[Book Review]

Yukihiro Ikeda and Annalisa Rosselli, eds., War in the History of Economic Thought: Economists and the Question of War


The 4th European Society for the History of Economic Thought (ESHET) – Japanese Society for History of Economic Thought (JSHET) joint conference was held in September 2015 at Otaru, Japan. The main theme of the conference was ‘War in the history of economic thought: The economists and the question of war.’ The book under review, as pointed out by the editors in the introduction, comprises the papers presented at the conference. However, the book makes it apparent that we must be mindful of the fact that war involves both economic and physical warfare; the latter is based on the use of weapons.

It is quite clear to many people that wars, particularly those fought with weapons, should be avoided. However, there has never been a time in human history without a war going on somewhere in the world. If there is a human instinct for power and a desire to attack, as Freud argued in a letter to Einstein, can it be inferred that it is impossible to avoid war? Economists answered ‘no’ in the past; they answer ‘no’ now, and are likely to answer ‘no’ in the future, depending on their ideal state.

The term ‘doux commerce,’ popularised by Charles-Louis de Montesquieu, appears many times in this book. This concept was also prevalent in the age of Enlightenment during the 18th century. The more sophisticated the people became, the more they required commercial activities to get what they needed; this was especially true in a century that was marked by a relatively poor ability to supply goods. People aware of ‘doux commerce’ would have known about the disadvantages of conducting war; therefore, the term was a means to avoid war, or, in other words, a concept for promoting peace. However, even if an individual is enlightened, it would be impossible to prevent the outbreak of war. Therefore, economists had expectations about the government’s role, and especially about what it should, and not, do. It can be said that this is the implicit theme of this book.

Classical economists (mainly covered in part I) not only regarded economics as a science of legislators, but also considered war as essentially avoidable. This seems to have been the enlightenment ideal singled out by Montesquieu. However, problems, such as famine and a large population, triggered war; the outbreak of war, in turn, led to other problems, such as public debt. The framework of the nation-state, with the government at its core, was the cause of various conflicts. Part I, in particular, focuses on the economic thought, as well
as the economic situation in Britain (especially England and Scotland), France, and the Ottoman Empire. The classical economists paid great attention to food problems because it is clear that people cannot live without food. The food weapon points out the self-evident fact that people waged war when they could not feed themselves. It is necessary to avert a trade war in order to avoid a military war; thus, except during emergencies such as famine, the government was required to stay clear of the economy. In contrast, the governments of countries in the process of economic development, such as those in the Ottoman Empire, had to intervene in the economy to develop and stabilise it.

Japan seems to have faced the same dilemma as the Ottoman Empire until the end of World War II. It seems that the fostering of the new spirit of liberalism in Japan served to undermine the urge to interfere by government officials. The attitude of preserving the status quo as pointed out by Takata Yasuma, may no longer have been acceptable if judged by the terms of the new liberalism. The establishment of national commercial schools for higher education that analysed Japan’s economic power would also have been guided by the intention to validate the government’s economic policy. The uneven distribution of wealth in Japan prioritised the state or military over individual activity, resulting in its entry into a tragic war.

After World War II, the government was expected to play an active role in maintaining peace. Although Japan is not a state-planned economy, the government was requested to create and manage new economic order. In other words, it was asked to avoid active intervention in the economic activities of people, but it could do so passively. The key concept of federalism, as conceived by Lionel Robbins and William Beveridge, can be considered primarily as a means to limit the roles of the government in each country and create loose connections among people in order to avoid war. It can be said that the idea was the means to create ‘doux commerce’ in the world.

Economists dealing with economic affairs have tried to ameliorate people’s lives. However, when economists think about war, they do not necessarily achieve this aim. Kuniaki Makino correctly states in his book, Keizaigakushatachi no Nichi-Bei Kaisen (The Outbreak of War between Japan and the United States for Economists, Tokyo: Shincho-sha, 2018, p. 240), that ‘economics is a discipline that can help people survive; at the same time, it is a discipline that can kill people.’ We must always keep these words in mind.

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