



Why Is There No Milton Friedman Today?

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The question has a broad public aspect and a narrower professional one. Friedman was simultaneously an accomplished economist and an influential public intellectual. This fact provides part of an answer to the question in the title, because the combination of talents is quite rare. That they emerged simultaneously—*Capitalism and Freedom* and *A Monetary History of the United States* appeared within a year of each other—is singular. Friedman’s chief contemporary rival as an economist’s voice in the public square was probably John Kenneth Galbraith, but he could claim nothing like Friedman’s professional stature. Paul Samuelson shared with Friedman the public forum of a regular *Newsweek* column, and Samuelson might have emerged as Friedman’s multi-talented rival. But that did not happen.

The opportunities for economists today to communicate with a wider audience are greater than in the 1960s and ’70s, when Friedman made his first impact on public discourse. There are more media outlets and more time and space to fill and greater potential rewards than in Friedman’s time. Accordingly, there are probably more economists today seeking a non-professional audience than in Friedman’s time. However, the process is sequential rather than simultaneous. My sense of the typical pattern is that an economist achieves some professional distinction first and only thereafter enters the public arena.

Why was Friedman able to bring off a successful entry onto the public stage while at the height of his academic career? I can only speculate, but I see two reasons. First, it helped that Friedman didn’t answer big questions much differently for the two audiences. In this regard, I recall my first encounter with him vividly.

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Along with perhaps 50 other wet-behind-the-ears new Chicago graduate students I trooped into my first class—Milton Friedman’s Price Theory course. All of us eagerly awaited our inauguration into the deeper technical mysteries of our chosen profession. Instead we got an extended paraphrase of an essay entitled “I, Pencil,” in which a humble pencil tells us of the herculean coordination problem required to get itself produced and distributed and of the virtues of markets in solving that problem.² The technical level of the course did not subsequently rise very far above this. Friedman believed that the best economics consisted of applying some uncomplicated and basic insights to important real-world problems. This is also about what you get in *Capitalism and Freedom*. Think of the contrast with Samuelson, whose accomplishment after all includes a monumental systematization of economics that widens rather than narrows the distance between professional and lay discourse. For Samuelson a discussion of the issues of the day would require setting aside much of his best economics. He was able to do some of this for college freshmen in a best-selling textbook, but never really was able to move on to a larger audience. For Friedman this move came much more easily.

The second ingredient in Friedman’s success was his skill as a polemicist, in the best sense of that word. Friedman loved the cut and thrust of public as well as professional argument. He emerged in both arenas as an outsider. He only achieved broader professional respect and iconic public status after the Keynesian consensus collapsed in the 1970s. Until then he could take on the world virtually alone, and his debating skills made him the perfect counterpoint to the conventional wisdom of the day, which was interventionist to one degree or another. All-against-one makes for a good show, and Friedman liked the odds. Again there is a contrast with Samuelson, who was also naturally combative. He would have been (and was) a voice of the conventional wisdom in any public discussion of that era. But arguing stridently for the status quo lacks a certain appeal. The public stage would be less fun for a Samuelson than for an outsider like Friedman.

In short, one answer to the question in the title is that Friedman was an individual of rare talent who came on the scene in a unique period. But there is a contemporary subtext: why are we unlikely to see anyone remotely like him emerge from our profession anytime soon? That is, someone who reaches out successfully during, not after, his or her professional ascent. For the sake of argument, I accept the premise of the question. I think the preceding history contains the seeds of the answer I would give. It suggests that a Friedman-like individual would have the following attributes:

2. The original essay was by Leonard Read (1958) of the Foundation for Economic Education and appeared in the Foundation’s publication *The Freeman*. Friedman did not, as best I can recall, acknowledge this parentage. Instead he just played the story before us in the form of a Socratic dialogue.

WHY IS THERE NO MILTON FRIEDMAN TODAY?

