Introduction

This volume developed as a nearly spontaneous sequel to the *Elgar Companion to Alfred Marshall* (ECAM), edited in 2006 by T. Raffaelli, G. Becattini and M. Dardi. The main aim of that book was to highlight the new trends in the interpretation of Marshall’s thought, the origins of which can be traced back to the 1970s and J.K. Whitaker’s publication of a number of early manuscripts, at that time scarcely known, as well as to the revival, in the studies of industrial districts by G. Becattini and his school, of a Marshallian approach to industrial economics. Since these initial developments, an increasing number of scholars from various parts of the world have carried out a process of historical revision from which a radically new reading of Marshall has emerged, as we think is made clear in the numerous contributions to the ECAM.

What was missing from that volume was a systematic country-by-country study of the impact of Marshall’s ideas over the course of the last century. In fact, some of the entries included in the present volume had originally been commissioned for the ECAM, and were already available at the moment of publication in 2006 (a delay for which we again apologise to the authors). But the editors came to realise that the picture at that time assembled was far from complete, and that the world’s reception of Marshall’s economic thought was a topic that was large and interesting enough to merit a separate volume. Relevant contributions already received were thus set aside temporarily, additional contributions were commissioned, and so, with time, the present volume took shape.

For the sake of clarity, a few words on the premises upon which our project has been built, and on the extent to which we feel that our aims have been achieved, are in order. By ‘reception’ on a national basis we mean, somewhat in line with reception studies in literary theory, something quite different from a mere assessment of the open-field performance of Marshall’s economics in the race with those competing lines of thought that crowded the area of economic research in his and in later times. The justification for focusing the study on national boundaries and on the ability – or lack of ability – of Marshall’s thought to cross them and fertilise the spaces beyond lies in an interest in what happens when different cultures come into contact with each other. There is a phase of such contact in which the collision between, on the one hand, mutual understanding based on common premises and needs, and on the other the biases or incomprehension generated by different local traditions and habits of thought,
The impact of Alfred Marshall's ideas has the power of shaping the ensuing course of the history of ideas. That phase should be, in our view, the core object of reception studies. While in the history of ideas as normally understood we tend to arrange our evidence according to a conceptual grid, here we have to follow an essentially 'local' criterion since our primary interest is in the context-specific factors – the organisation of cultural and academic institutions, the prevailing social and economic concerns and, through these, the deep-lying preconceptions and intellectual habits of entire populations – which act as filters with respect to the inflow of foreign ideas. The latter are stopped at the border or let in depending on an implicit collective judgement based on multiple criteria, among which the purely intellectual ones do not always play a decisive role. We feel that Marshall, himself an admirer of Montesquieu and convinced that the proof of good theories lies in their ability to respond to the demands of actual human societies, would have approved of this kind of approach.

For sure, we had no intention of developing this point of view into a 'reception theory' in the way that some literary theorists have done, but we did feel that it could throw light on deeper issues of a more general nature than merely a geographical survey of Marshall's fortunes. It is a fact that the main trends of economic thought over the last two-and-a-half centuries are, by and large, the product of a tiny part of the world – an intellectual workshop concentrated in a small bunch of European countries, later extended to include the US, which started to rise to their present dominant position only from the interwar period onwards. Why this is so is a complex question to which many answers can be given, starting from those that point to the obvious parallels with the colonisation process – primarily a fact of economic and military power – waxing and waning over the course of the past two centuries. But a part at least of the explanation must have to do also with the degree of universality of those theories that demonstrate a capacity to transcend their origins and to elicit a response in minds trained in alien traditions. 'Universality' in this sense is not necessarily a matter of scientific truth, which in economics is never beyond dispute. Rather, it seems to depend on the ability to propose a game in which others will desire to participate, so to speak, at first sight, lured into it by an appeal so basic that there is very little need to specially adapt the rules in light of exotic customs. Passive learning alone will not make for a good reception. There must be active involvement, and this in turn requires that the proposed theories are perceived as still not settled, half-way puzzles whose pattern is already discernible and interesting enough to invite continuation. The outcome, it is worth noting, is not necessarily convergence to a common way of thinking; reception may lead to the emergence of a dominating orthodoxy, but it may also lead to an increasing variety of approaches. In the case of Marshall's reception, as we shall see in a moment and as this volume as a whole bears out, diversification largely outweighs conformity to an orthodoxy.
While several schools of European and American economic thought have been largely successful in gaining wide reception, Marshall’s specific record is somewhat mixed. It is precisely this fact that makes his case particularly interesting. Aspects of Marshall’s thought came to be embodied in the nascent neoclassical paradigm and so participated in the process of global diffusion of the latter that has occurred over the past century. Other aspects were at first overlooked and soon forgotten, but this was not forever. In fact some of these elements resurfaced much later in particular countries and then spread out along well-defined regional lines contributing to the preservation of a certain economic pluralism. To add to the complexity of the case, there is the further peculiarity that some of Marshall’s economic ideas had an indirect and almost underground diffusion by way of cognate disciplines such as political science, urban planning, sociology, demography, rural studies and so on.

