intellectual biographies of scholars involved in shaping up new paradigms of a science. This threefold combination allows the reader to get a broader picture of the issue. Unfortunately, this book misses one out of three of these elements.

In spite of this criticism on these two specific points, the book remains a useful instrument for those who are interested in getting a general outlook of the discipline. This is especially valid for students in economics, who very often are not trained in the history of economic thought, and for scholars and economists who want either to enrich their knowledge or to fill some gap in their expertise. It is very hard to write an exhaustive book on the history of any discipline, and it is harder when a discipline is manifold, as economics is: it remains that Marchionatti's attempt should be welcomed, especially because the history of economics as a research field must be taken seriously (as the author does) in order to better understand the nature of economics.

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Mihir A. Desai, *The Wisdom of Finance: Discovering Humanity in the World of Risk and Return* (New York: Houghton Mifflin Harcourt, 2017), pp. 223, $27 (hardcover). ISBN: 9780544911130.

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Mihir Desai's book shows him to be a most interesting man: akin to Eliot of Lloyds Bank, and Stevens of Hartford Indemnity Company, he is a professor of finance at the Harvard Business School and one who also sees "money [to be] a kind of poetry," but is careful to warn his readers that his book is not going to help them "make money" or "optimally allocate their retirement savings" (p. xi). He would simply want them to think like an economist: use the vernacular of economics to "realize the value of relationships and the nature of unconditional love … to live a meaningful life … to help us react to failure … to teach us about the value of commitments" (pp. xi–xii).[1] In short, to teach all that the Greeks, to take an example out of the blue, fell short of in self-awareness and self-knowledge, of knowing themselves. With a sure sense of surety, and without any trace of self-consciousness, leave alone irony, he writes: "To set prices, to measure values, to think up equivalences, to exchange things—that preoccupied man's very first thinking to such a degree that in a certain sense it's what *thinking* itself is" (p. 6).

In prose that is gripping, and at times eloquent, the author effortlessly moves from the *Bhagavad Gita* to Ecclesiastes and Euripides, to Aristotle and Archimedes, Agamemnon to Arjuna, from Rabbi Isaac to the Book of Matthew, to Joseph de la Vega, even to an "asshole theory of finance" (p. 216). It is a dizzying showcase of erudition. Identifying molecular biology as asset pricing, and sociobiology as corporate finance, Desai works his magic in eight elegant chapters. I turn to each in this brief review, and then present some directions and connections of my own.

In the first chapter, he calls on Francis Galton, Dashiell Hammett, Charles Pierce, and Wallace Stevens (yes, same Stevens), and "lays down the foundations of risk and insurance," seeing them by way of Abraham Wald's sequential sampling and pooling, and Kenneth Arrow's "adverse selection and moral hazard," as a "basic human need, normal in the abnormal" (p. 7). Well aware of Pierce's claim that "each of us is an insurance company," and William James's consequent characterization of the man as a "monster of desultory intellect [who had become] a seedy, almost sordid old man" (p. 15), our man continues in a second chapter the elaboration of his theme. Here "Jane Austen, Anthony Trollope and the Greek philosopher Thales do most of the work" (p. 7). If one is to ask, what kind of work? the author answers with the "two most important risk management tools available to us—options and diversification" (p. 38). He connects options to the "Latin *optio,* which means choice," and then further back to "*optare* which means to wish, to the *optative mood* as a grammatical form for expressing wishes, and to Emerson's labelling of America as *optative*" (p. 44), concluding that options are for "people who want to imagine the outcomes they desire" (p. 44).[2] And in the final chapter of this tripartite fascicle on asset pricing, it is John Milton, Samuel Johnson, and the parable of talents who serve as Desai's guides, guides to how finance determines value. He sights the "first use of finance [in] the medieval story 'Tale of Beryn,' in which one of the Chaucer's characters counsels, 'To make from your wrongs to your rights, finance'" (p. 74). Not to be outdone, in his own turn, Desai asks, "When the Day of Judgement arrives, have you financed?" (p. 74). All in all, a veritable *embarras de richesses,* compactly packed into fifty-seven pages: there is surely value here for a reader with just enough time for a quick dollop of Western culture.

If this is only asset pricing working its routines, wait until the narrative turns in the next four chapters to "what most of us experience in our every day: the messiness that is the subject of corporate finance" (p. 8). Using the vernacular of agency theory, corporate mergers, debt overhang, and bankruptcy with automatic-stay rulings, the human condition is addressed through the mediating wisdom of Martha Nussbaum: "To be a good

[1] Numbers in brackets for quotes refer to the page numbers in the book being considered. I take this opportunity to say that this review could not be done without conversation and correspondence with colleagues I dare not name for fear of embarrassing them: they would surely recognize themselves.

