

BOOK REVIEWS

Elizabeth Popp Berman, *Thinking like an Economist: How Efficiency Replaced Equality in U.S. Public Policy* (Princeton and Oxford: Princeton University Press, 2022), pp. x, 329, \$35 (hardcover). ISBN: 9780691167381. doi: 10.2307/j.ctv1vtz8n7.

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As economists became increasingly influential upon policy-making in the postwar era, what can be called “economic reasoning” began to permeate all segments of society. As a result, users of that kind of reasoning, as well as the affected public, developed their own understanding of its basic principles. A consequence of this multiplication of perspectives on economics has been that questions about its past are no longer motivated by disciplinary concerns solely: they also reflect the broader cultural and political significance of economic reasoning in society. Sociologist Elizabeth Popp Berman has produced a history of economics book that rightly embraces both disciplinary- and extra-disciplinary concerns.

Perhaps the most interesting aspect of *Thinking like an Economist* is the idea that once a specific way of thinking has come to prevail, it becomes increasingly difficult to challenge. It is indeed one thing to describe the various initiatives that led to the affirmation of the economic style of reasoning; it is quite another to explain why that kind of reasoning proves especially resistant to criticisms and why other styles of reasoning fail to represent viable alternatives in public debates over policy. The intrinsic quality of economic, as opposed to non-economic, arguments is not the only explanation; indeed, important economic and social transformations have indirectly strengthened the persuasive power of the economic style in Western societies after WW II. Some intellectual historians have located the weakening of the social in the 1970s (Rodgers 2011), while others prefer to go back to the 1950s (Ross 2021, 2022), but overall the conclusion is similar: following WW II, there has been a move away from the holistic dimension in scholarly conceptions of society towards more individualistic foundations that benefitted the (micro)economic style of reasoning and often provided it with a form of taken-for-grantedness that other styles of reasoning lacked because of the erosion of the social. As Popp Berman puts it, commenting on Barack Obama’s ambitions for his presidency:

The truly ambitious new policies—ones that might have been top-of-mind for Democrats in 1970, or 1935—never materialized. This is not because such possibilities were pursued unsuccessfully; they were never even seriously considered. And the policies that *were* proposed tended to share some characteristics more commonly associated with Republican administrations: a focus on leveraging choice, competition, incentives, and the power of markets in the pursuit of outcomes that would be not just effective, but efficient. (pp. 1–2)

The difference between efficiency and effectiveness is precisely what supports the distinctiveness of the economic style, a collection of organizing principles shaping the

ways people think about policy problems and, more importantly, dressing up their solutions with an aura of inescapability. Unraveling the filiation of these principles would lead us to economics, its basic notions of incentive, externality, and opportunity cost; its idea of weighing costs and benefits; and more generally marginal analysis. The accommodation of these principles to a variety of policy situations involves much more than the academic discipline itself, however. Likewise, one could trace competing principles of universalism, equity, and limiting corporate power to social sciences other than economics. The use of those principles in the treatment of policy problems, however, goes well beyond their disciplinary origins.

It is precisely one of the strengths of the book to study with subtlety and great detail—sometimes with excessive repetition—the way the (micro)economic style of reasoning reshaped politics without unreservedly endorsing the rise of the “neoliberalism” narrative. By locating the origins of the economic style of reasoning in the center-left, Popp Berman very cleverly complicates the relationship between economics and politics, and opens the way for a better appreciation of their complex and varied intersections.

More specifically, she offers a stimulating account of the historical change that gradually restricted the horizon of Democrats in Washington, stressing the crucial role of two intellectual communities in the transformation of the policy-making process between the 1960s and the 1980s: a group of systems analysts from RAND, and a loose network of industrial organization economists. She finds that these two groups provided new answers to central policy questions: the former concentrated on the way government should make decisions (ch. 3) and the latter on how markets should be governed (ch. 4). As a sociologist, Popp Berman is perhaps more attentive to social problems than historians of economics trained as economists. The fact is that in following the influence of these two groups in a number of policy domains, including social policy (ch. 5), market governance (ch. 6), and social regulation (ch. 7), she is able to demonstrate how the economic style came to occupy a position of dominance in the identification of *important* policy questions and in the way they were framed. In that sense, her approach makes the story of the growing influence of economic reasoning in US society much more pragmatic and dispersed than the more common account of economics’ rise to authority among other social sciences after WW II. It is no accident, therefore, that one of her conclusions is that, “in practice, its [the economic style of reasoning’s] predominant political effect has been to reinforce the conservative turn that began in American politics in the 1970s” (p. 4), even though other forces outside economics were at work as early as the 1950s.

Popp Berman’s insistence on the role of the economic style of reasoning in reinforcing the conservative turn comes as no surprise, for a number of commentators have already explored that line of argument. Yet, the argument could have been explored further, for conservatism is congruent with the idea that one of the strengths of the microeconomic approach is its capacity to absorb and transform other forms of reasoning. That is not to say that the growing political strength of conservatism necessarily implied greater adherence to a microeconomic approach, but it did provide a more conducive environment for its flourishing beyond economics and facilitated the permeation of society by market thinking.