The project of reconstructing this far from linear story in all of its ramifications proved to be more arduous than expected, however, and this volume must be seen as only a first step towards its accomplishment. There is, first of all, the fact that large sections of the world are missing due to our inability to find collaborators. To mention some of the most glaring absences: the whole of Latin America as well as South Africa, a country with close links to British economic culture (where, by the way, the distinguished Marshall scholar H.M. Robertson spent his entire academic career). In view of the recent growth of Islamic economics, we also regret the total omission of Muslim countries.

Secondly, and in our view more importantly, we realise that many of the national cases considered properly required a full investigation of the social and cultural circumstances of the country, of all the relevant political events and of the alternative economic theories, both domestic and imported, locally competing with Marshall’s: actually a job for a team of collaborators, each team in turn needing co-ordination with others in order to form large-scale views of entire cultural and linguistic areas. The cost of managing a web of teams like this exceeded our resources, would have required far more time to produce, and would have resulted in a much larger volume. Our contributors, almost always working single-handedly in the face of complex national realities, have done their best to deal with at least the academic part of the story, rarely attempting forays into social and cultural history. While we believe that they have made a good job given the limited resources at their disposal, we have to admit that what we are able to offer here is at best an approximation to our idea of a satisfactory and complete reception study of Marshall’s economic thought. We hope that the very incompleteness and imperfection of this collection may serve as a stimulus for further studies in this direction.

With regard to each country included in the survey, we have asked our contributors to organise their exposition around three main questions: (1) When
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and how did Marshall's economic writings – or their translations – spread throughout the country? (2) What was their impact on the state of economic ideas in the country and on their subsequent evolution? (3) Which aspects of Marshall's approach were most widely accepted and developed, and which were rather criticised or ignored?

While Part II of the volume refers to Marshall's domestic reception, Parts III to V correspond to the three groups into which we have classified the overseas countries included within the survey, that is: (1) English-speaking countries, (2) continental Europe, (3) Asian countries, the latter group limited to the three largest: China, India and Japan. The final Part VI is devoted to three case studies of economists whose attitude towards Marshall appears to have exerted a certain influence upon the reception of his thought, but who could not be included readily in any specific national area because they spent most of their academic careers outside their country of origin. These are the cases of the Italian Vilfredo Pareto, the Austrian Joseph A. Schumpeter and the Romanian Nicholas Georgescu-Roegen.

Part I is introductory. It contains two brief essays that take stock of, respectively, past and current interpretations of Marshall’s position in the history of economic thought. Brewer’s survey ends with Blaug’s 1962 textbook on the history of economic thought and summarises what may be considered the ‘old view’ of Marshall that had emerged by the end of the first half of the twentieth century. This mid-century state of the art provides the starting point for Groenewegen, who focuses on the relationship between the publication of a large body of previously little-known materials, including Marshall’s correspondence, and the revival of Marshall studies that began in the 1970s and which has generated deep changes in the way his work is now perceived and evaluated (in this connection, it is probably unnecessary to remind readers of the existence of a monumental repository of secondary literature on Marshall up to 1995, the eight volumes of Wood 1982 and 1995).

