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ABRAM BERGSON  
1914–2003

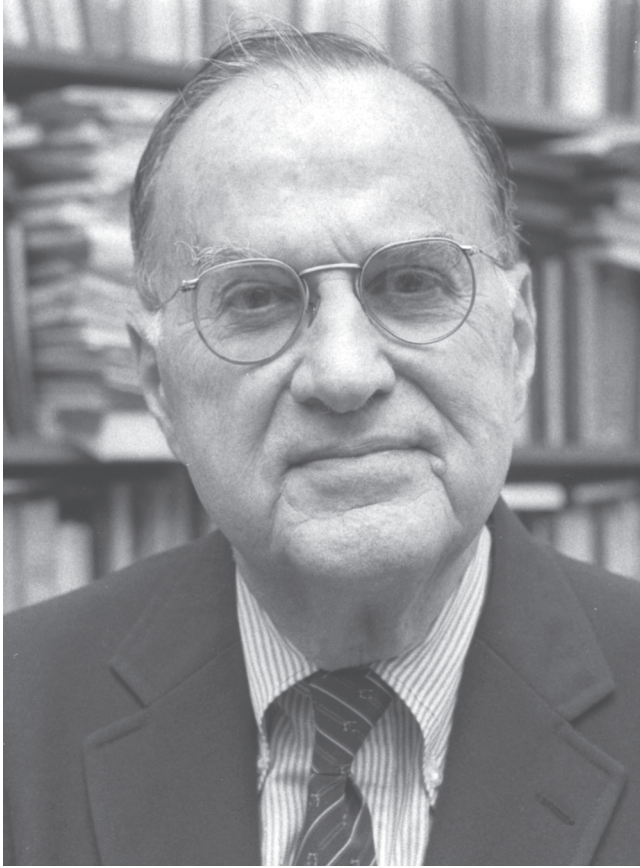
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*A Biographical Memoir by*  
PAUL A. SAMUELSON

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*Abram Bergin*

## ABRAM BERGSON

*April 21, 1914–April 23, 2003*

BY PAUL A. SAMUELSON

OVER THE LAST TWO-THIRDS of the twentieth century Abram Bergson was a leading American and world economist. He was a creative theorist, both literary and mathematical. Bergson was also a careful statistical empiricist who, from a bully pulpit at Harvard, earned a reputation as the dean of Soviet studies and teacher of that subject's major scholars.

At a young age in 1933 Abram came to the Harvard Graduate School in economics after undergraduate training at Johns Hopkins (where he was a hometown commuter). Adolph Hitler was responsible for new foreign blood arriving in Cambridge to trigger a prewar Harvard renaissance in economics. When Bergson died at age 89, he was the last survivor of Harvard's age of Frank Taussig, and had been a young star in the new age of Joseph Schumpeter, youthful Wassily Leontief, eclectic Gottfried Haberler, and after 1937 Alvin Hansen, the "American Keynesian." As Leontief's second protégé I am proud to have been preceded by Abram Bergson, his first protégé. I would be honored to be known as Bergson's first protégé, for much of my own work in welfare economics owes virtually everything to his classic 1938 *Quarterly Journal of Economics* article that for the first time clarified this subject.

Two of Bergson's most cited papers actually appeared

under the authorship of Abram Burk. Burk was indeed the name he had been born with. How A. Burk became A. Bergson is a tale worth telling, both as a reflection of what American academic and ordinary life was like 70 years ago, and for what it tells about his own straight-arrow character.

Abram's older brother Gus (Gustav Burk) studied Harvard graduate physics at the same time that Abe was studying economics. (Reliable family legend tells that Gus's skill in Baltimore poker games won for his junior brother private tutoring in the economics that he would need at Harvard.) Gus Burk particularly felt uncomfortable in having a name that did not correctly identify him as being the son of Russian immigrant Jews. So the two decided legally to change their surname. Abram sought my advice on the tentative substitution of Bergson for Burk. That struck me as an excellent choice: "It makes the point, but does not rub it in." Still Abram dithered: "You don't suspect, Paul, that some will think I'm trying to travel on the prestige of the great French philosopher Henri Bergson?" I put that probability down to near zero. The rest is history. And the old Brahmin *Boston Transcript* wrote a laudatory editorial commending this reverse instance of an opposite common pattern. In the end no significant citation confusion resulted from this early career decision.

Having by 1937 already achieved wide respect as a mathematical economist, serious Abram decided he would add a second string to his bow. Accordingly he learned the Russian language, and made a lengthy research visit to Moscow. Nineteen thirty-seven was the precise year when Stalin was liquidating on a large scale dissidents and innocents as enemies of the revolution. In later reflection Bergson reported how astonishing it had been that none of the many scholars he talked to—most of whom must have known family

members and neighbors who were imprisoned or killed—communicated complaints to a naive American visitor.