In tracing the consolidation of the economic style of reasoning in policy-making spaces, Popp Berman has produced a lively, well-researched, and extremely instructive book. She has also indirectly contributed to a better understanding of the economic and

social transformations that have affected the US in the past sixty years or so. Her conclusion that “the economic style constrained Democrats, while Republicans used it strategically” (p. 18) is of the utmost importance in understanding the hurdles that the US and other democracies must overcome to address persistent social problems. The book suggests that little can be expected from political leaders if they do not change their world view, or if they continue to primarily use the economic style of reasoning to think about policy problems.

Some may argue that thinking like an economist is the problem, but there is no reason to chastise economists for restricting our policy horizons. Instead, the inability to think differently is the problem—and here the microeconomic approach bears some responsibility. Its success has spread the view that when people assess a state of affairs and the possibility of its transformation, they are mostly guided by considerations of costs and benefits, whereas it can be argued that the economic value of an existing state of affairs comes second to people’s ability to imagine its being different. Cost-effectiveness matters, but democracy is more than that, as the Democratic Left itself has forgotten (ch. 8). Perhaps political leaders need to learn again that moral lines of argument can play a role in a number of policy domains and that they matter in the eyes of citizens.

Still, a difference should be made between Popp Berman’s argument about the spread of the economic style of reasoning in policy circles in general and what happened specifically during Reagan’s presidency (ch. 9). That is a difference on which the book proves especially helpful in comparison with other, less subtle contributions on the subject. As the author points out, “The election of Ronald Reagan to the presidency in November 1980 marked a turning point” (p. 201). Reagan’s anti-government rhetoric, allied to his instrumentalization of the economic style of reasoning, suggests that political *beliefs* once again came first, with economic reasoning meeting contrasted fates in social policy and market governance domains. Reagan’s administration may have shown versatility and discretion in its use of the economic style for policy purposes, but it demonstrated a clear orientation towards full cost-benefit analysis: “Agencies would no longer simply compare the relative cost-effectiveness of different methods of achieving a goal, but would have to show that the benefits of a new regulation actually outweighed its costs” (p. 212). As suggested by Popp Berman, Reagan’s administration “did not allow itself to be constrained by economics when it had a desired outcome in mind” (p. 214), but it did allow itself to be influenced by its vision that human behavior is primarily based on self-interest and that policy-makers should make every effort to ensure that the invisible hand of the market finds a proper environment for its work.

By way of conclusion, I would like to express two slight frustrations with this otherwise remarkable book. I understand that thinking like an economist is Popp Berman’s main interest, but it is a pity to consider that way of thinking with so little reference to alternative ways of thinking within other social sciences. Readers would have been interested to know more about differences and parallels between economics and other social sciences when it comes to approaching policy questions. What is it to think like a sociologist, an anthropologist, a historian, etc.?

Likewise, one issue that surfaces in the book but deserved a more detailed treatment is that of the vernacularization of economics. To be fair, there is little historical work on the vernacularization of other social sciences, with the exception of Peter Mandler’s (2019) programmatic article. Yet, given that Popp Berman considers the institutionalization of “the economic style through organizational change, legal frameworks, and administrative rules” (p. 14), it would have made sense to say more about the various ways the rise

of economic language in everyday life was achieved in US society from the 1960s to the 1980s.

To conclude, it needs to be said that the book is easy to read, well-written, and formidably interesting. By virtue of its subtle and balanced approach, it will mark durably the history of recent economics.

Philippe Fontaine 

École normale supérieure Paris-Saclay

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Tad Skotnicki, *The Sympathetic Consumer: Moral Critique in Capitalist Culture* (Palo Alto: Stanford University Press, 2021), pp. 280, \$90 (hardcover). ISBN: 9781503614635.

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Although Tad Skotnicki only briefly considers a small selection of economists who have theorized consumption in the past, this book promises to be of interest to historians of economic thought on account of its archival reconstruction of two early movements of consumer activism that comprised one part of a broader background social context in which early economic theories of consumption developed. The first movement that Skotnicki reconstructs is the abolitionist consumer activism of the late eighteenth and nineteenth centuries, and the second is the activism of the National Consumers' League at the turn of the twentieth century, which targeted worker exploitation. Some recent work in the history of economic thought has focused on how economists have theorized consumption, with attention to the history of early American economics (e.g., Philippp 2022), the reform strategies of the early home economists in North America (Philippp 2021, 2022; Le Tollec 2020; Maas 2021), studies of interwar accounts of consumer sovereignty (Desmarais-Tremblay 2020), and studies of both rural and urban family consumption activities undertaken by the interwar female consumer economists (see, among others, Van Velzen 2003; Le Tollec 2020; Becchio 2019; Bankovsky 2020; Philippp 2022; see also Betancourt and Philippp 2023). Skotnicki's book provides insight into several movements that existed at the same time as the development of these earlier economic theories of consumption, and it does so in a way that exceeds the account of the rise of institutions of consumer freedom provided by Margaret Reid and others (e.g., Reid [1938] 1945). In other words, *The Sympathetic Consumer* is of interest because it details a little-known chapter in the history of the rise of early consumer movements, explaining how, long before contemporary forms, activists encouraged