[2] This is a fascinating paragraph, and I cite a version domesticated to my own narrative. The reader can check for herself that I have not defaced Desai's prose in this domestication; I would be distraught if I did.

human being is to have a kind of openness to the world, an ability to trust uncertain things beyond your own control that can lead you to be shattered in very extreme circumstances for which you are not yourself to blame" (p. 159). The author writes some wisdom of his own: "Failure when we encounter it in ourselves or in others, should not be understood or seen as a moral defect" (p. 146). So much for the vernacular and its use, but one is curious about the dramatis personae, the counterparts in the next four chapters of those in the first three.

Mel Brooks and Zero Mostel, Bialystock and Bloom, all of *The Producers*, are relied upon in the first of the quartet to pose the fundamental question as to who is the principal and who is the agent in any principal-agent problem: Who guards the guardians? How does the student instruct the teacher? Who does the redeemer redeem? And wherein lies the redemption? In the second, marriages are read as mergers: the relation between Time Warner and AOL is a necessary case to make the reader understand that the "emotion and tumult and romantic love" (pp. 107–111) can be muted by the understanding of "what goes right and wrong in mergers" (p. 106). Desai reads the choice of one's life partner as sequential search, marriage simply as a stopping rule and the discovery of "terminal value" (pp. 66–67). He writes: "The story of General Motors and Fisher Body in the 1910s and 1920s is, for economists, *Anna Karenina, Middlemarch,* and *Jane Eyre* all rolled in one—the classic story that explains the nature of flirtation, commitment, marriage and love" (p. 113).

So much for how to read and how to think—how to romp and run through the literary and literature. But it is a bit unseemly for me to continue on with this panegyric: I should simply send the reader to the book itself. But I cannot resist some choice morsels. Let me simply say that Chapter 6 reads friendship as necessary diversification and compromise.

> Choosing to have children is the most obvious example of levering your life. Studies of regret show that it mostly arises from commitments avoided—untaken educational opportunities, missed love connections, and inattention to children.
>
> …
>
> How you choose to employ leverage by committing to meaningful relationships reflects your own preferences and tastes that may range from Orwell's to Koon's. As Thomas Watson said, "Don't make friends you are comfortable to be with. Make friends who will force you to lever yourself up." And as Bentham suggested, living beyond our current resources is not immoral. Most of all, it may actually make us better people. (pp. 132, 140)

The final chapter of the quartet, the second fascicle of the book, reads bankruptcy law as a Dickinsonian "opportunity for rebirth and away from declaring death: the reason why investors who buy up distressed companies don't flinch when they are called 'vultures'" (p. 147).[3]

To be sure, all this is brought together as a synthesis in the concluding Chapter 8 and an afterword. And this bringing together is effected through Leo Tolstoy's short story "How Much Land Does a Man Require?" coupled with Willa Cather's *O Pioneers!* and

[3] For the reference to Dickinson, see the chapter titled "*Et in Arcadio Ego:* Representation, Dearth and the Problem of Boundary," in Cameron (1979), and her discussion of "vision, choice and death" thirteen years later.

both complemented by Theodore Dreiser's *The Trilogy of Desire*: for Desai, all can be seen as stories of "insatiable desire [and] widely held cultural frames of finance" (p. 164). Beginning with Stevens, and continuing with his suggestion that "we insure ourselves against the risk that a life in finance creates … through works—and the work—of imagination" (p. 170), he ends his book with the demurral, "I can hardly claim any unified theory of anything. Nor can I claim all that much wisdom. If you've made it here, you're on your way. The references and resources are designed as fuel for your further expeditions. Safe travels" (p. 178). Mihir Desai has a clear mission: he wants to help us on our way, find our way. But who are the "we" he has in mind? One can only wonder. What is the identity of the *you* and *your*? Who is the reader he is addressing? To whom is he wishing a *bon voyage*?

Before turning to this question, and moving from the details to an overview, from the book's micro to its macro, let me assure the reader, my reader, that my exuberance and enthusiasm for the book have not carried me away on a flight of fancy: there is more sober assessment at hand. The book has been very well received. Oliver Hart, himself an expert on incomplete contracts and strategic renegotiation, and a winner of the Nobel no less, writes in a Pareto-optimal flourish that by reading Desai's book, "Students of finance will learn literature, students of literature will learn finance, and everybody will learn something" (back-cover blurb). Lea Carpenter, author of *The Eleven Days,* expects it to do for the global economy what Alain de Botton's *How Proust can Change your Life* did for French literature: "It expands our idea of an obscure topic and illuminates its centrality to [our] everyday" (back-cover blurb). All this everywhere-orgy of win-win notwithstanding, a nagging thought, not about the book but about its reviewers, needs to be nailed down, if not dispersed. Desai's topic, or his method of approaching it, is hardly obscure.

