



Economics Laureates' Responses to Questionnaire on Ideological Migration

Econ Journal Watch

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The project called “The Ideological Migration of the Economics Laureates” fills [the September 2013 issue of this journal](#). In doing the project the investigators emailed the living laureates with a questionnaire asking them of their ideological character and outlook over time. This document collects the responses received from the twelve laureates who responded: Kenneth Arrow, Ronald Coase, Peter Diamond, Eric Maskin, James Mirrlees, Roger Myerson, Edward Prescott, Thomas Schelling, William Sharpe, Vernon Smith, Robert Solow, and Michael Spence. We are very grateful to them for their kind replies.

All twelve of the responses are from correspondence to Daniel Klein, and all were by email except the response from Robert Solow, which was a letter. The date of the correspondence is given after the laureate's name.

Response from Kenneth Arrow (April 14, 2013):

I have some trouble defining what is my “ideology,” and how is it manifest in my scholarly or other behavior. I have and have had a set of values. I don't think they have changed in a fundamental sense, but the changing issues in society have certainly led to different emphases.

In some sense, underlying any ideology has been an epistemology, one which has emphasized the uncertainty of knowledge and the difficulties of communicating it. This has always inhibited any extreme commitment on my part to a set of values or to

a policy; there is always something on the other side. It has led, in part, to a preference for well-formulated problems (this is a limitation, not a boast), where at least what I am saying is clear.

To the extent that I have strong moral commitments, they are freedom for all humans and a respect for the values and opinions of others. With regard to the first, under the heading of freedom, I include economic viability (income, in a modern economy). The freedom to make choices in a market economy demands the ability to choose jobs and goods. I therefore have a built-in belief that reducing income inequality is not in contradiction to economic freedom but part of it. More concretely I found race discrimination, perfectly open in my younger days, to be an evil even if grounded in widespread popular support.

I was rather precocious intellectually and lived in an era where good students were encouraged to accelerate. I graduated college before I was 19. My parents were very engaged in the news of the day and, in particular, political news, and current politics would be discussed at the dinner table, certainly from the time I was 10 or 11. They were centrists and became admirers of Franklin Roosevelt, my mother very enthusiastically so, my father with his characteristic cynicism.

Living during the Great Depression, which affected us personally, I early regarded myself as a socialist (say from age 12 on). However, almost as soon as I thought about it, I found the Soviet Union to be a vicious tyranny, especially as manifested in the show trials (of the old Bolsheviks). These views remained about constant until my college graduation in 1940. When I started graduate study, I intended to become a statistician and enrolled at Columbia where Harold Hotelling taught. However, there was no department of statistics, so I had to enroll in Economics, Hotelling's department. He gave a course in mathematical economics, and this started the process by which my primary interests shifted towards economics proper. Hotelling himself was a socialist, though one who emphasized the role of the market even under socialism, so my previous views were reinforced and clarified. (I should note that Hotelling never attempted to influence anyone's views; I learned his views from his written work.) These certainly influenced my work (alone and with others) on general equilibrium as an ideal to be achieved by a mixture of private enterprise and public planning and regulation; much of this was embodied in

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my joint work with Leonid Hurwicz, collected in Arrow and Hurwicz, *Studies in Resource Allocation Processes*, Cambridge University Press, 1977.

After returning to graduate study from military service, I found a growing prosperity. My general views shifted to planning in mixed economies, such as seemed to be emerging in Europe. I gradually realized over the following decade that the European planning was largely illusory. On the other hand, the idea that the market could solve all problems seemed to me patently false on thoroughly sound neoclassical arguments. From a policy viewpoint, my attitude (“ideology” seems too grand a term) was essentially that of benefit-cost analysis. State measures could be and frequently were useful, but their outcomes had to be compared with the alternatives. No simple slogans could give useful answers. I tended thereafter to concentrate from the policy viewpoint on the role of public investment; a representative technical work is my book with Mordecai Kurz, *Public Investment, The Rate of Return, and Optimal Fiscal Policy*, Johns Hopkins, 1970. Two popular articles which give some idea of my point of view are, “A Cautious Case for Socialism,” *Dissent*, Fall, 1978, pp. 472-80, and, “Two Cheers for Regulation,” *Harper's*, 1981, #262, pp. 18-22 (I am not responsible for either title).

