



Reflections on George Shackle: Three Excerpts from the Shackle Collection*

I am honoured to be invited to say a few words on this pleasant occasion—though it seemed a little daunting to find something that would be of interest both to George Shackle’s family and local friends, and to the professional economists here.

At the invitation of Catherine Shackle and Stephen Frowen a year or two ago, my contribution to *Economics as an Art of Thought* was to survey the papers of George Shackle now bequeathed to the University Library at Cambridge.¹ Reading the invariably delightful and perceptive letters that George wrote was a most enjoyable and informative exercise. I propose to read from three of the items that it was not possible to incorporate in the volume itself. These date from the years 1980 and 1981, after his meeting and marrying Catherine in 1979, which revived his spirits after the sadness of losing his first wife Susan in 1978.

As I prepared these remarks, I saw the *The Times* obituary of John Watkins, former Professor of Philosophy at the London School of Economics. Shackle regarded him highly as a philosopher and friend, and the Shackle collection contains several interchanges between them. Two sentences in the obituary struck me particularly.

One is the comment that Watkins “became captivated by critical rationalism—the idea that knowledge grows through a combination of bold, creative guesses, which go wildly beyond the available evidence, and rigorous criticism.” This aptly sums up George’s own work: throughout his life he subjected the ideas of others to rigorous but generally sympathetic and always courteous scrutiny. But he, more than almost any other economist, was characterised—and attracted—by the bold, creative guess. I want to return later to the second extract from this obituary.

Rational Expectations

The first excerpt from George’s papers is his response to Sir Bryan Hopkin, a long-standing friend who was then Professor of Economics at the University of Cardiff.² George comments “The term when I was coming to Cardiff every so often seems like yesterday: a vivid unforgettable pleasure.” Sir Bryan had evidently invited him to contribute to a symposium on rational expectations. This was not one of George’s favourite concepts. But characteristically, he declines with originality and charm.

*Remarks at the launching by the Aldeburgh Bookshop of *Economics as an Art of Thought: Essays in Memory of G. L. S. Shackle* (Peter E. Earl and Stephen F. Frowen (Eds.), London and New York: Routledge, 2000). Launch held at the Wentworth Hotel, Aldeburgh, Suffolk, 23 February 2001, at the kind invitation of Catherine Shackle. These remarks were finally written up on 7 February 2002.

20 August 1980

'Rational expectations' remains for me a sort of monster living in a cave. I have never ventured into the cave to see what he is like, but I am always uneasily aware that he may come out and eat me. If you will allow me to stir the cauldron of mixed metaphors with a real flourish, I shall suggest that 'rational expectations' is neo-classical theory clutching at the last straw.

Observable circumstances offer us suggestions as to what may be the sequel of this act or that one. How can we know what *invisible* circumstances may take effect in time-to-come, of which no hint can now be gained? I take it that 'rational expectations' assumes that we can work out what *will* happen as a consequence of this or that course of action. I should rather say that at most we can hope to set bounds to what *can* happen, at best and at worst, within a stated length of time from 'the present', and can invent an endless diversity of possibilities lying between them.

I fear that for your purpose I am a broken reed.³

Beyond Economic Policy

The next exchange is between George and Sir Charles Carter, another long-time friend and correspondent.⁴ Sir Charles thanks him for the copy of a book "fully up to your high standard of originality and clarity" and says "I hope you are keeping well, because I need your help again!"

26 March 1980

At the Policy Studies Institute, where I am now working, we do a lot of things to find out what policy issues are most on the minds of decision-makers in Government and elsewhere, so that we can make our research programme as relevant as we can. Naturally enough, 'policies to check the relative economic decline of the UK' are more often mentioned than anything else: and we have become aware that the economics profession is not regarded as saying anything very helpful about the issues. The NIESR takes a fairly old-fashioned Keynesian line, but has little idea of how it might now work; the monetarists tend to be impossibly simple-minded or remote; the new Cambridge school of protectionists is not entirely convincing. Behind this confusion lies the fact that there is no clear analysis of how the economic system *is* now functioning: the various models do not keep close enough to the actual reactions of human beings (including their structure of expectations).