Let me begin with the pre-eminent theorist of the everyday, Stanley Cavell, on the senses of Walden:

> The opening visions of captivity and despair in *Walden* are traced full length in the language of the first chapter, the longest, which establishes the underlying vocabulary of the book as a whole. "Economy" turns into a nightmare maze of terms about money and possessions and work, each turning toward and joining the others. (Cavell 1992, p. 88)

Cavell (1992) lists the "number of economic terms the writer sets in motion in it," but adds that "the mere listing of the words gives no idea of the powers of affinity among them and their radiation into the remainder of the language" (pp. 88–89). Three decades later, in 2003, he presents yet another list: "Reading *The Winter's Tale* … I have felt engulfed by economic terms; I mean felt a text engulfed by them … beyond the terms tell and count themselves, and beyond account and loss and lost and gain and pay and owe and debt and repay—we have … and—perhaps the most repeated economic term in the play—business" (2003, p. 200).

Stanley Cavell belongs to an earlier generation, but even this reviewer's, and Oliver Hart's, contemporaneous brethren in the humanities, as well as our colleagues in our sister-disciplines in the social sciences, have economics and economizing very much in their minds.

As another example, turning from her investigation of temporality and of the temporal to Dickinson's fascicles, Sharon Cameron (1992) asks:

> What is the nature of the economic exchange? Is it equal or mutual, as the first stanza implies? Does what is *owed* purchase something that is ultimately *owned*? Or is it unequal, as the last stanzas imply? Just this question (equal or unequal, mutual or not)—and importantly just this inability to answer the question —is reiterated by the first variant. For the two ways of formulating the gift (specifically its amount) are themselves not equal. (pp. 68–71)

To be sure, Cameron's is not a textbook of trade:[4] she is reading Emily Dickinson, though the particular poem, or indeed the stanza that she reads, is hardly germane to the point I wish to make: it is simply that if truth be told, however commendable Desai's missionary zeal, natives in other departments are simply not going to be converted—start thinking and talking like economists do: see the Russian revolution as a two-player Tsar-Lenin game; Austen's novels as subgame perfect equilibria; extol private vice as public virtue; reflect on torture, or child-rearing, as a mechanism-design problem; analyze slavery as an efficient and benign institution; diagnose tribal conflict as an extensive form game; and on and on.[5] It is simply not going to happen: as Jacques Derrida (1984) detailed some time ago, language to the lion is the very form of his life and he is going to react. As all Pakistanis know after Bangladesh, and Turks know after Ataturk, linguistic issues are vexatious—it requires the delicacy of Émile Legouis and Louis François Cazamian (1937) to teach the English to speak their own language and literature with a French accent. But Desai, not unlike Michael Chewe, makes a valiant attempt and he ought not to be discouraged.

So *pace* Oliver Hart, where do the singularity and novelty of the book lie? To ask again: To whom is it really addressed? What is Mr. Desai up to? What have the reviewers missed? And what has it all got to do with the history of economic thought—understandably, with thought and thinking, even perhaps with the thinking of the thought in theory, both literary and economic —but history? Since this is a review for *JHET*, how does the book "promote interest in and inquiry into the history of economics and related parts of intellectual history"? What is its relevance to the student of the history of economic analysis, of economic doctrine, of economic methodology?

My considered answer to this third-degree interrogation is to cite the book's achievements in its notes for additional reading, the most useful part of a book, useful mostly for economists under three registers: (i) a contribution to the genre of grammar and translation, (ii) a redirection of pedagogy towards a redemptive redesigned curriculum, and, despite all its many feints, (iii) a determined call to his readers in economic science to return to their past. I happily add my voice to Desai's, and supplement his list, and my own footnote 5, with some additional directions—I hope they are relevant and not simply dollops of tutti-fruti: Jacob Viner and the neo-Augustan (neoclassical) age in literature (see Miller et al. 1970); John Pocock's (1975, 1985) singling out of the neo-Machiavellan Charles Davenant as the pioneering student of the "epistemology of the

[4] But I invite the reader to compare/translate her language with that of Emmanuel's (1972), or his with hers; see his *Unequal Exchange: A Study of the Imperialism of Trade* (Monthly Review Press).

[5] The reader may wish to track Chewe (2013) on Austen; Gutman (2003) on Engerman–Fogel. Refer also to the following journal articles: *Journal of Business Ethics* 52, 2 (2004): 189–206; *Review of Economic Studies* 83, 4 (2016): 1406–1439; *Journal of Political Economy* 88, 1 (1980): 210–212; *Journal of Political Economy* 97, 5 (1989): 1138–1159; *Econometrica* 53, 1 (1985): 85–108; *Econometrica* 88, 5 (2020): 1999–2036.

investing society" (p. 440); Sherman (1996) on the eighteenth-century hand, and Christopher Cannon (2016) on the fourteenth-century one; Robert Newsom's (1988) studies of the play of probability in financial economics, analogous to the role that Latin played in English studies; Walter Ong's (1971) Ramist classroom, and even perhaps Charles Torrey's (1892) diagnoses of commerce. As Desai puts it, his book is about "humanizing finance and bridging the divide [to] literature, history, philosophy, music, movies and religion" (p. xi); and when push comes to shove, this business involves, after all is said and done, teaching.

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