

*The European Journal of the History of Economic Thought*, 6\4 (1999)

Calderón Cuadrado, Reyes, *Armonía de intereses y modernidad. Radicales del pensamiento económico*. Madrid: Civitas, 1997, 399 pp. ISBN 84 470 0973 4

The ambitious goal of the book is to disembed the "roots" of modern economic thinking, exploring in depth what the author takes to be one of the basic assumptions of "modernity", namely the theorem of the spontaneous harmony of interests. The book is indeed the result of a joint venture between the historian of economic thought and the philosopher (the author, who teaches at the Faculty of Economics of the University of Navarra, has a degree in both fields). The historian of economic thought holds the spot in chs. 2, 3, and 4, consisting in reconstructions respectively of Adam Smith, Malthus, and Marx. The philosopher holds sway in ch. 4, "Harmony and order", where views on a viable alternative to the modern economic order are presented.

Let us start with this alternative: the author's choice for a term to indicate it is "proprietaryism". What the term wants to convey is an alternative to individualism and to collectivism, where propriety is not an end in itself, open to unlimited accumulation, but instead a necessary extension of a fulfilled "person" (as opposed to "individual"). Appeal is made to the Aristotelian tradition, some recent communitarian re-reading of the above by authors such as Arendt and MacIntyre, to the critique of the market society by authors such as Polanyi and Dumont. Proprietaryism means a political program: participation in the propriety of the firm by workers, stress on team work, a policy aimed at the target of "efficacy" (as contrasted with "efficiency") by development of the "virtues" of the workers through habit, thus hopefully curbing down free riding; finally, a choice for the development of small or middle-sized firms as the only viable setting for such policies.

The hidden sickness of modern civilization that such a program is called to heal is "sadness": this is the common symptom of modern individualism in both its capitalist and socialist versions. The root of this symptom lies in a dangerous reduction in the scope of the interests which the first projects of modernity wanted to harmonize, namely "economic" interests (p. 37). Thus "the individual isolated from shared ends... who seeks to appropriate those things that may give him pleasure... is not the Robinson that Defoe describes; in our view, ironically, it is a being with a deep and peculiar social bind, i.e. vanity. The modern individual feels that his most valuable asset is the one which may be socially valued, namely those possessions that are deemed scarce from the society's viewpoint" (p. 39).

The three chapters dedicated to reconstructions in the history of economic thought deal the first with Adam Smith, the second with Malthus, the third with Marx and Taylor. These authors are supposed to instantiate three subsequent steps in a process of disentanglement of hidden implicit consequences of the

attempt, first undertaken by Smith, of establishing a harmony which is not derived from “order” (like the ancient regime). Smith’s failed attempt to draw a social framework based on respect of individual natural rights that may grant the growth of opulence without having recourse to any Leviathan paves the way to Malthus’s “artificial” way to capitalism, an unavoidable side-effect of the application of Smith’s theses also to population. Both Marx and Taylor go one step further, drawing a harmony based on an absolute technicization of work, on the sovereignty of consumption, and on scientific management.

It is common wisdom that every ambitious project such as the book here reviewed may suffer from inadequacies when it comes to detailed historical analyses. Even Mirowski’s masterpiece work *More Heat than Light* suffers, in its Adam Smith’s chapter, from having taken seriously second-rate literature on Smith (such as Foley, 1976). In the present case, the image of Adam Smith suffers from being still somewhat the victim of some pieces of prejudice, now obsolete among Adam Smith scholars, even if hard to die among economists at large. The first piece is emphasis on the role of “utilitarian calculus”, understressing the consequences of the aesthetic dimension of utility in Hume and Smith; a related one is the fact of understressing the role for Smith of a “Stoic” point of view from which vanity, selfishness (even if acknowledged as prevailing attitudes), and even long-range prudence are ultimately valueless (See Cremaschi 1989); another is a restricted view of prudence (on which Dickey’s 1986 essay may be referred to), a third is a now untenable identification of Adam Smith’s economy, based on the invisible hand and the division of labour with a description of a (not yet began) industrial revolution (See Blaug 1985, pp. 36-37, if one wants to avoid more specialized literature in economic history).

### References:

- Blaug, M. 1985. *Economic Theory in Retrospect..* Cambridge: Cambridge University Press (or. ed. 1963).
- Cremaschi, S. 1989. Adam Smith. Sceptical Newtonianism, Disenchanted Republicanism, and the Birth of Social Science. In M. Dascal and O. Gruengard (eds.), *Knowledge and Politics*. Westview Press, Boulder (Co) 1989, pp. 83-110.
- Dickey, L. 1986. Historicizing the 'Adam Smith Problem'. *Conceptual, Historiographical and Textual Issues*. "The Journal of Modern History" 58/3: 579-609.
- Foley, V. 1976. *The Social Physics of Adam Smith..* West Lafayette (In): Purdue University Press.
- Mirowski, Philip. 1989, *More Heat than Light: Economics as Social Physics. Physics as Nature's Economics*. Cambridge: Cambridge University Press.

*Sergio Cremaschi*

*Amedeo Avogadro University*