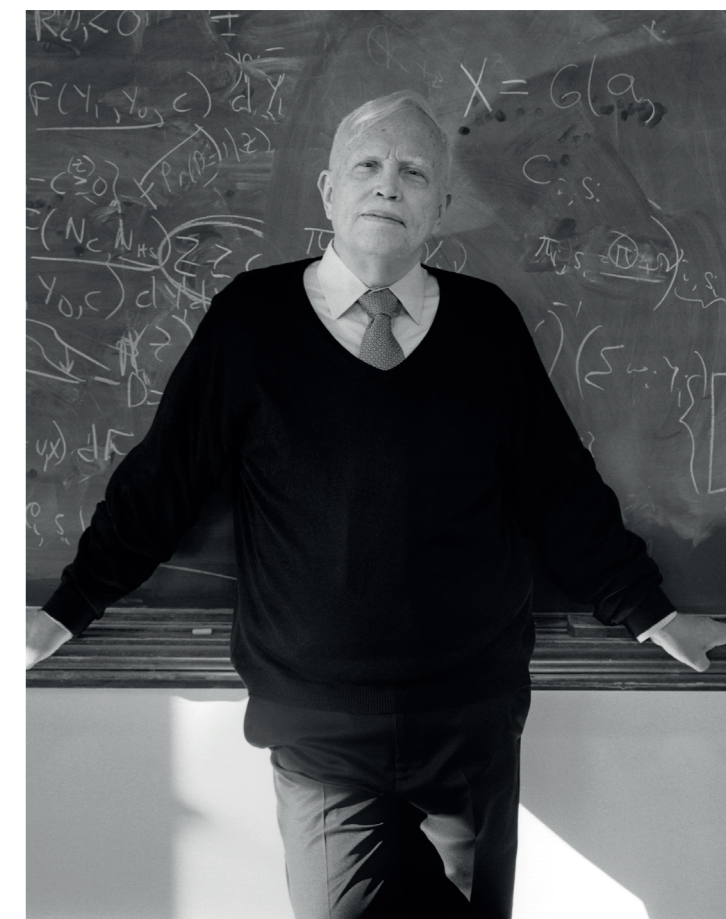


T H E
F A C E S
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E C O N O M I C S

When photographer *Mariana Cook* met the Nobel laureate Robert Solow four years ago, it proved the inspiration for a series of portraits of leading economists. The resulting book gives a glimpse into a rapidly changing world that, as *Tim Harford* reports, remains opaque to many of us