We have it in mind, therefore, to attempt a review of the functioning of the British economy which will reassess what factors *are* now important, and how they interact. This sounds impossibly ambitious, requiring a new Keynes: and so it is, but (in the absence of great men) little ones must do the best they can. I have a shadowy list in my mind of the sorts of issues which should be given prominence, and I hope I may be allowed to submit some thoughts to you for your criticism. But, before I do so, would you feel able to suggest a list of your own? How does the Slump of 1981 differ in its nature, and therefore in its required remedies, from the Slump of 1931? What are to be regarded as the key factors in relative economic decline?

I hope I can provoke you!⁵

George is pleased to receive this approach. "A letter from you always gives my spirits a sudden surge of exhilaration. When I think of the many letters from you (carefully treasured) that have thus encouraged me during thirty years, I see and feel what an immense debt of gratitude I owe you." He was indeed also provoked. It was hardly likely that Sir Charles would get (or expect) a conventional response to his question.

10 April 1980

I think your questions go far beyond economic policy in the narrow sense. Perhaps there are two approaches. We could ask what tendencies chiefly threaten our broadly peaceful, humane and tolerable life as a nation. Or we could ask what we should like our national life to become in the next two decades. You ask me to list what I think are the chief issues. I would say:

- (1) Food: the need for self-sufficiency.
- (2) Occupation: something interesting to do for everyone.
- (3) Education: conservation and the arts (music, painting, theatre etc.).
- (4) Excellence: a universal dedication to beauty and efficiency in products and performances.
- (5) Clarity of tone in our lives: a muting of the blatancy of advertising; a pursuit of ends rather than distractions.

I think these ideas have some underlying coherence and unity.

Richness of experience, variety of possessions and satisfaction in living could be preserved and intensified by a less extravagant and more attentive way of life. If we did not have the feeling that things could be used casually, burnt up and thrown away; if pleasure was taken in having hand-made things, fewer but more individual things; our import bill might be reduced and our extent of satisfying employment increased. If manual skills come back into esteem and use, people would see point and advantage in being trained, in continuing their education, in becoming artist-craftsmen. At a more exacting level, more of them could become medical men and women, musicians, writers, painters of pictures. Education itself would provide employment.

To pay for tropical foods, minerals that we do not have in Britain, and many indispensable imports, a large flow of exports, in value terms, would still be needed. In the end, we shall only be able to sell to other nations things which are better (more efficient, more trustworthy, more beautiful) than other nations can produce. High craftsmanship, high design, high fashion even; and scientific ingenuity and technological virtuosity, rather than mass production, could be our best resource in exports. But also, there is tourism, and for this there must be conservation of historic things and retention of art treasures. For this too, education of everyone who has charge of such things is needed, far beyond the directors of art galleries and museums who of course are keenly striving for this already.

Perhaps such ideas sound like isolationism. But perhaps the one sound motive for protectionism may be the need to avoid paying other countries for things that do us no good.⁶

Perhaps there is more than a hint here of a sympathy for the approach of William Morris⁷ a century earlier? It is no coincidence, I'm sure, that George's grandfather on his father's side was curator of paintings at the Fitzwilliam Museum in Cambridge, and his uncle (his father's only brother) was an architect and painter.⁸

An Examination of a Scheme of Life

The final quotation is from a short reflection that George had evidently made, some two years after his marriage to Catherine. He poses and answers seven questions to himself.

Questions for GLSS

1. In order to exist at all, a man needs to have food prepared for him, rest made possible for him, clothes washed and mended for him. Who does these things for you?

My wife.

