

*A Short History of Ethics and Economics – The Greeks*, by James E. Alvey. Cheltenham: Edward Elgar. 2011. Hardcover: ISBN 978 84720 201 7 \$ 184 pages.

The book's cover pictures the sculptures of the four Greek philosophers whose work the book discusses: Socrates, Xenophon, Aristotle and Plato. This picture conveys the main message of the book, namely that economics is not independent from philosophy, including ethics, not today just like it was not in the past. More precisely, the book aims to trace two modern approaches of recognizing economics as a moral science back to ancient Greek thought about the economy and its embeddedness in society. These two modern approaches, referred to as grand narratives, are first the well-known Capability Approach, led by Amartya Sen, and second, much less known, a critical approach not specified but indicated as represented by "Cropsey, Staveley and their Followers" (p. 8). The choice of these two approaches, in particular with this dis-balance in the extent of their development in economics is not convincing to me. The Capability Approach has its own association and conferences, a journal, (even Nobel Prize winner), and a policy dimension through the UN's annual Human Development Report. I am not aware of such an influence on the discipline of the other approach, but, of course, that may be attributable to my biases or ignorance. More importantly, a selection of a set of modern approaches that recognize economics as a moral science is not necessary for the book's objective, and neither is the checklist provided at the end of chapter one. Because the book very well succeeds in demonstrating how the Ancient Greeks connected ethics to their economic thinking, and how these connections have been lost in much of today's economics.

Turning to the contents of the book, it displays an eloquent choice of relevant ancient texts and reveals important linkages between the ethics and economics in those writings. The summaries, discussions and comparisons of the texts are well-done, and I think they are enlightening and useful for any reader who is interested in the very early history of economic thought. The author rightly claims an important role for the Socratic view of the good as *eudaimonia* (which Aristotle would later interpret as virtue). *Eudaimonia* is human flourishing, and for Xenophon and Socrates almost the opposite of pleasure, which is the foundation of neoclassical economics' concept of utility. The author makes this difference very clear: "Addiction to pleasure is a sort of enslavement that rules out virtuous action in many cases" (p. 34). The book also provides a careful contextualization of the political economy of the time period in which the texts were written. This helps the reader to interpret the texts. The book explains key concepts such as *oikos* (household, community) and *polis* (city with surrounding area). And it informs the reader that economic growth in those times was modest and loans were often provided without interest, while the *polis* acted as a regulator in the food market with price controls and export bans. The author only very briefly recognizes the exclusion of women from much of political and economic life and decision making, which I find unfortunate, given the extensive literature on women in Ancient Greek society and philosophy.

Since my favorite of the four philosophers is Aristotle, and the book spends most of its space to him, I will limit the remainder of my review to his work on ethics and economic thought. The author admits that he relies heavily on Martha Nussbaum's interpretations of Aristotle and justifies this by stating that Amartya Sen does so as well. I had rather liked to seem more pluralism I Aristotelian interpretations of economic thought, in particular with more views from economists, for example

Deirdre McCloskey' work on bourgeois virtue and Ricardo Crespo. His discussion covers the key issues about virtue theory, namely that virtue is a mean between two extremes, that virtue is an end in itself, that human beings are social and moral beings, and that a good polis should enable the flourishing of its citizens. At the end of the last chapter on Aristotle, he rightly concludes that Aristotle is far less optimistic, as compared to Sen and Nussbaum, that the polis can and should guarantee everyone's flourishing. This conclusion is, of course, understandable because in our times we do not exclude women and slaves from basic human rights, and our opportunities to generate wellbeing for all are much higher. Here, the Capability Approach clearly departs from the patriarchal and elitist perspective that Aristotle accepted, despite a more inclusive view of society of his master, Plato.

The book's conclusion is not novel, but supported by its analysis, namely that "the value-free rhetoric of modern economics must be abandoned." Alvey has demonstrated that this was the case two millennia ago, and rightly asks why this practice could not be restored, sooner rather than later.

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