

# Prof. Roger Backhouse

Seminar: October 10, 2013

## Abstract:

### **Writing an intellectual biography of Paul A. Samuelson**

Paul A. Samuelson (1915-2009), the first American economist to receive the Nobel Memorial Prize in Economic Science, was one of the dominant figures in economics after the Second World War. His *Foundations of Economic Analysis* (1947) laid down many of the techniques used by mathematical economists, whilst his introductory textbook, *Economics* (1948), now in its nineteenth edition, influenced the way elementary economics was taught for many years. He is the author of seminal articles in consumer theory (revealed preference), international trade (the Stolper-Samuelson theorem), public economics (pure theory of public goods), finance (efficient markets), business cycle theory (the multiplier-accelerator model and the consumption-loan model) and was for many years considered the leading American Keynesian. He became a regular newspaper columnist and for fifteen years had a *Newsweek* column alongside Milton Friedman, as well as being an economic adviser to John Kennedy. He was also the dominant figure in the economics department at the Massachusetts Institute of Technology, which by the 1960s had come from being a department that provided service teaching for engineering programmes to being widely seen as the top economics department in the world.

The focus of the talk will be Samuelson's intellectual formation in the 1930s and 1940s. He began as an undergraduate at Chicago, where under the shadow of Frank Knight and Jacob Viner, he overlapped with Milton Friedman, Aaron Director and George Stigler, future luminaries of the Chicago School. He then moved to Harvard, becoming a protege of Joseph Schumpeter, taught mathematical economics by Wassily Leontief, Gottfried Haberler and, above all, by the polymath mathematician-physicist-economist, Edwin Bidwell Wilson. His Keynesianism developed under the tutelage of Alvin Hansen, at Harvard and in government service during the Second World War. It will try to explain why Samuelson was important and to outline some of the puzzles surrounding Samuelson and the different facets of his work, and to describe some of the problems that arise in trying to reconstruct his intellectual development.