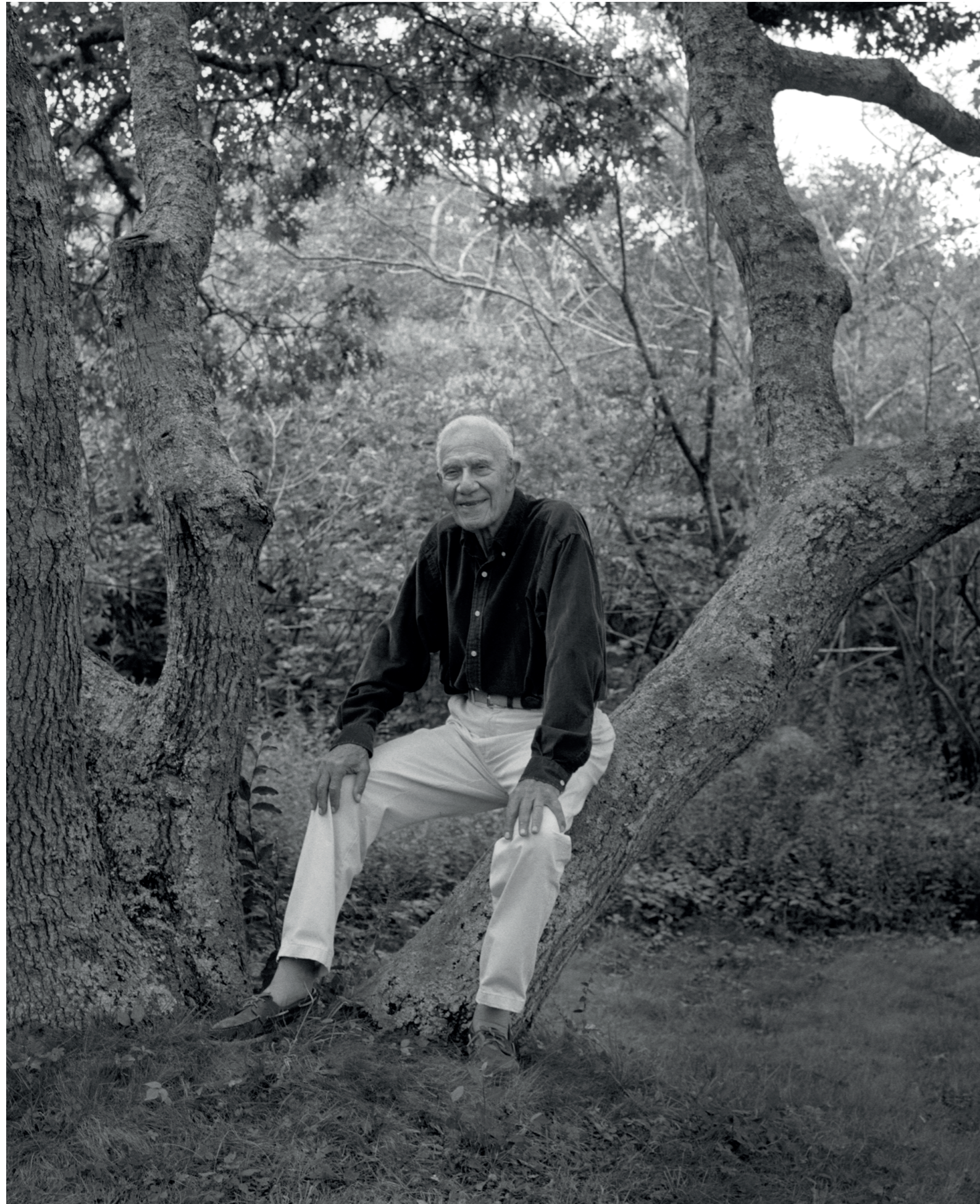


Susan Athey: the first woman to win the prestigious John Bates Clark Medal. Consulting chief economist at Microsoft for six years

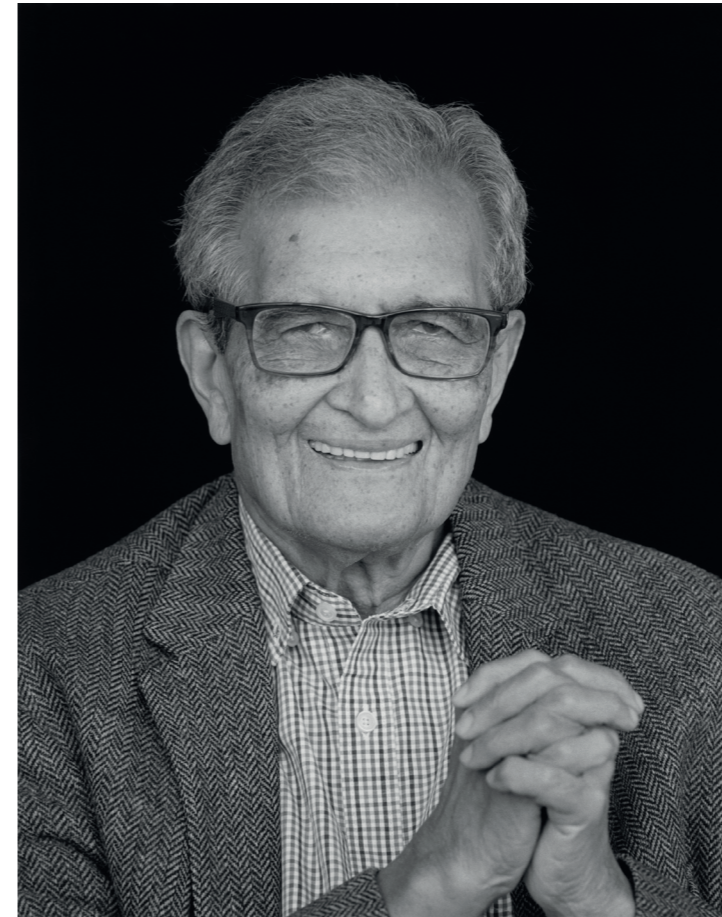
Hal Varian: the chief economist at Google, he was the founding dean of UC Berkeley School of Information