Alfred Marshall, founder of the Economic Tripos in Cambridge, promoter of the Economic Journal, member of key governmental commissions (Depression of Trade, Gold and Silver, Indian Currency, Labour, the Aged Poor) and witness for others, was the leading British economist of the post-Millian age. It seems appropriate that the Indian scholar N. Jha chose to title his survey of British economic thought, as illustrated by the pages of the Economic Journal in the years from 1890 to 1915, ‘The age of Marshall’ (Jha 1973). And yet, Marshall’s influence in his own university of Cambridge lost motive power soon after his death, and his direct legacy – embodied primarily in the person of A.C. Pigou – soon gave way to the ‘new’ Cambridge school that arose around J.M. Keynes, P. Sraffa, R. Khan, Joan Robinson and the other members of the Cambridge ‘circus’ in the ‘years of high theory’. Many of Marshall’s pupils had their own careers outside Cambridge, scattered in different places (Leeds, Manchester, Birmingham,
Oxford), and their work was relegated to what appeared to be a secondary line in industrial economics. The first monograph published by the Oxford University Institute of Statistics in 1945, Small and Big Business by Joseph Steindl, it may be recalled, seemed to toll the death knell for the whole of Marshall’s theory of the firm and industry (Steindl 1947).

Curiously, then, the influence of Marshall’s legacy was more long lasting abroad than at home. In English-speaking countries, not only were his main books part of many university syllabuses for a long time (for example, Australia, New Zealand), but also aspects of his approach and theory deeply affected the trend and character of ‘local’ economics. For instance, Marshall’s ideas on the scope and method of economics, on the role of biological thinking in economics, and on applied economics were fundamental reference points for many economists in New Zealand, whereas Marshall’s monetary theory was especially emphasised in Australia.

The case of the US constitutes of course a separate chapter among the English-speaking countries. In the pluralistic scenario of the early twentieth century up to the 1930s, before, that is, the US had emerged as the leading world centre for the development and dissemination of economic theory, Marshall’s thought could play an active role in enhancing differences and stimulating new lines of research. As the century wore on, however, the intellectual vitality of American academia and (we may add) the influx of numbers of refugee scholars from continental Europe quickly turned the perception of Marshall’s work from that of a point of contemporary reference to a thing of the past with ‘no more than historical interest’. Yet pluralism remained an essential component of the American scenery, so that an important Marshallian enclave could continue to thrive in Chicago and fuel the economic debate for a long time to come.

Remaining in North America, the proximity of Canada to Harvard and Chicago, in addition to the important role played in the US by institutionalism (and, through it, by the German historical school), seems to have played a role in preventing Marshallian writings and thought from spreading widely in that country, despite the presence at McGill University for a certain period of A.W. Flux, a direct pupil of Marshall’s.

With regard to non-English-speaking countries, the situation is more complex. Language barriers hampered the direct diffusion of Marshall’s writings, rendering the process generally slower and more difficult. A complete list of the first translations of Marshall’s works into foreign languages, even limited to the Principles alone, is unfortunately unavailable and proved to be very difficult to reconstruct (as a tip for future researchers willing to face this daunting task, we suggest that an investigation in the archives of the former Macmillan and Co., now Macmillan Publishers, would probably be more rewarding than a country-by-country survey). In the group of non-English-speaking countries we may distinguish two alternative scenarios: (1) countries...
in which there was already an important alternative economic tradition that served to obstruct the spread of Marshall’s economics; and (2) countries in which peculiar characteristics of culture and sensitivity fostered the diffusion of Marshall’s thought.