My research also tended to concentrate on well-defined specific issues, whether it was social choice, medical care, or inventory policy.

Certainly, my thinking has evolved by observation and analysis, as I hope it should have. But it has not been altered in its essence.

Response from Ronald Coase (March 23, 2013):

1. When you were growing up, what sort of political or ideological views were present in your family and household? Did you have views as a youngster, say at age 18? If so, kindly describe them for us.

My family naturally held socialist views because of a family friend, who was the head of the largest labor union in Britain.

I was a socialist at age 18.

2. How about at age 25 or so? Had they changed at all by then?

I held inconsistent views at 25. I was a socialist who believed in the market. Arnold Plant exposed me to the working of the invisible hand.

3. And how about age 35 or 40? Please describe any changes undergone since your early twenties.

During the war time (1945), everyone was preoccupied with the war. No one really considered the larger questions.

4. And now please bring it down to the present. Have your views changed since your late thirties? How so? How would you describe your present political sensibilities or outlook?

My views have changed immensely. It's hard to say how. The war experience had certainly changed my views.

I remain optimistic about the political future. But the fact that it was our luck that we won the war worries me about the future.

5. Overall, would you say your views have changed, and, if so, have they changed in a way that can be summarized as changes of a particular nature or character? Did your thinking "move" in a particular "direction" (using the notion of ideological space)?

Yes, my views have changed dramatically. But it did not happen as a simple shift in direction from being a socialist to a believer in the market. What I saw and what I lived through in the war played a big part in shaping my views on the role of the government. I still have hopes, but not convictions.

6. If your views did undergo changes, what caused the changes? Was it reading, thinking, experience of some kind, or the influence of particular people, including intellectual figures? All of the above? Something else? We will be very grateful if you try to explain why your views changed, to whatever extent they did.

My teacher Arnold Plant and the war experiences greatly changed my views. Before Plant, I had no idea of how the free market would work. The war experiences led me to see the inefficiency of big organizations, including the government, particularly their tendency to hide errors.

Response from Peter Diamond (May 31, 2013):

1. When you were growing up, what sort of political or ideological views were present in your family and household? Did you have views as a youngster, say at age 18? If so, kindly describe them for us.

There was very little to no political discussion as I grew up (on Long Island, as we left the Bronx when I was 6). I have two memories of my parents' politics. My father never voted in a primary; he explained that he was not willing to be identified with a political party. I have one memory of my mother saying that she was a liberal, evidenced by her support for Eisenhower for President. I was

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apolitical at 18 and remained apolitical throughout my undergraduate years.

2. How about at age 25 or so? Had they changed at all by then?

As a grad student (ages 20–23) I was conservative. Read the *National Review*. Enjoyed William Buckley. Listened to the first Kennedy-Nixon debate on radio. Thought Nixon won handily. Not old enough to vote in that election.

By 25 I had moved left. I attribute that to three causes—moving to Berkeley, becoming involved with the woman I married at age 26, and teaching public finance, which expanded my understanding of the potential roles of the government.

3. And how about age 35 or 40? Please describe any changes undergone since your early twenties.

In my 30's I moved further left. Some of that was Nixon and Vietnam. Some was getting involved in work on Social Security, which expanded my view of the positive role of government—including helping people with bad decisions and recognizing more about the importance of this program to many people (as I wrote about in 1977). Possibly relevant was my basic research on incomplete markets and search which expanded my awareness of the normative limitations of competitive equilibrium beyond the standard externalities framing I had studied as a graduate student. In 1980 I voted for John Anderson for President.

4. And now please bring it down to the present. Have your views changed since your late thirties? How so? How would you describe your present political sensibilities or outlook?

In my 30's I thought each party was better at some policy issues, with the Democrats being closer to my normative concerns and the Republicans having better understanding of some aspects of the economy. That Republican party is mostly gone. When asked in my 40's about my politics at a World Bank seminar I was presenting, I said I was a Democrat and an economist, which qualified the type of Democrat I was. I am not aware of a change in my underlying policy approach, although, of course, circumstances have changed and so policy specifics have changed.

