

won't quiet even the gullible skeptic. The reader is led to believe that widely different public interventions and intellectual positions – from Robert Shiller's *Animal Spirits* with its conflicting relationship to homo economicus assumptions about rationality to disciplinary wavering about the efficient market hypothesis – are part of an intentional and scripted collective action on the part of economists to dupe the world for capital. If this sounds too orchestrated to be true, it's because in all likelihood it is. Mirowski convincingly shows that economists have, on balance, been unhelpful interpreters of the crisis and have probably helped produce ignorance about the economy. But that is a far weaker argument than suggesting that their efforts are a concerted plot. Mirowski gives us plenty of examples that show how confusing and confused some economists can be. But that is not sufficient evidence for the idea that they are doing so to confuse everyone else. In Mirowski's defense, clear proof might not be available; some conspiracies are true after all. But the reader is left guessing as to the veracity of this one.

Leaving aside the issue of motives, it's also hard to get a concrete sense of what the effect of all this economic "mumbo jumbo" really is on ordinary citizens. It seems fairly clear that, relative to the other disciplines in the social sciences, economics has the most weight in policymaking circles. But the role it has in popular culture is much less clear. In no uncertain terms Mirowski thinks that the NTC strategy of fostering doubt and confusion has helped it to utterly defeat the left. One is led to believe that without it, we might have seen a substantial progressive movement after the crash that could articulate an alternate mainstream economics. In the final chapter, he suggests that while the Occupy movement was "well-meaning," with its embrace of neoliberal technologies of the self, it never really represented an alternative. As Mirowski writes, "In the topsy-turvy world of neoliberalism, you may think that you are busily expressing your innate right to protest the cruel and distorted state of the world; but in most cases you are echoing scripts and pursuing an identity that has already been mapped out and optimized beforehand to permit the market to evaluate and process knowledge about you, and convey it to the users with the deepest pockets" (331).

This argument isn't very convincing either. On the one hand, even if people are forced to sell themselves as bundles of discreet skills, via neoliberal technologies like LinkedIn, it doesn't mean that they can't also both have criticisms of the system in which they are forced to partici-

pate and organize collectively to change it. But more importantly, professional economic thinking has far less impact on popular consciousness than Mirowski insinuates. An example from the book will illustrate the point. Mirowski discusses a Keybridge Associates report that argued against the regulation of derivatives after the crash. He says that by wrongly attaching high profile names as "advisors" to the document, such as Joseph Stiglitz, it falsely gave it some credibility to those on the left. But who actually read this report? Do debates on the Dynamic Stochastic General Equilibrium model have any bearing on the consciousness of ordinary people? Does the Efficient Market Hypothesis meaningfully shape the world-views of non-economists? I doubt it. But the book is liberally peppered with these kinds of examples to make just this claim.

*Never Let a Serious Crisis Go to Waste* is an impressive intellectual history that explores the role of economists in society. Its historical scope is broad, beginning with the origins of neoliberalism itself and the creation of the MPS. But its main focus is on the crisis and its aftermath. It should be read seriously by anyone interested in the political salience of the economics profession or by those interested in the intellectual history of neoliberalism. But the book ultimately raises more questions than it can reasonably answer. One does not get a systematic accounting in which competing and alternative explanations are shown to be false. Instead, Mirowski mostly offers learned speculation that sometimes seems too fantastic to be real. The book is filled to the brim with fascinating stories and curious facts. But even taking everything he offers together, the critical reader comes away with serious doubts about its core claims. There is no smoking gun in the book that proves Mirowski's point; his method of argument rather is death by a thousand cuts, but the slashes are too shallow to prove fatal.

**Book:** Clark, Gregory, 2014: *The Son Also Rises. Surnames and the History of Social Mobility*. Princeton University Press.

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*The Son Also Rises* is a book sure to upset people with very different ideological positions, even though it is not meant to be a "jeremiad" (p. 15). In his brilliant study, Gregory Clark argues that social mobility is not only much

lower than conventionally thought, but also almost universally constant. Societies as different as medieval and modern England, Japan, Sweden, the United States, Chile, and China exhibit very similar rates of social mobility. Neither the expansion of the welfare state nor the opening up of higher education to broader segments of the population, nor even progressive income taxes or high inheritance taxes have altered the basic pattern of social mobility. The intergenerational correlation coefficient oscillates across these societies around 0.75 (p. 12), which means that groups with high or low status will, to a considerable extent, pass on this status to the next generation. Although, eventually, regression to the mean takes place, this process might take many generations or several hundred years. Clark's results imply that social democratic attempts to increase social mobility are as misguided as the meritocratic view that existing inequalities are justified because they merely reflect individual effort, talent, or entrepreneurship.