In the first group we find France, with a clearly deep-rooted Walrasian and general equilibrium tradition; the German-speaking countries and Poland, with the role of alternative tradition played first by the Historical and then by the Austrian schools; and Sweden, with its national tradition of theoretical economics. In these countries Marshall’s writings and thought had a rather weak influence, often circumscribed within a short period of time (such as the interwar period in Poland) or limited to the role played by individual scholars (such as A. Lowe in Germany or N.G. Pierson in early twentieth-century Holland, at that time a country under the theoretical influence of Germany).

In China, partly because of the State censorship that for a long time took Marshall for a representative bourgeois economist, his thought had apparently almost no influence, although some of his books were translated and used as textbooks in certain universities. More recently, in the wake of China’s opening to the Western world, the main reference for economic studies has been the US.

In the second group we have Italy where, despite a strong presence of the Pareto–Walrasian tradition, a large number of economists diffused Marshall’s writings (M. Pantaleoni to begin with, followed among others by R. Dalla Volta, M. Fanno and F.M. Vito), although in some cases in a form mixed with Walrasian elements (or example, U. Ricci), Belgium (E. De Laveleye, M. Ansiaux) and Norway (T.H. Aschehoug, P.T. Aarum, R. Frisch), where Marshall’s books were widely known and the *Principles* used as a textbook. In Norway, the most appreciated aspects of Marshall’s thought were his method of analysis, and his analysis of production with particular regard to cost of production, the role of time and increasing returns.

Perhaps the most remarkable instance in this second group of countries is Japan, where Marshall, considered to be half-way between the classical tradition (J.S. Mill) and the German historical school, exercised a very deep influence. In particular, Marshall’s methodology (period analysis and *ceteris paribus*) was widely praised.

In all these countries Marshall’s influence was far from constant over time. With the consolidation of a compact, increasingly formalised and systematised hardcore of theoretical foundations in the second half of the twentieth century, his thought seemed to be relegated to an uninspiring periphery. But the essays collected here bear witness to a widespread if recent revival of Marshallian ideas in countries of both groups. The first case is that of Italy, where the 1970s saw a convergence of lines of research in industrial economics and in the history of economic thought that resulted in a reappraisal of Marshall centred on the concept of the industrial district. This event might be described
as a merger of Marshall's ideas on industrial organisation with the Italian tradition of *economia civile*. The second interesting case is France, where, after a long period during which Marshall's thought was neglected, life was finally breathed into his notion of internal and external economies thanks to the contributions of F. Perroux, while industrial district analysis began to flourish in the wake of its rediscovery in Italy. Similar processes took place in Portugal and Spain. Finally, Japan has recently witnessed the re-evaluation of some aspects of Marshall's thought, especially with regard to industrial economics and social and political issues.

The case of Spain, which we feel to be one of the missed opportunities of this volume, deserves a few words of explanation. Early in 2003, while still planning the entries for the ECAM, we asked Lluis Argemi, professor at the Universitat de Barcelona, for an entry on the diffusion of Marshall's thought in Spain. In due time he sent us a draft of the first part of the essay, and requested a meeting to discuss it before engaging in the second part. At that moment we were busy dealing with an ECAM which by then was growing in size beyond all our expectations, and the *rendezvous* was postponed several times. Unfortunately, in March 2007 Professor Argemi suddenly died. We tried in vain to find someone to revise and complete the draft that he had left, and so have decided, in the end, to publish it as it is. We apologise for the partial coverage of a country so important as Spain, particularly because the post-1950 period that is left out is certainly the most interesting part of the story (for in these years several Catalan economists engaged in studies of Spanish industrial districts played a constructive role in the generation of a new interest in Marshallian thought). In partial reparation, we inform readers that a substantial piece on Marshall in Spain can be found in the introduction by Professor Juan Velarde Fuertes to a recent reprint of a 1948 Spanish translation of the *Principles* (Velarde Fuertes 2005). Also J. Trullén (2009) is of some interest in this connection.