5. Overall, would you say your views have changed, and, if so, have they changed in a way that can be summarized as changes of a particular nature or character? Did your thinking "move" in a particular "direction" (using the notion of ideological space)?

From my early 20's to my late 30's I moved distinctly left in my policy views. Since then, I think I have been pretty stable in policy views, while the changes in political parties has moved me left in my political support. While I am very aware of ways that the government does not do a really good job, I think that it is more useful to contribute to the political discourse by pointing out how government can do good things and do better, rather than simply being opposed to policies that are mixed bags—mixed bags are inevitable in American democracy, so the question for me is how to try to improve the mix.

6. If your views did undergo changes, what caused the changes? Was it reading, thinking, experience of some kind, or the influence of particular people, including intellectual figures? All of the above? Something else? We will be very grateful if you try to explain why your views changed, to whatever extent they did.

Answered above.

7. We welcome citations to your writings that express your political views. We also welcome whatever tips you would give to someone researching your political views and their course over time.

My *NY Times* op ed when I stopped being a candidate for Fed Governor (June 5, 2011).

Response from Eric Maskin (April 19, 2013):

1. When you were growing up, what sort of political or ideological views were present in your family and household? Did you have views as a youngster, say at age 18? If so, kindly describe them for us.

My parents were liberals (in the American sense), and I was too. Probably, I was a bit more left-wing (for example, I strongly favored affirmative action in college admissions, and they were more doubtful).

2. How about at age 25 or so? Had they changed at all by then?

If anything I was even more left-wing (had some socialist sympathies).

3. And how about age 35 or 40? Please describe any changes undergone since your early twenties.

Gradually evolution toward the center.

4. And now please bring it down to the present. Have your views changed since your late thirties? How so? How would you describe your present political sensibilities or outlook?

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Still to the left of center. Strongly liberal on social matters—e.g., favor abortion rights, gay marriage. Somewhat more centrist in economic matters, but favor Keynesian stimulus, oppose austerity measures in times of low inflation/high unemployment, and favor tougher regulation of leverage in the banking industry.

5. Overall, would you say your views have changed, and, if so, have they changed in a way that can be summarized as changes of a particular nature or character? Did your thinking “move” in a particular “direction” (using the notion of ideological space)?

Views, at least in economic matters, have become more moderate (but still to the left).

6. If your views did undergo changes, what caused the changes? Was it reading, thinking, experience of some kind, or the influence of particular people, including intellectual figures? All of the above? Something else? We will be very grateful if you try to explain why your views changed, to whatever extent they did.

All of the above.

Response from James Mirrlees (May 7, 2013):

1. When you were growing up, what sort of political or ideological views were present in your family and household? Did you have views as a youngster, say at age 18? If so, kindly describe them for us.

My parents were Scottish presbyterian, and politically conservative. At 18 I was a Christian, already somewhat egalitarian and, as far as I remember, beginning to understand and agree with utilitarianism.

2. How about at age 25 or so? Had they changed at all by then?

At 25, I was still a (protestant) Christian; philosophically utilitarian, or, I would rather call it, welfarean, in the sense that utility is to be a measure of welfare, not necessarily preference revealed by behaviour; politically a social democrat, a labour voter. At that time, I thought that planning and State ownership were to be recommended. I certainly did not think that was an ideology: it appeared to be an application of fundamental values.

3. And how about age 35 or 40? Please describe any changes undergone since your early twenties.

At 35 no longer Christian, atheist rather. Not that that has much to do with values, which were much the same. Conclusions about what should be done had changed, as a result to analysing economic models,

which, at that time, seemed to have shown that redistribution should be less than I had thought earlier. I had also found that detailed full economic planning was not the best way to run an economy.

4. And now please bring it down to the present. Have your views changed since your late thirties? How so? How would you describe your present political sensibilities or outlook?