Cecilia Rouse: focuses on labour and education economics. Economic adviser in both the Clinton and Obama administrations

James J Heckman: joint Nobel Prize winner in 2000 for his work on selection bias. Recent research has focused on childhood development



Robert Solow: won a Nobel Prize in 1987 for his contributions to theories of economic growth, and showed that technological innovation can boost growth more than capital accumulation and labour increases



Amartya Sen: awarded a Nobel Prize in 1998 for his work in welfare economics, including studying the causes of poverty and famine



Janet Yellen: was the first female chair of the Federal Reserve and chaired Bill Clinton's Council of Economic Advisers from 1997 to 1999

Robert Solow, the Nobel laureate economist, says he had long been “bothered” by the fact that most people – even educated people – “had no clear idea of what economics is, and what economists do”.

Solow was born in Brooklyn in 1924, to what he has described as a “lower-middle-class family”, and grew up during the Great Depression. Although his father always had work, Solow has said that from about the age of eight onwards, he was conscious that his parents were constantly worrying, “and their worries were purely economic: what was going to happen, could they continue to make ends meet”.

This awareness would shape his thinking throughout his life. He won a scholarship to Harvard at 16 and began an academic career that would see him reach the top of his field, winning the Nobel in 1987 for his contributions to the theory of economic growth.

Yet despite such acclaim, Solow, who is now 95, felt that his subject remained frustratingly opaque to the general public. Then, a few years ago, he was seated by chance next to the photographer Mariana Cook at a friend’s dinner party. Cook had recently completed a project photographing 92 mathematicians, ranging from Fields Medal winners to promising young men and women at the start of their careers.

Solow suggested that she embark on a similar series of portraits, but of economists – and Cook agreed. As he writes in the introduction to the resulting book, which contains 90 black-and-white portraits shot by Cook over the course of three years: “The idle thought became a reality, and I found myself involved in many ways. Naturally, I had to ask myself: was making a book of portraits of academic economists a useful or reasonable or even a sane thing to do?”

It is a fair question. Economics remains a perplexing discipline. It is often regarded as purely the study of money. (Far from it: indeed, some critics complain that economists aren’t as interested in studying money as they should be.) It is easily caricatured as overly mathematical, full of absurdly unrealistic assumptions, elitist and corrupted by proximity to business and finance. And, as with any caricature, there is some truth in all of these complaints.

So what actually is economics? Alfred Marshall began his enduringly influential 1890 book *Principles of Economics*: “Political economy or economics is a study of mankind in the ordinary business of life; it examines that part of individual and social action which is most closely connected with the attainment and with the use of the material requisites of wellbeing.”

“The ordinary business of life.” It is not a bad definition, even now. But economics has changed since Marshall’s day. What is being studied has changed, and how, and even who does the studying.

