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Memoirs of an Unregulated Economist

By George Stigler  
Basic Books, 1988

Reviewed by Peter G. Klein

George Stigler is one of those rare economists with a genuine sense of humor—sort of the Chicago version of Bob Solow. In his wide-ranging *Memoirs*, Stigler shares his background, education, his academic and professional careers, and his thoughts on the place of the University in society, all in his characteristically irreverent yet understated style.

What gives Stigler's musings their substance is his insider's view of so many of the important people, institutions, and events in modern economics: the Chicago School, the NBER, the famous Coase Theorem group discussion in 1960, even the first Mont Pelerin Society meeting. Anyone interested in the history of thought, for example, will enjoy Stigler's descriptions and stories about his teachers and colleagues Jacob Viner, Henry Simons, Arthur F. Burns, and especially Frank Knight ("I clearly remember the occasion on which we were told to withdraw forthwith from economics if we did not understand the analysis of Ricardian rent theory about to be presented, and how, 15 minutes later, Knight explained that he himself had not understood it until two years before"); his wry observations here nicely complement Melvin Reder's 1982 *Journal of Economic Literature* piece on Chicago economics. Also refreshingly candid is the chapter on "The Economist as Expert," which reminds us of the public's oddly benevolent view of the university: "[the favored position of the academic world] has survived the obvious self-serving eagerness of the physical scientists to spend half of the nation's income if given a chance. The social scientists would settle for what the physical scientists are already getting, thus displaying proportionate greed."

The book's only drawback is that although it is clearly intended for a lay audience as well as for professional economists, no newcomer is likely to learn any economics from reading it. And few readers of the *AEN* could be happy with occasional remarks like one to the effect that Böhm-Bawerk's refusal to accept the validity of simultaneous equations models exemplifies an example of an economist defending an obvious error to the death. In general, though, *Memoirs of an Unregulated Economist* is thoughtfully written, frequently insightful, and always entertaining. And in the economics literature, that itself is quite a feat.