Many existing studies have a more sanguine understanding of social mobility. These studies look, for example, at the intergenerational correlation of education, income, or wealth and often conclude that parents' positions explain a relatively small share of the variance in the children's generation. However, these studies fail to detect the true and much lower rate of social mobility because they only use "partial indicators of social status" (p. 108). They over-estimate social mobility because they measure steps on a very limited scale that suggest that passages from low to high status are possible; mistake sheer luck for mobility; and fail to see that people substitute one kind of status for another (p. 108). At any point in time, the distribution of incomes does not tell us much about underlying competences – because there is a considerable random component in individuals' incomes – and, as a consequence, about the prospects of the next generation to do as well or as poorly as their parents.

We can avoid measurement error in the study of social mobility – and this is Clark's ingenious move – if we select our groups for comparison from indicators that are not inherently related to any of the partial indicators. Clark and his collaborators use rare surnames. In the empirical chapters of the book, Clark identifies surnames that, for whatever reason, were in the past over- or underrepresented in the elite. This can be noble or locative surnames, names that reflect past immigration (of either high- or low status groups), or simply surnames that happened to be overrepresented in an elite group in the (sometimes very

distant) past. Once low and high status surnames have been identified, it is possible to track these groups over long periods of time. For example, Clark studies the relative representation of Norman surnames at Oxford and Cambridge. These are, we learn, the names of the Norman conquerors listed as property holders in the Domesday Book of 1086 (p. 81). This early elite was heavily overrepresented among the Oxbridge graduates in the thirteenth and fourteenth century – and they still are somewhat overrepresented today. The degree of overrepresentation, however, has steadily declined over the centuries, albeit at a very slow pace. In this case, regression to the mean took 800 years. After studying social mobility in England since the twelfth century, Clark concludes:

*Neither the Reformation in the sixteenth century, nor the Enlightenment of the early eighteenth century, nor the Industrial Revolution of the last eighteenth century, nor the political reforms of the nineteenth century, nor the rise of the welfare state in the twentieth century, seems to have had much effect on intergenerational mobility. (p. 87)*

Given low social mobility, Ashkenazi Jews, for example, will continue to be overrepresented among US physicians for another 300 years, whereas Americans with French surnames will continue to be underrepresented in this high status occupation for the same period (p. 58). In all of the societies studied and for various types of rare surname, Clark finds strikingly similar patterns of slow social mobility.

Even though the book's methodology does not make it possible to test this directly, it strongly suggests that the underlying social competences that lead to low or high social status are inherited. There are, however, six observable patterns that support the importance of genetics (p. 13). First, rates of social mobility should be the same at the top and the bottom of the social hierarchy. Second, societies with high levels of assortative mating should have particularly low rates of social mobility. Third, adopted children will have different mobility rates from their stepsisters and brothers – and more in line with their biological parents. Fourth, grand-parents' status does explain their grandchildren's status independently of the parents' status. Fifth, there is no trade-off between family size and social mobility because parents' time for their children matters less than their genes. Sixth, if education, wealth, or habitus determine success, families with these endowments should not regress to the mean. By and large, the findings in the book are consistent with a biological ex-

planation. Given these patterns, Clark sardonically notes that middle- and upper-class parents should stop worrying too much about their children's career prospects: even the most expensive kindergarten will have a limited effect on future success (p. 281).

It is one of the strengths of *The Son Also Rises* that the author anticipates many criticisms and provides additional empirical evidence to address them. Still, there are a few points of contention. First, even if the intergenerational coefficient is as high as 0.75, more than 40 percent of the variance cannot be explained. Education, income, wealth or social and cultural capital may still matter systematically. These partial indicators could turn out to be significant variables in a multivariate analysis that controls for social competence. If this was the case, there would be no reason to dismiss political attempts to ameliorate social mobility out of hand. Second, the book focuses on traditional elites such as attorneys and physicians or Oxford and Cambridge students. But perhaps new pathways into the elite have emerged and a Master of Business Administration from a lesser school is more valuable today than an MA in Art History. Are traditional elite surnames also overrepresented among the current business elite? One might imagine that children from distinguished families opt for traditional careers but less frequently pursue a career in venture capital firms.