Evidence is showing that taxation as progressive as in Scandinavia is pretty good—more redistribution than I thought 40 years ago. And I can see that, largely for political reasons, many of the free-market economies are doing a poor job of avoiding unemployment and low median-consumption. I favour a highly taxed, highly regulated economy, but not an autocratic State. I suppose that makes me a pretty standard-model old-fashioned liberal (in the American sense). It's implied by fundamental values and empirical observation, not, I suggest, an ideology acquired by infection from friends, gurus or preachers. Certainly my policy beliefs can still change.

Response from Roger Myerson (May 26, 2013):

1. When you were growing up, what sort of political or ideological views were present in your family and household? Did you have views as a youngster, say at age 18? If so, kindly describe them for us.

My parents were liberal Democrats, strongly supporting the civil rights movement and opposing the Viet Nam war. I worked for Gene McCarthy and for George McGovern, who at least carried my home state of Massachusetts. But in college, I also opposed radical moves to close the universities down in protest against the war. I felt that we should not undermine our institutions of higher education just because we were upset about the war. A desire to join with other students in calling for our universities to remain open led me to join the Young Republican club in my college for a time.

2. How about at age 25 or so? Had they changed at all by then?

I supported Jimmy Carter for president, and I still admire him greatly.

3. And how about age 35 or 40? Please describe any changes undergone since your early twenties.

My opposition to Ronald Reagan was based mainly on his policies on nuclear weapons. Even as the Soviets moderated ideologically, Reagan seemed unwilling to sign treaties to limit our

vast and profoundly dangerous stockpiles of nuclear weapons, and his enthusiasm for anti-ballistic missile systems struck me as dangerously destabilizing. I was sympathetic with many of Reagan's economic initiatives to strengthen free-market competition, but Democrats were also supporting deregulation.

At the end of the Cold War in 1989, I thought that the end of the nuclear arms race with the Soviet Union might create a political environment in which I could consider voting for Republicans as well as Democrats in national elections. After all, my training as an economist made me sympathetic to their positions on free-market and size of government issues. But then, after 1989, the Republicans tended to move en masse ideologically away from me on domestic issues such as abortion. So I supported Bill Clinton in both his presidential elections.

4. And now please bring it down to the present. Have your views changed since your late thirties? How so? How would you describe your present political sensibilities or outlook?

In no election during my life has the difference between the two parties' positions seemed smaller and less important than in the 2000 election. I supported Gore, but saw little significance in the election of George W. Bush. But the invasion of Iraq in 2003 radicalized me. I actually joined a local community group that organized regular public protests against the Iraq war for months before and after the actual invasion.

After the invasion, however, when America took responsibility for Iraq, I felt that we greatly magnified the mistake of invading by taking the wrong strategy in the political reconstruction of Iraq. The question of how to politically reconstruct an occupied country to best serve its people is a fundamental question to which social scientists can offer important insights. Thus, in spite of my active opposition to the invasion of Iraq, the questions of counter-insurgency strategy that followed it have actually gotten me involved with military policy analysts, and I serve proudly on the board of a military journal that is devoted to studying the problems of political stabilization and state-building. I have recently written a paper on Standards For State-Building, a proposed set of standards for policies that could be recommended to an occupier who want to demonstrate that their temporary political control is aimed, not to impose some neo-colonial domination, but to create a stable democratic political system for the benefit of the local population.

5. Overall, would you say your views have changed, and, if so, have they changed in a way that can be summarized as changes of a particular nature or character? Did your thinking “move” in a particular “direction” (using the notion of ideological space)?

I have always been mostly concerned about avoiding the horrors of war among great powers. Although my views as an economist made me slightly more sympathetic to some economic policy positions of the rightist party in America, my views on international relations have always made me a strong supporter of the leftist party in America. As I review the history of my political thinking for this survey, I am struck at how constant that has been.

6. If your views did undergo changes, what caused the changes? Was it reading, thinking, experience of some kind, or the influence of particular people, including intellectual figures? All of the above? Something else? We will be very grateful if you try to explain why your views changed, to whatever extent they did.

The questions of the world have changed, but my basic approach to political questions has not greatly changed during my adult life.