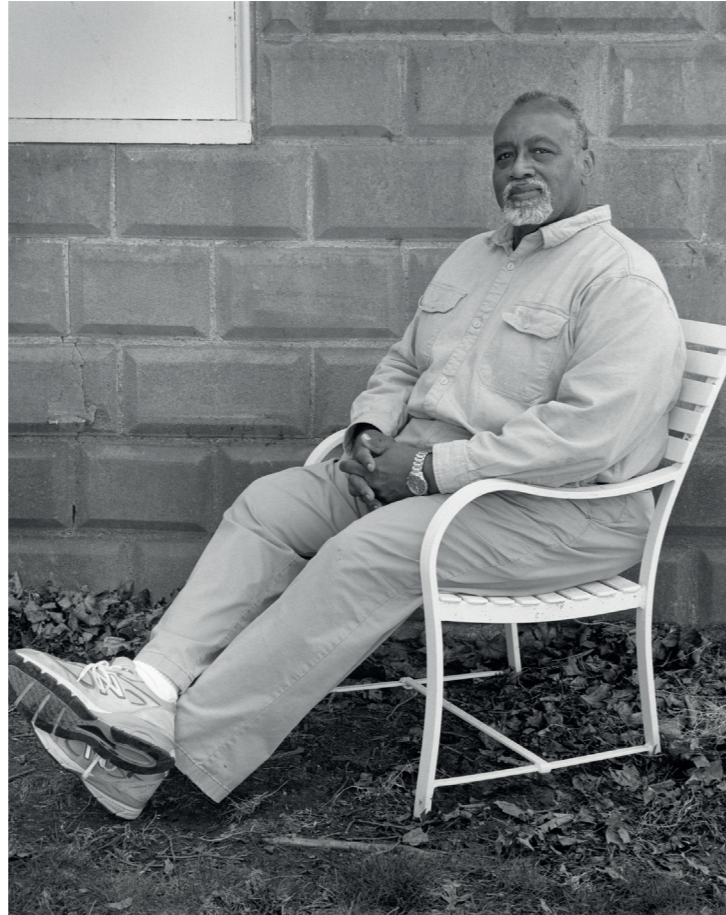
Start with the “what”. It might seem obvious that economists should stick to the study of the economy – the production and consumption of goods and services that are either traded in markets or could be. They never really did stay in their lane: Thomas Robert Malthus was a proto-environmentalist and an inspiration for Charles Darwin; John Stuart Mill was a philosopher; John Maynard Keynes was intellectually promiscuous.

But it was Gary Becker and his followers who systematically applied the methodological tools of economics to social issues such as racial discrimination, the family and addiction. Some of the ideas Becker championed – notably the use of education to improve “human capital” – became so mainstream as to be a cliché. Others remain controversial. But nobody bats an eyelid when the economist Emily Oster publishes books of advice on pregnancy and parenting, when Steven “*Freakonomics*” Levitt opines on when to rob a bank, or even when the Financial Times publishes a column using economics to give tips on dating and etiquette. Economic imperialism is here to stay.

The “how” is also changing. Twenty years ago, the economist Ed Lazear published a paper, “Economic Imperialism”, with Becker at its centre. Lazear argued that economic imperialism had been a success because “economics stresses three factors that distinguish it from other social sciences. Economists use the construct of rational individuals who engage in maximising behaviour. Economic models adhere strictly to the importance of equilibrium as part of any theory. Finally, a focus on efficiency leads economists to ask questions that other social sciences ignore.” ▶



Raj Chetty: studies social mobility. One of the youngest ever tenured professors at Harvard's economics department. Won Bates Clark Medal



Glenn Loury: did pioneering work on 'social capital' at MIT. Harvard's first black tenured economics professor



