

INTERVIEW WITH BENJAMIN M. FRIEDMAN

Benjamin M. Friedman a politikai gazdaságtan William Joseph Maier professzora a Harvard Egyetemen, ahol 1972 óta tanít. Korábban a Harvard Egyetem Közgazdaságtan Tanszékét vezette. Foglalkozott a pénzügyi piacok szerepével, a monetáris és fiskális politika gazdasági aktivitásra gyakorolt hatásával. The Moral Consequences of Economic Growth címmel 2005-ben megjelent könyve a gazdasági növekedés versus stagnálás politikai és társadalmi vetületeit vizsgálta. Egyetemi tevékenységén felül igazgatóként és szerkesztőbizottsági tagként részt vesz az Encyclopaedia Britannica munkájában is.

– **Köz-Gazdaság:** Could you recall a memory related to him when you were colleagues (or when he was your professor) at Harvard? Do you think that Prof. Kornai's scholarly achievements have made any direct impact on your own research and your own way of thinking about economic issues?

– Benjamin M. Friedman: Memories related to János Kornai, and especially when he and I were colleagues on Harvard faculty and I think the strongest recollection that I have might be of interest to you, I would say there are two interactions that I had with János during the years that he was my colleague on Harvard faculty that especially stand out for me, both had to do with the work that I did over a period of 10 or 12 years that culminated in my 2005 book titled *The Moral Consequences of Economic Growth*. The first recollection of János' influence on that work came from an early period when I was just beginning the work and had not thoroughly framed it in my mind. Some people were urging me at the time to make the book not about economic growth in particular, which is what I eventually did, but rather a treatise on capitalism and I went to talk to János about that, I remember very carefully the two of us talked sitting in his apartment and I explained to him what I was doing, although my ideas were only half-formed at that time, and I explained the suggestions that some people were making of writing that I write a treatise of capitalism and I remember very clearly that János pointed me to his book, which I somewhat knew already, *The Socialist System*, and we talked about it quite a bit and I went back and read parts of the book again and then we talked some more and in effect what János did was to persuade me that if I were to make my book a treatise on capitalism then I ought to think about it as a kind of parallel to the book that he had written on the socialist system. Now that had some appeal but in the end, I decided to go in a different direction and I remember that conversation in particular and it was extremely influential to me, as I say it led me to go back to János' book on the socialist system, and it led me to rethink my project and to take it in a different direction and in part as a result of those conversations with János, the direction that I eventually took was not about capitalism but rather a book about the consequences

of economic growth. The second recollection has to do with the same book project but much further along. I spoke to János about the project a number of times over the talked period when I was writing it and then towards the end of the project when there were actually finished chapters to read, János read some of them and had a very striking reaction which I wound up quoting in the preface to the book, although in the preface I did not name János but the person to whom I referred in the preface was indeed János. (he takes the book from the shelf and reads the preface) Let me read it to you. *“One of my Harvard colleagues with whom I once discussed in some detail the hypothesis about economic growth and moral progress that I advance here a distinguished European scholar a decade and a half older than I (and that person is János, I’m writing about János there) commented that only an American and that only an American of my generation would write a book expressing such an optimistic perspective of economic growth from a moral point of view”*. That comment struck me as so insightful that I wound up, as I just indicated, referring to it in the preface of my book because I thought János was exactly right, the whole point of the book that I was writing was that the economic and moral conditions in which people live shape, importantly, their thinking and János was pointing out to me that I too came to from my own place and time and therefore that the way in which I thought about these important issues was in large part a product of my place and time, now at one level I suppose and maybe that’s obvious enough but it hadn’t really registered on me until János made the point and once he made the point I immediately saw yes, he was right and that it was an important point and important enough that I wanted to refer to it in the preface to my book and maybe I should have named him but I didn’t want to. I thought it was important to indicate that the person who made the observation was not an American and also not my own age but I didn’t think it was right to name János, perhaps I should have but I didn’t.

Köz-gazdaság: Kornai’s work is also about the scientific description of society and economy tightly interlocking. This approach seems to have revived in the past decade. What are the topics and relationships in his work that are to be continued worldwide in the 21st century?

Friedman: Well exactly as you said and frankly that’s been a part of my own work as well, that the focus of my work on moral consequences of economic growth is all about the difference that it makes for the political, the social and, ultimately, the moral character of the society whether standards of living broadly shared among the population advance or stagnate, that’s the subject of the entire work so I strongly believe in that in that connection and I think, alas, many of the pathologies that we are seeing today, both in parts of Europe and also in my own country, reflect precisely the stagnation of living standards that all too many of our citizens have suffered over the last decade and a half, maybe even more in some cases, so I think that’s absolutely a phenomenon for study and I would like to think of my 2005 book in exactly that vein and I would like to think other people would follow along in the same line of research and thinking and it’s very much one that comes out of János’ work. My current book project is slightly different but you could still characterise it in the same vein, I’m currently finishing up a book

on the way in which the religious thinking of various periods influence the economic thinking of those periods. Now that's a different matter from the aspects of society and economics that János has written about but it's in the same mode of thinking that there are these interrelationships among different dimensions of economics, the economy and the society, and as I say I'm currently finishing a book on that subject so I certainly believe in the importance of these connections. Clearly dealing with one of the great figures of our discipline over the last half century and we're also, and I say that merely as an economist and as a reader, but we're also dealing with a great human being, and I say that as someone who shared an economics department with János over quite some years, so his moral courage I think is admirable and I hope more people in our society and more people in the society in our profession learn from his example, not just his economics but his moral courage as well.

Köz-gazdaság: Many academics argue that a renewal is necessary regarding the education of economics as well. What do you think a young economist should study and know these days?

Friedman: I think three elements are very important. One of course is to know modern economics and my sense is that in most universities and in most economics departments around the world people do learn a great deal of modern economics. Second though, I think it's also important for people to get some historical perspective on the development of our discipline over time, one of the aspects of American economics that I think is unfortunate that has happened within my lifetime is that attention paid to economic history as well as to the history of economics has atrophied over time, I think that's very unfortunate. And then the third element that I would emphasise is a broad knowledge of society thought for us in the west, I would begin at the enlightenment, I think these underlying philosophical and intellectual moral underpinnings of the world in which we live and the role that economics plays in it continue to be very important and I wish more young economists were learning what they would need to know to have some appreciation of those connections. I think economics will of course change, I won't be here to see it but it would be very interesting to look back from fifty years from now and see what has become of our discipline.