7. We welcome citations to your writings that express your political views. We also welcome whatever tips you would give to someone researching your political views and their course over time.

Please let me mention several short pieces that I wrote.

In February 2003, a few months before the invasion of Iraq, I wrote an op-ed piece that an old friend helped me to get published in the *Minneapolis Star-Tribune*. Four years later, when I won a Nobel Prize for economics in the same week that Al Gore won a Nobel Peace Prize, one commentator (David Henderson, [link](#)) described my words in this article as “more important for world peace than anything Al Gore has ever done.” This 2003 article is available on my web page ([link](#)).

In May 2008, I was invited as a Nobel laureate to speak at a major conference in Jerusalem at the 60th anniversary of the founding of the state of Israel. There I spoke about peace-making from a similar critical perspective, focusing on the need for manifest restraint in deterrence strategies. My Jerusalem talk is available on my web page ([link](#)).

Finally, let me mention two papers on state-building. One article on “Rethinking the Fundamentals of State-building” was published in the military journal *PRISM* and is available online ([link](#)).

The other article on “Standards for State-building” is on my web page ([link](#)).

Response from Edward Prescott (March 6, 2013):

1. When you were growing up, what sort of political or ideological views were present in your family and household? Did you have views as a youngster, say at age 18? If so, kindly describe them for us.

In high school I was a Fabian socialist.

2. How about at age 25 or so? Had they changed at all by then?

Yes they changed in college. Incidentally, at 25, I still used the macro paradigm underlying the macro-econometric models that came to predominance in the 1950s and 1960s and failed so spectacularly, as predicted by dynamic economic theory, subsequently.

3. And how about age 35 or 40? Please describe any changes undergone since your early twenties.

By 35 the advances in tools made it possible to use economic theory to model dynamic economic phenomena.

4. And now please bring it down to the present. Have your views changed since your late thirties? How so? How would you describe your present political sensibilities or outlook?

In the late 1970s, Kydland and I developed the methodology that made dynamic aggregate economics a hard quantitative science. So much has been learned by so many using this methodology. Economic theory predicts and predicts well what will happen condition on future policy rules.

I believe a better system is one with individual responsibility and decentralized arrangements than paternalistic statism. Political views still are a matter of what I call religion and not science.

Religion in the sense I am using the word is crucial to getting around the time inconsistency problem. Without it there would not be society.

5. Overall, would you say your views have changed, and, if so, have they changed in a way that can be summarized as changes of a particular nature or character? Did your thinking "move" in a particular "direction" (using the notion of ideological space)?

No.

Response from Thomas Schelling (June 12, 2013):

I was a high-school boy in the 1930s. My father was a naval officer, probably Republican by instinct but appreciative of Franklin

Roosevelt, who had been Assistant Secretary of the Navy and protected the Navy from salary cuts. So my father favored Roosevelt. My mother's father was a banker and conservative, but my mother didn't seem to have any political views. We were personally insulated from the Great Depression by my father's profession. I don't remember having serious political views of my own until I went to UC Berkeley as a sophomore in 1939 at age 18. At that point I became close friend of a former high-school classmate and he recruited me on the UC debate team, which was more of a communist club than a debate team. Several of my closest college friends were communists. I attended a meeting at which some "representatives" presented a line of some sort, which I argued against, and the speaker asked whether I was "one of them" and some of my close friends said I was not, and he left me alone. That, I think, is when I stopped wondering whether I should, as some friends insisted, join the party.

A postscript: three of my closest friends, male, and their three wives, were communists at the time; within a very few years the three men all quit the party but I think their wives did not.

I left Berkeley in January 1940 to go to Chile. I wanted a year abroad but there was a war in Europe, and a fellow at my rooming house was Chilean and talked me into Chile. My parents were in the Panama Canal Zone, my father back in the Navy; I was still eighteen and merited free transport to where my parents were, and they were eager to see me and agreed on my Chilean venture.