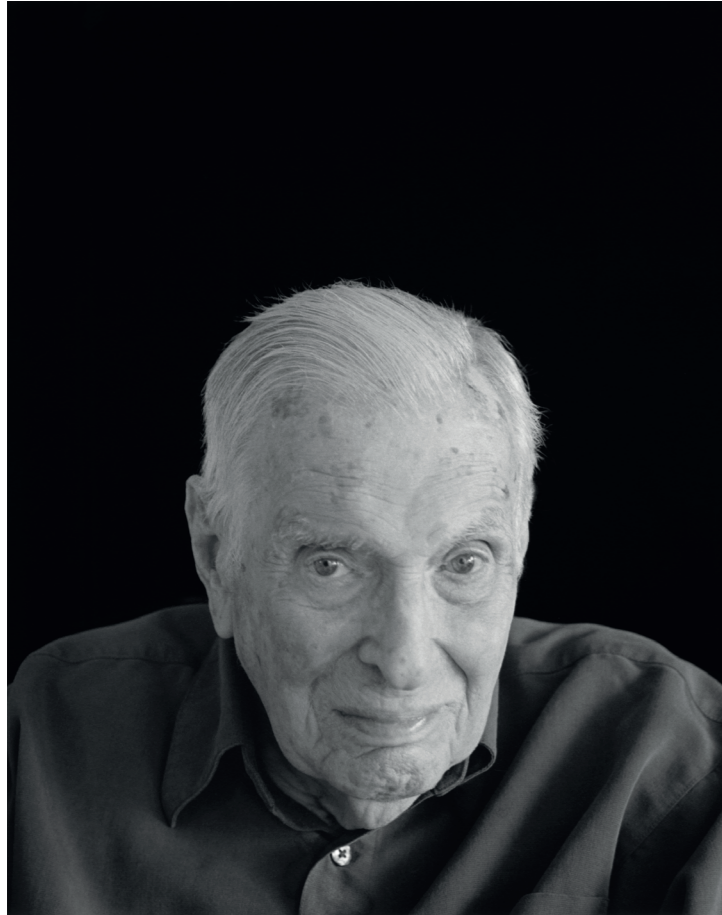
János Kornai: Hungarian economist known for his critical analysis of socialist economic policy in eastern Europe in the 1970s and 1980s



Emmanuel Saez: his income shares series, created with Thomas Piketty, highlighted a dramatic increase in US inequality since 1980



Anne Case: winner of the Kenneth J Arrow Award for her work in health economics, she has pioneered research into the US opioids crisis and 'deaths of despair', along with fellow Princeton professor Angus Deaton (also featured in Mariana Cook's book)



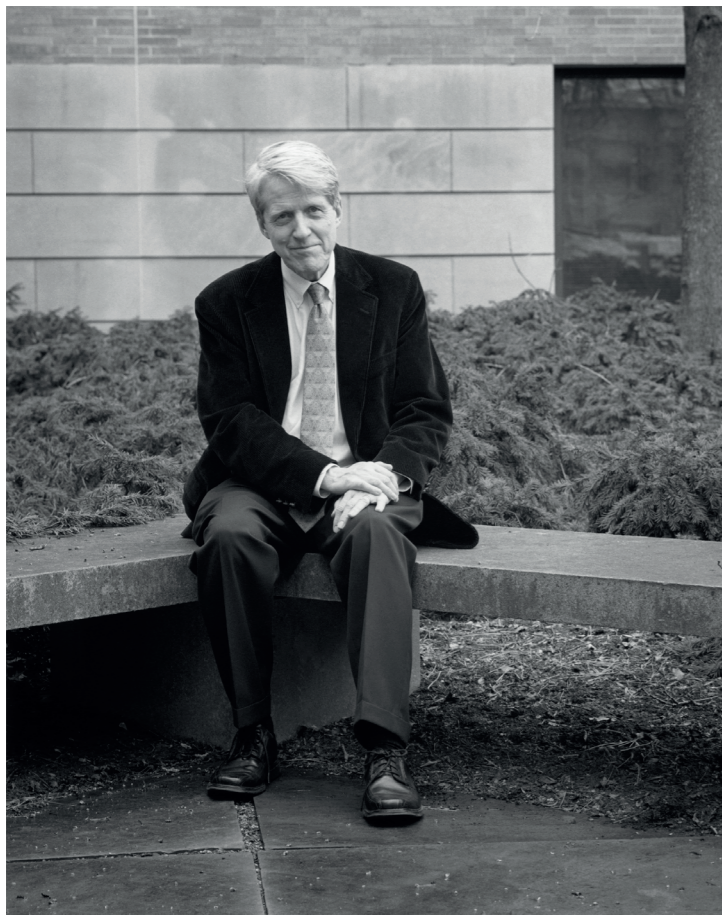
Kenneth Arrow (1921-2017): joint Nobel Prize winner in 1972 for his work in neoclassical economic theory, including social choice theory