The three 'personalised' chapters in Part VI are intended to meet a possible objection and to repair an omission in the ECAM. Certainly the reception of the thought of an important author in foreign countries is always swayed, at least in part, by chance factors, such as for example the presence of other eminent and locally influential actors with whose thought the work of the former may harmonise favourably or clash disgracefully for totally idiosyncratic reasons. When the characters in question play their roles, be they supportive or oppositional, in well-defined national contexts, as was the case for example with Pantaleoni in Italy (supportive) and Walras in France (oppositional), these factors are easily captured in a country-by-country survey such as the present one. But important actors risk slipping past without being noticed when particular biographical circumstances lead them to spend their life and exert their influence in transnational environments. An outstanding example is Sraffa, a Cambridge-based Italian economist who certainly played a large part in the decline of Marshallian
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economics in most European countries soon after Marshall's death. Sraffa's case was always known to be important and consequently received dedicated treatment in the ECAM, but other similar cases escaped the editors' attention at the time, and did not fit perfectly into the national format of the first three parts of this volume. This is why we planned this special section with three chapters devoted to, respectively, Pareto, Schumpeter and Georgescu-Roegen. Their role in the story of the reception of Marshall turns out to have been a mixed one. Their attitudes went through phases that reflect their own personal evolution: Pareto distancing himself progressively from Marshall while Schumpeter and Georgescu-Roegen ended up recognising some common ground, albeit with some circumspection and always with qualifications. None of the three had the spirit of a follower, but the three chapters do point to a common element – the presence within each of a few Marshallian seeds, each of which sprouted into different varieties of economic plants.

The survey conducted in this volume suggests to us a final consideration concerning the very nature of Marshall's overall contribution to economics. The kind of reception that his thought encountered seems to indicate that its strongest point was not 'universality' in the sense mentioned above – the ability to design an intellectual game attractive to a wide range of minds and characters – rather, its strongest point arose from the forceful utilitarian inclination that led him to conceive of theories as 'adaptive toolboxes', operative implements for practical men involved in problematic situations, no matter whether they were economists, politicians or businessmen. In the guise of a universal doctrine the appeal of Marshallian economics quickly waned, displaced from the central economic canon by theoretical engines of more sophisticated design that appeared to provide a more adequate interpretation of what Marshall himself had called the 'firm backbone' of the discipline. But as a practice-oriented doctrine it held out against all rivals and met with wide and renewed acceptance, especially when and wherever attention was turned to issues of social and industrial organisation. After all is said and done we may very well conclude that Marshall's contribution to what was to become the internationally-established economic mainstream was comparatively minor; but not so the impulse that he gave to the study of local circumstances as the only way to bring general economic principles to bear on the solution of factual problems. This is a major methodological contribution, and one that is definitely not neutral with respect to the contents of economic theory; for it presupposes that the economic principles themselves are given an inherently flexible formulation, that they are open to continuous negotiation with novelty, and that they are conceived not as cornerstones of a fully-fledged paradigm but as evolutionary instruments by means of which human societies can learn how to deal with changes either of the endogenous sort or those deriving from external sources.
The recent Marshallian revival, as witnessed by the publication of archive material that has widened our understanding of his work, the blossoming of essays and books devoted to his thought and culminating in the ECAM, and indeed also illustrated by this volume, is evidence of the enduring appeal of Marshall’s work. This revival may also be taken as a sign of an implicit request for more variety in the way economic theories are designed; a request fully in line with the evolutionary spirit (remember the Principles, V, iv, §3, ‘the tendency to variation is a chief cause of progress’) which animated the whole of Marshall’s thought. And indeed, after the long period of relative stability that marked the heyday of general equilibrium theory, today’s economics is undergoing considerable change. New developments in economic and social science inspire new readings of Marshall’s work; while the latter, in turn, has proved to be capable of inspiring and accompanying ever-newer research programmes. These processes are emblematic of what Marshall himself defined as a classical author: ‘[A] classical author … has stated or indicated architectonic ideas in thought or sentiment, which are in some degree his own, and which, once created, can never die but are an existing yeast ceaselessly working in the Cosmos’ (Marshall to Bonar, 27 September 1898, in Pigou 1925, p. 374).

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REFERENCES