, and the ABC countries-- benefited enormously from his research, his writings, his mentorship, his patronage, and his example. Jeremy Adelman captures all of this and more in his deeply researched, keenly insightful, and elegantly written study, itself an exemplar of the biographer's art.

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