Anne Krueger: helped popularise the term 'rent-seeking' and was the first female chief economist of the World Bank, from 1982 to 1986



Gita Gopinath: chief economist at the IMF since January 2019. Her research has focused on international finance and macroeconomics



Robert J Shiller: revealed flaws in the 'rational markets' hypothesis and foresaw the US housing bubble. Joint Nobel Prize winner in 2013



Claudia Goldin: studies the role of women in the US economy, and was the first woman to receive tenure at Harvard's economics department



Mario Draghi: president of the European Central Bank from 2011 to 2019, during the turbulent years of the eurozone debt crisis

In 2005, there was no female winner of the Nobel memorial prize in economics. There are now two. There was no female winner of the John Bates Clark Medal. There are now four

◀ This is, I think, a fair summary of the state of play in 1999. But two decades on, economics is no longer quite so taken with the assumption of rationality. With Nobel memorial prizes for behavioural economics going to Daniel Kahneman (2002), Robert Shiller (2013) and Richard Thaler (2017), it has now become perfectly acceptable to publish economics papers with an alternative view of human decision-making.

That is not the only change in the toolkit of economics. The first modern randomised clinical trial was run by a man trained in economics, Austin Bradford Hill, in the late 1940s - but the methodology did not become widespread in economics until the 21st century. The randomistas - most prominently the 2019 Nobel laureates Abhijit Banerjee, Esther Duflo and Michael Kremer - put the experimental results centre stage; the considerations that Lazear highlighted are not forgotten, but they are left in the wings.

Other economists are broadening the tools of economics by taking advantage of huge datasets and operating on the fringes of computer science. Two prominent examples are Susan Athey - the first female winner of the John Bates Clark Medal - and Raj Chetty, who won the same prize at the tender age of 33. Among the sources of this new data rush are internet traffic, cell-phone metadata, satellite imagery and the ballooning administrative datasets used by large organisations to run their businesses.

If the "how" is changing quickly, the "who" is stubbornly resistant to change. Economists used to be white

and male. Now they are mainly white or Asian, and male. Of course, there are some spectacular exceptions: in 2005, when I began writing my column for the FT, there was no female winner of the Nobel memorial prize in economics. There are now two. Even more perplexingly - given that the award is for younger researchers - there was no female winner of the John Bates Clark Medal. There are now four, which is progress. Women such as Elinor Ostrom, Claudia Goldin and Janet Yellen have reached the very top of the profession, as did the late Alice Rivlin.

But economics still lacks the diversity it needs to reach its full potential. The Royal Economic Society has launched a "Discover Economics" campaign to address this, but it will take more than a recruitment drive: a 2014 study, "Women in Academic Science", concluded that while other academic disciplines had been levelling the playing field, economics was an exception. We need to do better.

Economics is a controversial discipline, and that is not likely to change. Whereas scientists only occasionally have to dip their toes into political waters such as climate change or vaccination, most of what economists study - from inequality to immigration, trade to taxation - lies squarely in the middle of the political battlefield.

Still, some of us are doing our best, and all of us are human, as these portraits show. It is nice to be reminded of that. **FT**

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"Economists" is published by Yale University Press, \$40