In Chile I decided the University was not for me and took a job as night watchman at the US Embassy. An FBI agent arrived to open up an FBI office in the Embassy; I showed him around Santiago and he asked me to be his personal assistant. I did that until early 1943, when I had stomach pains and the ambassador let me go home, which I did on a US merchant ship carrying copper from northern Chile. I went back to Berkeley where my former roommate (not one of the communists) was in medical school; he arranged a doctor's appointment; it was determined I had ulcers and was on a rigid diet for a year, and neither the army nor the navy would have me, it being generally thought that ulcers resulted from "stress" and in combat I'd be a liability. So I finished my bachelor's degree.

And there I majored in economics and had one professor in a small seminar—there were few men left on campus except for ROTC, and few women took economics—so the class was only a dozen. I was so inspired by that teacher, William Fellner, and I decided I'd become

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an academic economist. From there I went to Washington and had a great job in the Bureau of the Budget, from there to Harvard Graduate School in economics in the summer of 1946. I had, at Berkeley, become a confirmed Keynesian, became even more so at Harvard. I no longer had any "radical" friends, although everybody I knew was "liberal" in attitudes toward race and economic activism.

I did well in graduate work, partly because of a good Berkeley education and partly because my 18 months in the Budget Bureau with two excellent economists as my bosses gave me a lot of experience. So I was awarded Junior Fellowship in the Society of Fellows at Harvard, one of the most prestigious fellowships in the world, and was set to spend the next three years studying with great freedom at Harvard.

A friend of mine phoned me from Washington in May or June of 1948 and said he had taken a job with something called the Marshall Plan and had an opportunity to go to Paris, but couldn't go until he had a replacement, and wondered whether I'd like to spend the summer working for the Marshall Plan in Washington. I did, and worked for a man who was appointed Marshall Plan executive officer in Copenhagen, and he asked me to go along. I took leave of my Fellowship and went; at the end of the year I was invited to the central office in Paris, and went for sixteen months, when my Paris boss, who had moved to the White House along with Averill Harriman, said he'd arranged for me to be his assistant.

So I went to Washington and had a great time, first in the White House, then in the Office of the Director for Mutual Security (Harriman), mostly conducting negotiations with the Marshall Plan-NATO nations on their financial and military-equipment aid and their contributions to NATO forces. My politics didn't have much to do with it; when Eisenhower replaced Truman, Harold Stassen replaced Harriman. I liked Stassen, thought he was one of the smartest men I had known. I didn't notice any great difference in our foreign aid programs that the transition to a Republican Administration made. I was, of course, disgusted by McCarthy, whose insidious reach we felt even back in my Paris days.

In 1953 I went to Yale as associate professor of economics and worked on bargaining theory, what later became game theory, wrote on international economics, and didn't have much occasion to change my political views. I spent a year, 1958-59 at the RAND Corporation, and my career turned to nuclear weapons policy, which didn't much change my political views. I then migrated to Harvard and taught

international economics, economic policy, and game theory. That's where I voted for some Republicans, while still considering myself a democrat. I did a lot of consulting with the government on nuclear weapons policy and mostly was satisfied with the Democratic Administration. No great changes in my social or political views there.

I spent thirty-one years at Harvard, and don't recall any significant change in my social-political views. Then I spent fifteen years at Maryland and still don't recall any influences on my social-political thinking. I had plenty to object to in Federal policy, especially Congressional, but I don't recall significant changes in my views.

I was always a "social liberal" as well as Keynesian economist. I favored allowing abortion, treating homosexuals as equals, admitting immigrants, doctor-assisted end-of-life measures, integrating races, ameliorating the "war on drugs", protecting women and their rights, etc. I think most if not all of my colleagues and friends shared my views. I cannot think of any serious change in my political or moral attitudes during the past fifty years.

I ran through the list of my 210 publications to see if any of them reflected my political-moral views—not policy issues but perspectives—and couldn't find any.

I'm afraid this has been a pretty uninteresting autobiography.

Response from William Sharpe (June 17, 2013):

1. When you were growing up, what sort of political or ideological views were present in your family and household? Did you have views as a youngster, say at age 18? If so, kindly describe them for us.