By 1940 Bergson had written for publication his Harvard Ph.D. thesis. Thereafter at the wartime Office of Strategic Services, at Columbia, at the RAND think tank in Santa Monica, and after 1956 as tenured Harvard professor, Abram Bergson divided his time and energies between pure economic theory and the Soviet economics specialty. After the 1940-42 years at the University of Texas, Austin, Bergson spent most of the World War II years as head of the Russian desk at the Office of Strategic Services. Then at war's end Columbia called him to an economics chair. A decade later at Harvard, after 1956, he taught scores of theorists and Kremlinologists.

Many of the *cognoscenti* at the frontier of modern welfare economics—I being one of them—expected Stockholm to wake up to Bergson's merits. Alone, along with Ian Little or John Harsanyi or John Rawls, a Bergson prize could have added luster to the new post-1968 Alfred Nobel awards in economics. My tentative guess as to why that never did happen goes as follows. Kenneth Arrow's monumental work on the impossibility of *any* constitutional method of voting that would satisfy half-a-dozen plausible desirable axioms, that great theorem somehow got confused in nonspecialists' minds as being a proof against *the possible existence* of the quite different animal of the Bergson Ethical Normative Function. The history of every science contains some history of confusions, and economics is no exception to this.

In connection with ethical value judgments Bergson clarified how they could be distinguishable from testable empirical relations, a problem inadequately grappled with by Lionel Robbins (1932). Bentham, J. S. Mill, Edgeworth, as well as Pareto, Myrdahl, Lerner, Hicks, Kaldor, Scitovsky,

Vickery, and Little could be given *coherent* interpretation in light of Burk-Bergson (1938).

Vilfredo Pareto in the years 1892-1913 brought important excellent insights into the post-Bentham utilitarian methodologies of Anglo-Saxon normative economics. But Pareto was an isolated pioneer, self-indulgent in his expositions as is not surprising in an autodidact. Serious Abram pondered important questions such as whether what we have come to call “Pareto optimality,” which in even vaguer formulations is already in Mill (1848) if not indeed already in Adam Smith’s “invisible hand” (1776), was a singular “*the* optimum” rather than (as in Francis Edgeworth [1881]) an infinity of incommensurable optima. My re-readings with him could not resolve the interpretations. Bergson’s insightful happy thought was first to understand that *any* ethical code is, in the language of Arrow (1951), “imposed.” The “just” person does not give his second coat to a naked beggar because that happens to tickle his fancy that Monday. It is his credo that requires him to do that.

However, using the useful device of an Individualistic Social Welfare Function—a special case that economists like to contemplate—Bergson could derive Pareto optimality conditions as *necessary* but not sufficient conditions for defining interpersonal normative equity. (Later Leontief and Franklin Fisher elaborated on “weak” mathematical separability and “strong” separability; earlier Irving Fisher had formulated testable conditions for Bentham-like additive hedonism; and as late as 1955 John Harsanyi restored some credence to pre-Bergson cardinality of individual utilities and of Social Cardinal Utility in the light of stochastic choosers sometimes feeling obliged to pay respect to the Independence Axiom in post-von Neumann argumentations about Laplacian Expected Utility. Few National Academy of Sciences readers need to understand this name dropping, in-

asmuch as out of any one hundred 2003 graduate economic students in the Ivy League and Big Ten, my Bayesian estimate is that almost none of these professionals do comprehend these nuances.)

What needs to be stressed is that Bergson's Social Welfare Function(s) left plenty of room for ethical credos that ordained *duties* and for which separate Pareto-optimality conditions could not even be defined. In the language of Richard Musgrave's magisterial *The Theory of Public Finance* (1958), "merit wants" that are so unpopular on the University of Chicago midway do exist. Some societies might even be unanimous in voting a fair military draft, even though every young voter is unwilling to be a volunteer. (God is in the ad libs. I knew a libertarian economist who was against the tyranny of coercive traffic lights. My spies reported that, nevertheless, commuting to daily work he revealed a preference for the longer route over the lights-free shorter router: His gut knew more about the algebraic pluses and minuses of the calculus of "liberty" than his conscious mind did.)

Abram Bergson was a realist par excellence. He applied generous reasoned discounts to the statistical growth claims of the Stalinist and post-Stalinist statisticians. And yet, after the dozen post-Gorbachev years of communist dissolution the emerging evidence suggests to me—and I think to "Honest Abe" as he was known at Harvard—that the Soviet system was even less productive in most sectors than the international almanacs had estimated. Why? Plain Machiavellian lying? No doubt there was some of that, as all our experts did recognize.

More important, I suggest after much reflection, is the fact that what are called "prices" in a controlled society have little true relationship to relative scarcities and technical trade-off costs. From copious nonmeaningful statistical inputs will have to come quite nonmeaningful statistical

estimates. One wonders whether some future transformation of Mao's Chinese economic system will thereafter reveal how hard it is for scholars to gauge correctly how deep China's present-day discount factors ought to be.

