

## ECONOMICS

## Genetically Capitalist?

Samuel Bowles

Joseph Townsend's 1786 broadside against England's poor laws tells the story of a South Seas island on which the Spaniards had placed a few goats that eventually overran the island, their numbers and starvation fluctuating in tandem. English pirates preyed both on the goats and on Spanish shipping, so eventually the Spaniards introduced a pair of greyhounds, hoping to eliminate the goats. As greyhounds multiplied and the goat population crashed, hunger overtook the greyhounds. The goat population revived, and "a new kind of balance was established." Townsend's point: "The course of nature may be easily disturbed, but man will never be able to reverse its laws." As a result, governments' attempts to elevate the poor were "absurd" and "impractical" (1).

Townsend anticipated Thomas Malthus's *Essay on the Principle of Population* (2) by more than a decade. Gregory Clark's *A Farewell to Alms* continues this tradition. On the cover, a ghoulish begging hand reaches toward the reader.

Clark is an economic historian (at the University of California, Davis) whose quantitative studies are highly regarded. He calls his book "an unabashed attempt at *big history*, in the tradition of *The Wealth of Nations*, *Das Kapital*, *The Rise of the Western World*, and ... *Guns, Germs, and Steel*." Clark seeks to explain why sometime "around 1800" England but not other parts of the world broke out of the Malthusian trap illustrated by Townsend's goats and greyhounds, and why economic stagnation persisted even into the 21st century in some parts of the world. "Then," he adds, "we will understand the history of mankind."

The puzzle of England's take-off has challenged generations of scholars (3–5). If a consensus exists today, it echoes both Adam Smith and Karl Marx: institutions made the difference, whether limited government, competition for profits, the expansion of markets, secure property rights, the enclosure of common lands, or empire. Clark dissents from this view and provides a number of telling coun-

**A Farewell to Alms**  
A Brief Economic  
History of the World

by Gregory Clark

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terarguments. Building on the ideas of Oded Galor and Omer Moav (6), he proposes that it was not institutions but people that changed and that their new values—"thrift, prudence, negotiation, and hard work"—led them to save, work, and invest in ways that would eventually bring

about the industrial revolution.

This theme is reminiscent of Max Weber, who, in *The Protestant Ethic and the Spirit of Capitalism* (7), held that by transforming profit seeking from a moral weakness to a personal duty, Calvinism became capitalism's midwife. The idea that differences in values might explain societal differences or historical change never penetrated economics. A widely accepted, if empirically implausible (8), methodological fiat due to Gary Becker and George Stigler held that "one does not argue about tastes for the same reason that one does not argue about the Rocky Mountains—both are there, and will be there next year, too, and

are the same to all men" (9). Recent advances in experimental economics have challenged the fiat (10), but Clark is nonetheless swimming against the current.

Unlike Weber, for Clark the lever that changed values was not religious conversion but biology: the rich enjoyed higher fitness than the rest and their "capitalistic attitudes" spread as a result. Clark's companion paper "Genetically capitalist?" (11) sums it up: "The triumph of capitalism in the modern world thus may lie as much in our genes as in ideology or rationality."

Here is the argument: (i) "unusually in England," from 1250 on rich commoners had more surviving children than the rest; (ii) the children of the rich also became rich and had higher-than-average reproductive success; (iii) the distinctive values that accounted for their economic success would eventually propel the industrial revolution; (iv) these values were transmitted to their descendants either culturally or "perhaps" genetically; (v) and therefore proliferated; (vi) eventually springing England from the Malthusian trap.

Clark's own research documenting the reproductive success of wealthy Englishmen (i) and the tendency of their offspring also to be rich (ii) is convincing. But was this really unusual? Rich commoners outproduced the poor throughout early modern Europe and in other pre-industrial societies (12). Clark's

only evidence that this was not the case in Japan and China concerns samurai and Qing nobility. But English nobles, too, had lower-than-average reproductive success prior to the 18th century (excessive dueling). So the Japanese and Chinese data do not support Clark's claim. The link between parental and offspring wealth was not uniquely English (12).

Personality differences contribute to individual differences in economic fortunes, but hard evidence for the particular set of values implied by (iii) is intrinsically hard to come by and Clark provides none. Data from modern economies suggest that personality influences individual success, but the effects are quite modest (12–14).

Parents transmit personality traits to their children, and there is good evidence that genetic transmission is involved for some social behaviors (12, 15, 16). However, none of this evidence con-



Georges de la Tour's *St. Joseph, the Carpenter* (1640s).

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cerns hard work, patience, or the other values that Clark stresses. And the correlations between parental and offspring measures of personality are strikingly low. John Loehlin's survey of 859 such correlations found a mean value of 0.13—and the correlation for the personality dimension most relevant to Clark's argument ("conscientiousness") is even lower: 0.09 (17). Thus whether genetic or cultural, parental influence on descendent preferences is quickly dissipated across the generations, which makes point (iv) unlikely.

Clark's evidence that interest rates and interpersonal violence declined and that Londoners in 1800 worked long hours (by comparison with hunter-gatherers) did not convince me that (v) is true. A more serious shortcoming concerns (vi). The behavioral foundations of the incessant and cumulative innovation that made the industrial revolution are more plausibly to be found in Joseph Schumpeter's Dionysian entrepreneurial types than in a workaday penchant for diligence, prudence, and patience.