- A contrarian belief in the efficacy of markets and skepticism about the actual, as opposed to the promised, effects of government intervention
- A deep commitment to those beliefs that energizes a need to communicate them widely
- A thick skin, indeed a joy in combat
- An active professional engagement with the kind of real-world problems where conventional belief is skeptical about market solutions
- A mode of engagement that produces results easily communicated to a wide audience

To list these attributes is not quite the same as stating an impossibility theorem, but it gives a sense of what we are up against. To begin with the first of these, the range of belief within economics has narrowed, partly because of Friedman's efforts. The modal economist today is probably more interventionist than the editors of *EJW* but less than the modal economist of Friedman's era. Market solutions that would have been dismissed as lunacy then are given a respectable hearing or are part of the consensus today (think flexible exchange rates or unregulated railroad rates). There is just less room today for a good fight among economists. And this reflects a narrower range of controversy outside economics as well. The alternative of the planned economy—a seriously considered one in Friedman's day—is gone. The notion that Big Problems require government solutions is no longer reflexive and often encounters active resistance. Consider in this regard what has happened in the aftermath of the financial crisis of 2008. The chattering class pronounced with excited joy that Capitalism is now Dead, but the political center hardly moved, and in some countries even moved right—to fiscal rectitude, labor market reform, etc. Hardly any left party that moved away from socialism in Friedman's heyday has moved back since. What is a committed free-market economist spoiling for a good fight to do when the other side is not so far away?

But even if there were a significant socialist faction to fight with, where are the committed free marketeers today? There are to be sure numbers of them within our gates, perhaps more than in Friedman's time. But they lack something that Friedman had in the Chicago department of his time, a critical mass at a top-five department. Instead what you have among our best and brightest, including at Chicago of today, is a much cooler customer. This one tends to be less committed to any politico-economic system. The animating spirit is more the engineer solving specific problems than the philosopher seeking a unified world view. The questions asked tend to be smaller than, say, the connection between capitalism and freedom. On the other hand, the skill with which the question is answered tends to be greater than in times past. At some point today's leading economists may want

to communicate their results to a wider audience. But this is an afterthought, in the sense that what is valued within the profession—the skill in obtaining the result—is not what the outside audience is interested in. I have discussed the pluses and minuses of this generational shift in economists’ practice elsewhere (Peltzman 2011). Suffice it to say here that it is not the kind of shift conducive to producing another Milton Friedman anytime soon.

It is worth noting that the shift to more specialized and ingrown modes of analysis is hardly unique to economics. It appeared in other fields even earlier than in economics. Consider, as just one example, classical music. I claim no great expertise here. However, even if your interest is only casual you might notice how the last 50 or so years have differed from previous eras. Try to list composers working mainly in the recent era who made a significant contribution to the musical canon. Any reasonable list will have fewer names—perhaps none—compared to a similar list for the preceding 50 or so years. If this were *Music Journal Watch* we could easily imagine a symposium on “Why Is There No Stravinsky or Bartok or Prokofiev Today?,” to mention just three names from the previous era already recognized as significant contributors by 1950. As with economics, part of the answer may lie with more academic and self-referential modes of work among the best contemporary composers.

It is hard for me to see a reversal of the kind of trends I have described, whether in economics or music or a host of other fields where the engineer has replaced the philosopher. Perhaps an economic calamity will shake things up in economics. But we had one in 2008, and very little changed within the profession. There was a period of befuddlement, including some self-examination of how useful the skills we had come to value really were. In the end, though, economists went back to their tinkering and were largely irrelevant to the political response to the crisis. You might think some fundamental questioning of our monetary arrangements might have emerged as part of the discussion among our leading macroeconomists. This did not happen. Maybe the next crisis will produce a Friedman-like figure who questions whether we should have government meddling with money at all.

There is an ironic aspect to my answer to the symposium’s question. It is that Friedman’s success makes it harder for someone to follow in his footsteps. There is no serious socialist faction left within economics. There is no serious political/economic alternative to some form of capitalist organization in any major economy. Those who wish there were some such alternative cannot articulate one beyond ad hoc redistributionism. One reason we had a stillborn debate about monetary arrangements is that the Fed chairman learned from Friedman not to permit a credit freeze to turn into a monetary implosion. Even the emergence of the apolitical engineer as the exemplar of the modern economist owes much

to Friedman’s “The Methodology of Positive Economics” (1953), wherein he instructs us to become scientists—get our model straight, derive implications and then test them. The next Friedman is hemmed in on all sides—by lack of great controversy within and outside the profession, career concerns centered on technical proficiency rather than asking large questions, and no great pressure from inside or outside for doing anything much different. But one wonders still: is this only the calm before the storm?

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