2. What is her motive?

She finds in selfless exertion a source of pleasure only available to those who have been touched by some special finger, who contain a spiritual fire invisible, a power to see beyond the everyday horizon. These gifts are, of course, only poured out for me as one chance pilgrim whom she has encountered, one among many whose life she has made valuable to them, possible, bearable for them.

3. Does man live by bread alone?

No. The life of thought, of imagination, of the making and seeking of beauty, are as needful, as essential, to some (and to me) as the air they breathe.

4. Beauty, you say. What is beauty?

Beauty is the dream glimpsed in the form and colour of things, the laser-beam whose concentrated energy dazzles the spirit and ignites the tinder-box of thought. Beauty is the needle-magnetic showing a human being the course to lay, the way to the heart of things.

5. Can you not write without a reader?

I have for many years had to write with only the rare accident of some wayfarer collecting a page of mine from the gale of life and scanning it.

6. And what now?

Catherine reads and understands, and tells me of her response.

7. Can this be worth her while?

I do not know.⁹

Only Catherine knows the answer to this last question. But I think we can guess. What a hauntingly beautiful examination George has provided.

The World of George Shackle

I mentioned another sentence that struck me from the obituary of John Watkins. This was an extract from what is described as “Watkins’s parting gift, the forthcoming *Human Freedom after Darwin*.” This deals with the human capacity for freedom of thought and action that was so important to George. The obituary says “Near the end he deftly draws philosophical lessons from a saying which is rather beautiful, but now sadly apposite: ‘When a man dies a world goes out of existence.’”

When George Shackle died, a world went out of existence. However, we can still seek to recreate that world by reading George’s work and letters. We are grateful to Catherine for preserving those papers for us, and enabling us to enjoy his memory today.

Notes

1. “Disreputable adventures: The Shackle papers at Cambridge” is Chapter 14 in the book. Kathleen Cann, librarian at the University, has added a useful “Catalogue of the Shackle papers” at Chapter 15. The Shackle papers are at Add. MS 7669 in the library, and the correspondence is in Section 9 thereof. I am most grateful to Ms Cann for providing copies, references and proofreading of the letters cited here.
2. Sir Bryan was Professor of Economics at UC Cardiff 1972–1982, on leave of absence as Head of Government Economic Service and Chief Economic Adviser, HM Treasury 1974–1977.
3. Add. MS 7669/9/12, letter of 20 August 1980.
4. J. L. Ford says that “Charles Carter (1950) was one of the very first economists to voice his reservations over Shackle’s theory . . . However, he . . . believed in the underlying principles of Shackle’s approach, and he endeavoured to modify, in fact, extend, that approach. . . .” Ford also refers to Carter as “the main champion of [Shackle’s] cause.” *G. L. S. Shackle: The Dissenting Economist’s Economist*, Aldershot: Edward Elgar, 1994, at p. 76 fn. 3 and p. 97. Sir Charles was later Vice-Chancellor of the University of Lancaster 1963–1979, Editor, *Policy Studies* 1980–1988, and President 1989–1991 then Joint President 1991–1997 of the Policy Studies Institute.
5. Add. MS 7669/9/8/105, letter of 26 March 1980.
6. Add. MS 7669/9/12, letter of 10 April 1980.
7. “ ‘A man should put his heart into his work and that work should be the kind he can care about.’ This was the creed of the English poet and artist, William Morris (1834–1896) a practical dreamer of extraordinary energy and versatility who had a strong influence upon the literary, artistic and social life of his time. . . . [His] chief aim in life was to beautify things in common use. . . . In his later years he came more and more to realize that the social world was ‘out of joint,’ and did what he could to ‘set it right’ and make the world more beautiful for all.” *The New Book of Knowledge*, London: The Waverley Book Company Ltd., p. 2232.
8. Source Catherine Shackle, see “Disreputable adventures” fn. 28.
9. Add. MS 7669/9/12, memorandum by GLSS dated 3 May 1981.

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Aldeburgh, 23 February 2001