But let's ignore the fact that the world is full of prudent, hardworking, and patient people who nonetheless remain poor and suppose that

these dispositions explain both individual and societal economic success. If from 1250 or even earlier these "capitalistic" values were spreading as the surplus children of the rich cascaded down the social ladder, why do we not observe a gradual acceleration of the economy beginning in the 13th century rather than the abrupt take-off that Clark documents occurring more than half a millennium later? And why did the equally capitalistic Netherlands not also take off? The argument thus explains neither the location nor the timing of the first escape from the Malthusian trap.

Clark's barbs at economists and the World Bank reflect his view that their prescription for poverty—"getting the institutions right"—is less important than people getting their values right. Clark also favors less-restrictive immigration policies. Along with the suggested genetic explanation, Clark's pull-up-your-socks message to today's poor (as it will inevitably be read) ensures both controversy and a wide readership.

*A Farewell to Alms* asks the right questions, and it is full of fascinating details, like the speed at which information traveled over two millennia (prior to the 19th century, about

one mile per hour). Clark's combination of passion and erudition makes his account engaging. When a light bulb goes off in my head, the first thing I ask myself is "Would this be interesting if it were true?" Clark's thesis definitely meets that test.

But I doubt that it is true. Clark anticipated this reaction in his preface: "far better such ["controversial"] error than the usual dreary academic sins."

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## PUBLIC HEALTH

## A Crisis Is a Terrible Thing to Waste

Paul S. Keim

With 9/11 setting the stage for the anthrax letter attacks, many of us in the United States were too busy to analyze the impact of this crisis on public health. We were, in fact, responding to the crisis in an all-too-consuming manner. As the adrenaline rush and crushing work load lightened, many U.S. biodefense leaders began to design a road map for infectious disease and public health efforts. The 2001 terrorist attacks provided the political impetus to create a sustainable biodefense infrastructure and skilled workforce for the long-term benefit of public health in the United States. Government is notorious for impulsive spending sprees that fade with a changing political environment. Was this for real, or the latest Washington knee-jerk reaction?

In *Are We Ready?* David Rosner and Gerald Markowitz revisit the events and actions of that time to determine if we have, indeed, wasted the opportunity to do something sustainable and with a long-term impact on public health. Rosner (a professor of pub-

lic health and history at Columbia University) and Markowitz (a professor of history at the City University of New York) do this through extensive interviews of the individuals involved in New York City, as well as officials at the state and national levels, followed by analysis and recommendations. Their approach is based on largely anecdotal evidence, but they offer an impressive amount that is supported by numerous citations and interviews. The interviews are interwoven with a historical perspective and analysis, making for a compelling review.

The book covers the chaos in New York City following 9/11 and the anthrax letters incidents and how these events shifted priorities of public health. Not surprisingly, the authors document that the effects encompassed every aspect of life in the city. From high school administrators to the governor, uncertainty about the dangers and responsibilities was common. But so too were tales of leadership, coordination, and unselfishness—such as the story of seniors, who had lived through previous disasters and wars, comforting their caregivers. While the political leadership played a role, Rosner and Markowitz are more skeptical than past and current sound bites about its importance. Their presentation places the events in the context of New York political and social history. They conclude that the effectiveness of New York's response was only partially due to the contemporary political leadership and more due to institutional structures built over many years.

Long-neglected state public health departments were suddenly in the limelight after 9/11, with newfound importance to their governments and citizens. Ronald Cates of the Missouri Department of Health and Senior Services noted that "A lot of people who couldn't spell 'public health' now saw public health as the equivalent of the Department of Defense." Yet, as the excitement faded, the reality remained that federal funding was often targeted for highly specific bioterrorism projects (e.g., smallpox vaccination), while routine essential services were floundering due to a lack of resources. Local experiences across the country were uneven, with some states managing the influx of resources well while others did



**Early response.** Hazardous materials experts enter the Hart Office Building, which had been closed after the discovery of an anthrax-laced letter in Senator Tom Daschle's office.

not. The 9/11-induced (or at least -accelerated) economic recession decreased state revenues—decreases that were invariably passed on to the state agencies. In some cases, this furthered the disparity between federally funded bioterrorism programs and traditional public health services. Many of the numerous experiences recounted by the authors document the states' struggles to "dually use" the bioterrorism funding both for biodefense and to strengthen the overall public health infrastructure.

The failed smallpox vaccination program initiated in December 2002 was driven by federal priorities yet had to be implemented at the state and local levels. To state officials, the true nature of the threat was not obvious. As a result, many of them did not fully engage in a program that was funded at less than its true implementation cost. In addition, the public did not fully recognize the threat, and an already-existing, organized anti-immunization community was fighting all vaccination programs. Lastly, in a healthcare environment severely affected by malpractice litigation, the risk of downstream liability and the potentially high costs of compensation to vaccination victims posed a threat to caregivers and healthcare administrators. As Gene Matthews (Georgia State University) summarized, "there were three concerns: liability, compensation, and risk assessment ... these issues got mixed up with each other." This smallpox vaccination program was not coupled to overall public health development. Georges Benjamin (American Public Health Association) noted that single-minded attention to smallpox "sacrificed core public health activities." Rosner and Markowitz point to this program as an example of how federal dictates to the states were ill-fated, mismanaged, and detrimental to long-term infrastructure goals.

Public health is accomplished at the local level, but the Centers for Disease Control and Prevention (CDC) is the federal authority and

### Are We Ready? Public Health Since 9/11

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