My family was relatively apolitical. The older members on my mother's side were rock-ribbed New England Republicans, while those on my father's side were Republicans but relatively moderate ones by the standards of the day. I grew up in WWII, during which my father served in the army and there was relatively little division in general. I would say that both of my parents drifted toward the support of first Roosevelt, then Truman.

When I was 18 I was relatively sympathetic with government involvement in large parts of life, and satisfied as a consumer of public education through high school, then at the University of California (Berkeley and Los Angeles).

2. How about at age 25 or so? Had they changed at all by then?

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Not really. I finished my Master's at UCLA, then served in the Army. After that I worked at the RAND Corporation. I had become a Democrat (as had my father). I continued my studies, earning a PhD in Economics while working full time at RAND as well. I managed to repeat the mantra that Economics addressed questions of efficiency, not necessarily those of equity. I learned about the efficiency associated with a market economy but still felt that government could play an important role concerning public goods, externalities and limited amounts of redistribution.

3. And how about age 35 or 40? Please describe any changes undergone since your early twenties.

No major changes. I had moved to the study of Financial Economics and the efficacy of markets for allocating risk and resources over time. But I knew that often people chose to make bets without the desire to hedge against existing risks and that the financial industry often charged unnecessarily high fees for its services.

4. And now please bring it down to the present. Have your views changed since your late thirties? How so? How would you describe your present political sensibilities or outlook?

Perhaps my skepticism has deepened. Like most of my colleagues I have an increased appreciation for the foibles of human decision-makers and the willingness of those in the financial industry to exploit some of them. But I still have a great respect for the ability of markets to allocate resources well if participants are reasonably well informed.

5. Overall, would you say your views have changed, and, if so, have they changed in a way that can be summarized as changes of a particular nature or character? Did your thinking "move" in a particular "direction" (using the notion of ideological space)?

I like to think that my views are more nuanced now, as they should be. We have all learned much about the behavior of individuals, the effects of certain market forces, the foolishness of some governmental policies, and so on. But I wouldn't say that I have moved "left" or "right." I sometimes say that I am a knee-jerk liberal with an appreciation for the efficiencies of a market economy. Relative to the past, I hope that I am better informed and less inclined to adhere to any sort of party line.

6. If your views did undergo changes, what caused the changes? Was it reading, thinking, experience of some kind, or the influence of particular people,

including intellectual figures? All of the above? Something else? We will be very grateful if you try to explain why your views changed, to whatever extent they did.

In graduate school at UCLA I was greatly influenced by Armen Alchian, who taught me much about economics. I did not adopt some of his more deeply held views about free markets, but have always asked myself why I might disagree with some of his conclusions about public policy, to be sure that at least I have reasoned carefully from my own premises.

7. We welcome citations to your writings that express your political views. We also welcome whatever tips you would give to someone researching your political views and their course over time.

I have tried to keep my values separate from my analyses, or at least to make them explicit where this would be important. I prefer not to express my political views in public since I find it too easy to see both sides of many issues.

Response from Vernon Smith (April 19, 2013):

1. When you were growing up, what sort of political or ideological views were present in your family and household? Did you have views as a youngster, say at age 18? If so, kindly describe them for us.

My mother was a socialist and her Wichita friends were Marxian socialists; she had only an eighth grade education but that did not keep her from running for Kansas State treasurer on the Socialist ticket. In 1936 when I was nine years old I helped pass out program leaflets for Norman Thomas, candidate for President against Roosevelt. He used to complain that Roosevelt got elected by stealing his program. At 18 (1945) I would have been a member of the YPSL (Young People's Socialist league). Also a member of CORE—Congress on Racial Equality. We challenged the local theaters that required blacks (Negroes in those days—"blacks" was derogatory) to sit in the balcony. Our biggest problem was to get blacks to join us. CORE did things in defiance of the NAACP. I was also a peacenik, who had decided that support for that war was justified; but after Hiroshima and Nagasaki I reverted to my peacenik days. That sentiment is still very strong with me today.

2. How about at age 25 or so? Had they changed at all by then?

At 25 I am a Harvard graduate student, and less political. (In 1948 (age 21) I voted for Norman Thomas.) I would start gradually

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to change because of my economic training (notwithstanding Alvin Hansen, Samuelson). I would be more influenced by Leontief and Haberler; largely because of my own choices than external sources.