Before Schumpeter died in 1950 that learned scholar had to feel some jealousy of John Maynard Keynes, who gained recognition as the twentieth century's greatest economist. Our master therefore missed what he would have certainly relished, namely, his burgeoning posthumous fame. Innovation and long-term trends today command some of the interest and energy that had previously belonged to equilibrium statics and macroeconomic business cycle fluctuations.

Moreover, the fact that widow Elizabeth Boody Schumpeter bequeathed to the Harvard Archives *all* his papers, personal and private, and even those that discuss in an obscure German shorthand the pros and cons of not marrying her, that understandably created a cottage industry in Schumpeter biographies. One of the best and most balanced of those biographies on Joseph Schumpeter, that by the Swedish economic sociologist Richard Swedberg (1991), raised an important question. In my paraphrase the biographer at one point writes, "Now I must ask the following question. Can we judge Joseph Alois Schumpeter to have been a fervent friend to mankind? On the basis of all the known evidence, perhaps no firm answer can be given to this question."

No biographer of Abram Bergson could be in doubt about his personal attitudes and modesty. I have made stronger claims on his behalf than he ever made in print. He was no shrinking violet. Thus when he found some faults in the mathematical writing of Ragnar Frisch (who later was deservedly to share the *first* Bank of Sweden-established Nobel Prize in Economics in 1969), Bergson did stand up to that



great and self-confident man. (In Bergson [1936], written when the author was only 24, will be found an earliest formulation of the Constant Elasticity of Substitution Function, which outside of consumer utility analysis, became widely used in production theory; it is also a workhorse in modern finance theory as the one case where optimal portfolio ratios are independent to whether wealth is large or small. This is but one of Bergson's theoretical novelties.)

Those who knew Abram Bergson and knew his informed views on Smith, Marx, Franklin D. Roosevelt, Lenin, and Stalin will judge him to have been a man of the center with a personal preference toward less economic inequality. That majority view among his generation of economists (and mine), perusal of the published literature will confirm, has lost its preponderant majority as the Great Depression and World War II recede farther into history. Libertarianism à la Milton Friedman and Friedreich Hayek has gained in strength. Outside the academy, among voters in general there has been a similar erosion of "altruism." However, with the weakening of "altruism" and the gaining of "my wallet" motivations, I detect no logical or empirical tie-up with libertarianism as such. Also among academics in or outside economics there has taken place little popularity for fundamentalist religions.

Straight-arrow honest people can sometimes seem to many of us naïve—refreshingly naïve. Bergson provides such an example. His lack of guile is illustrated by the following anecdote. Abram was a close friend of Harvard's learned Alexander Gerschenkron, who taught economic history and did so as a tough nonelective. Among students and young faculty almost a rebellion was brewing. Therefore a committee was appointed to review requirements. Bergson was asked to be its chairman. If he had asked advice from his Machiavellian MIT friend, Paul Anthony Samuelson, he would

not have touched that third-rail topic with a 10-foot insulated pole. Honest Abe was never Machiavellian. He accepted the draft. And, inevitably, by strong majority the committee recommended new and much lighter economic history requirements. Gerschenkron, a strong believer in what he believed in, never quite forgave Honest Abe. A lifetime friendship was strained. Someone else could have been chairperson, as I think Abe came to realize belatedly.

Once in Bergson's rare reminiscing about his Baltimore youth, he mentioned that Gus and he would organize a number of new neighborhood clubs. Their main purpose seemed to be primarily to decide who would be *excluded* from them. Later I learned that being elected to honorific academies was somewhat similar. Energy on research gets you into the Academy; for example, Bergson was elected to the National Academy of Sciences in 1980. After that your time for research becomes compromised by duties to serve on research and nominating membership committees, whose main function is to decide just which worthies will be the ones *not* to be elected.

Back a long time before Bergson's death we had lunch together at the Harvard Faculty Club. A Harvard scholar came by whom I had known a long time, saying hello to me and passing on. At this point, as old friends will gossip to each other, big-mouth Samuelson said: "I wish that guy would not be so sharp with his wife." Abe's response was: "I'm glad to hear you say that." Surprised, I said, "Why should you want an acquaintance to be unkind?" "I don't," Bergson explained, "It's just that he's being so mean to me, and I thought it was something personal."

In the high-pressure atmosphere of modern university life, true character ultimately reveals itself—for better or worse. Abram Bergson over a long career earned from teachers, pupils, colleagues, and friends much affection and ad-

miration. His wife, Rita Macht Bergson, herself from an academic Baltimore background, played an important role in their family and professional lives. I owe to their three achieving daughters—Judy, Mimi, and Lucy—much informal help in preparing this affectionate memoir.

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