The most far-reaching question concerns the almost universal "persistence rate." Clark discusses why some groups deviate from this rate as they display even lower rates of social mobility. Some religious groups (Jews, Copts) have maintained their high status because low status members have been more likely to convert to other religions while other privileged groups, like the Indian Brahmins, have rarely married outside their own caste. Thus self-selection and endogamy have helped to defy the otherwise inescapable regression to the mean. However, if endogamy "preserves the initial advantage of elites" (p. 239) and creates an unusually high persistence rate, it follows that societies with higher degrees of intermarriage between different groups must experience higher social mobility, as Clark himself notes (p. 139). It seems hard to believe that societies as diverse as medieval and modern England, Chile, China, Sweden, and the United States should have similar degrees of endogamy. In fact, choosing the "genetically right" partner in non-segmented societies is exceedingly difficult, as visible measures such as income, education, or wealth do not reveal much about the underlying competences. In egalitarian

Sweden, earnings are a poor predictor of true social status (p. 114). If this is the case, assortative mating should be much lower there than elsewhere, which would have to translate into faster regression to the mean of both low status and high status groups. Conventional measures of social mobility and Clark's figures would have to correlate, but they don't (Figure 1.6).

Despite these quarrels, the empirics of the study are fascinating. I greatly enjoyed reading the book and have told many friends about it. The findings are in line with the observation that even the most egalitarian countries have only redistributed income but have hardly touched the distribution of wealth. Socialism, for better or worse, has always been socialism in one class and has not touched the truly rich. The book also raises an important question about what distributive justice means. If societies are far more rigid than we thought, it seems inadequate to reduce justice to equal opportunity – for opportunities will not become equalized. Hence, if social status is strongly influenced by inheritance, there is no need to reward those who succeed and to punish the poor. In just societies, status differences and the quality of life between elites and lower classes should not dramatically differ.

**Book:** Herzog, Lisa, 2013: *Inventing the Market. Smith, Hegel and Political Theory*. Oxford University Press.

**Reviewer:** Martin Seeliger, Max Planck Institute for the Study of Societies, [Seeliger@mpifg.de](mailto:Seeliger@mpifg.de)

In a satirical song about the lifeworld of academia German rap artist Danger Dan notes that students "read books about books and write texts about texts," which – according to him – points to a lack of creativity. If we assume that he is right, the fact that a dissertation about the writings of Hegel and Smith around three centuries after their first publication has attracted significant attention – and has won a number of awards – must seem at least a little surprising. A closer look at Lisa Herzog's book shows us that *Inventing the Market* is more than just a text about texts. It is a book about ideas and their impact on social life. And that is what makes it so interesting.

The writings of Adam Smith and Georg Wilhelm Friedrich Hegel have long been the objects of theoretical inquiry, from a number of standpoints, not least their understanding of the economy. Two distinctive features of *Inventing*

tion of classic texts in time and their impact on contemporary debates).

While the author relates her insights to some of the core writings of political economy, explicit references to the field of economic sociology are hard to find. Therefore, the question arises of how far it can serve as a disciplinary contribution. In addition to the general value of a comparison of market accounts in the work of Smith and Hegel for further scientific usage, I see the study's main contribution as the reconstruction of the theoretical and practical impact of ideas. Against the background of the rise of neoclassical economics – and its impact on practices in the field of the economy and beyond – the genealogy of such systems of belief promises to be an interesting and important field of research. The strongest contribution deriving from the study thus lies, I would argue, in the sociology of science. While the reconstruction of these implications is very illustrative throughout the book, the concrete

impact is, however, rather on a conceptual level. What is missing with regard to the argument that Smithian and Hegelian ideas have shaped academic discussions in social science and economics is a systematic illustration of the reception processes underlying this development. Accordingly, it is interesting to see how the consensual model of Smith, in which workers voluntarily (and without any control measures) engage in their work, translates into a bias in, for example, the field of international business studies, which focuses almost exclusively on management operations (Sitkin/Bowen 2010). But that could also be a case for subsequent research.

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