3. And how about age 35 or 40? Please describe any changes undergone since your early twenties.

By 35 (1962) I have been doing experiments at Purdue for six years, and the behavior of my subjects was disabusing me of any latent beliefs that decentralized market processes were not efficacious. That utterly changed everything, but led also to the discovery that there were markets that performed badly—asset markets, later well represented by housing-mortgage markets. About 75% of private product is consumer non-durables, and these markets are essentially never a stability problem; instability comes from the other 25%, especially housing and that is a matter of too much of Other People's Money.

4. And now please bring it down to the present. Have your views changed since your late thirties? How so? How would you describe your present political sensibilities or outlook?

I find the Democrats of today pretty scary and the Republicans essentially paralyzed. I usually vote for the lesser of the two evils nationally, or, when they are indistinguishable, not at all. Last time around I voted for Gary Johnson whom I met here at Chapman.

5. Overall, would you say your views have changed, and, if so, have they changed in a way that can be summarized as changes of a particular nature or character? Did your thinking "move" in a particular "direction" (using the notion of ideological space)?

I have moved more and more out of that space.

6. If your views did undergo changes, what caused the changes? Was it reading, thinking, experience of some kind, or the influence of particular people, including intellectual figures? All of the above? Something else? We will be very grateful if you try to explain why your views changed, to whatever extent they did.

Some of all of the above, but fundamentally what I learned from the behavior of subjects in experiments.

7. We welcome citations to your writings that express your political views. We also welcome whatever tips you would give to someone researching your political views and their course over time.

You can cite *Discovery; A Memoir*. Bloomington, Ind.: Authorhouse, 2008.

Response from Robert Solow (March 10, 2013):

[1. When you were growing up, what sort of political or ideological views were present in your family and household? Did you have views as a youngster, say at age 18? If so, kindly describe them for us.]

1. I was born in 1924 in Brooklyn, NY, so grew up in the 1930s. My parents were wholehearted Franklin Roosevelt Democrats. Like most thinking students in that time and place, I was to the left of my parents. Something interesting happened. A major influence on me was a high school teacher who in her youth had been Emma Goldman's secretary, and still thought of herself as a philosophical anarchist. One consequence was that I never had a moment's sympathy for the Soviet Union (nor for Trotskyism—for me the rot set in with Lenin or before). So I never had the bad conscience that turned some of my contemporaries into right-wingers when disillusioned.

[2. How about at age 25 or so? Had they changed at all by then?]

2. By 25, after 3 years in the Army and more education, I was a liberal Democrat.

[3. And how about age 35 or 40? Please describe any changes undergone since your early twenties.]

3. Ditto.

[4. And now please bring it down to the present. Have your views changed since your late thirties? How so? How would you describe your present political sensibilities or outlook?]

4. Ditto.

[5. Overall, would you say your views have changed, and, if so, have they changed in a way that can be summarized as changes of a particular nature or character? Did your thinking "move" in a particular "direction" (using the notion of ideological space)?]

5. No change in general orientation. Of course I have changed my mind on some issues.

[6. If your views did undergo changes, what caused the changes? Was it reading, thinking, experience of some kind, or the influence of particular people, including intellectual figures? All of the above? Something else? We will be very grateful if you try to explain why your views changed, to whatever extent they did.]

6. I think my political views arise mostly from common observation and a dislike of being hoodwinked.

Not very interesting, but that's the point.

Response from Michael Spence (March 6, 2013):

I grew up in Canada. So the context doesn't quite fit the American structure.

I think my family was and I was and remain what might be termed a centrist democrat, with respect for markets, incentives and freedom but with a view that there is an individual and a collective responsibility for inclusiveness, expressed partially through government.

In terms of evolution not much has changed in that respect, but I know much more about the world and the developing countries where 85% of the world's population live. I have always believed that government has a crucial evolving (with circumstances) complementary role to markets, to play. That belief has been reinforced by the experience of developing countries.

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