

- Institute of Medicine (2000) *To Err is Human – Building a Safer Health System*, National Academy Press, Washington, DC.
- Pronovost, P. Needham, D. Berenholtz, S. Sinopoli, D. Chu, H. Cosgrove, S. *et al.* (2006) 'An intervention to decrease catheter-related bloodstream infections in the ICU', *New England Journal of Medicine*, 355, pp.2725–32.
- Webster, C.S. (2005) 'The nuclear power industry as an alternative analogy for safety in anaesthesia and a novel approach for the conceptualisation of safety goals', *Anaesthesia*, 60, pp.1115–22.
- Webster, C.S. and Grieve, D.J. (2005) 'Attitudes to error and patient safety', *Prometheus*, 23, pp.253–63.

Craig S. Webster

*Centre for Medical and Health Sciences Education at the University of Auckland,
Auckland, New Zealand*
c.webster@auckland.ac.nz

© 2012, Craig Webster

<http://dx.doi.org/10.1080/08109028.2012.668707>

Darwinism and economics, edited by Geoffrey M. Hodgson, Cheltenham, Edward Elgar, 2009, 457 pp., £125 (hardback), ISBN 978-184844-072-2

The evolution of path dependence, edited by Lars Magnusson and Jan Ottosson, Cheltenham, Edward Elgar, 2009, 228 pp., £59.95 (hardback), ISBN 978-1-84376-137-2

Geoff Hodgson's edited volume, *Darwinism and Economics*, is an updating of his former volume in Edward Elgar's International Library of Critical Writings in Economics, *Economics and Biology* (Hodgson, 1995), which is number 50 in the series. The present volume (number 233) contains 24 contributions in the familiar format of photocopied articles, book chapters etc. dating from 1990 to 2007, and is a judicious selection. Hodgson can also be seen as responding to another earlier volume in the series, Ulrich Witt's *Recent Developments in Evolutionary Economics* (number 228), as will be clear in some of Hodgson's arguments below and in the arguments of his contributors, evidently selected for their affinity with Hodgson's evolving views over the last couple of decades.

The term 'evolution' and its cognates are, I suspect, deliberately missing from the title of this volume in favour of 'Darwinism', which more clearly reflects Hodgson's current thinking on these subjects. As he writes in his Introduction, 'Evolution has recently become a popular word in the social sciences, especially among economists' (p.xiii), but as he goes on to say,

The term can be used to describe a varied group of approaches in economics, perhaps in contrast to the exclusive focus on equilibrium in neoclassical theory, but it does not indicate a well-defined type of analysis. At best, 'evolutionary economics' is an umbrella term to describe a loose collection of theoretical approaches and empirical studies.

As examples of evolutionary models other than Darwinism, Hodgson gives the self-transformation over time, or 'self-organization', of Ulrich Witt and others, and Kenneth Boulding's metaphorical account whereby consumer goods, such as cars, are

regarded as analogues of biological species. Richard Nelson and Sidney Winter's well-known argument that business routines, subject to selection, are an appropriate analogue for species is also cited by Hodgson.

But it is clear in his citation of Darwin's *The Descent of Man* that Hodgson wishes to make an unambiguous case for the direct relevance of Darwin's ideas for economics; indeed, for the social sciences as a whole:

Selfish and contentious people will not cohere, and without coherence nothing can be effected. A tribe possessing [these] qualities in a high degree would spread and be victorious over other tribes; but in the course of time it would, judging from all past history, be in turn over come by some other and still more highly endowed tribe. Thus the social and moral qualities would tend slowly to advance and be diffused throughout the world. (p.xxi, citing Darwin, 1871, vol. 1, pp.81, 164)

Hodgson is aware of what he calls 'The Dark Age of Darwinism in Economics' (the ascendancy of so-called 'social Darwinism', which he dates to the period 1914–1950), but he does not allow this to cloud his assessment of the incorporation of Darwinism into their theorizing by certain major economists of the period, notably Thorstein Veblen. Veblen wrote on such topics as concepts of instinct and habit in a Darwinian framework, and emphasized the importance of focussing 'directly on the grounds and values afforded by the unconventionalized propensities and aptitudes of hereditary human nature' (p.xvii, citing Veblen, 1909, p.300). It is in this sense that Veblen's prominent institutionalism also needs to be considered, according to Hodgson.

The fraught subject of human nature is, of course, of direct concern to economists, as is evident in a number of the contributions in this volume. Darwin's own treatment of the subject, as in Hodgson's quotation from him above, will surprise some readers. It is hardly of the cut-throat, survival of the fittest variety, even if it is about competition, in this case between *groups*. Hodgson is well aware of recent developments in this area, as are his contributors. Thus Donald T. Campbell's article, 'How individual and face-to-face selection undermine firm selection in organizational evolution' (pp.20–38, originally published in 1994) draws on research on a range of species from the social insects to chimpanzees to conclude that:

The use of evolutionary theory in management science should not be limited to cultural evolutionary analogues focussed on the selective survival of firms. It should also pay attention to *the human nature produced by biological evolution* [my italics]. (p.34)

That is to say, human nature, in an evolutionary sense, can be seen as the product of biological forces that have produced the raw material upon which other levels of selection (such as Nelson and Winter's routines) have operated. There has been much discussion of late concerning empathy as a cohesive force in human and other species (see, for example, Haidt, 2006; Keltner, 2009; de Waal, 2009). This discussion has reignited the group selection debate of the 1960s and 1970s, prompted by the writing of V.C. Wynne-Edwards (1962), but which, as we have seen, stems from Charles Darwin himself. And, of course, as another of Hodgson's contributors (Theodore Bergstrom) points out, group selection can have its less attractive features:

The polar theories of individual and group selection make dramatically different predictions about social interactions. Individual selection theory suggests a world populated by resolutely selfish *Homo economicus* and his zoological counterparts. By contrast, a world shaped by group selection would likely be inhabited by natural socialists, with an instinctive 'Kantian' morality toward other members of their group. Of course the localism that leads to group selection would also tend to produce unsavoury impulses towards xenophobia and intertribal warfare. (p.117)

However, Hodgson is well aware of the crucial differences between humans and their zoological counterparts. In his Introduction, he draws attention to the overlap between these levels of selection. He refers to 'culturally acquired propensities', and notes that some theorists (e.g. Boyd and Richerson, 1985) have demonstrated that 'cultural group selection' is a 'strong possibility'. Herbert Simon, in a book chapter ('Darwinism, altruism and economics', originally published in 2005) explains that 'We humans are social animals, and by far the greatest part of what we come to know and believe has been transmitted to us by social sources that we regard as trustworthy' (p.223). In one of his own essays (with Thorbjorn Knudsen), Hodgson (p.401) avers that the general conception of the selection process is not necessarily systematic in the sense of leading to efficacious outcomes. Although successive adaptations in an environment can often be observed at the social level as well as in nature, there are cases such as lock-in, path dependence and frequency dependence that confine the selection process to a sub-optimal track. This is the major theme of the second volume here under review.

The Evolution of Path Dependence is the latest title in Edward Elgar's New Horizons in Institutional and Evolutionary Economics series, the series editor being Geoff Hodgson. Lars Magnusson and Jan Ottosson have brought together a number of scholars concerned not only with the essentials of path-dependence theory, but also with the purported applications of this theory in a number of case studies, including the frequently cited QWERTY keyboard, inappropriate small-farm settlement in the North American Great Plains, and American railways. Some of these studies draw directly on the theoretical writing of important economists cited above, including Veblen. In a chapter by Lena Andersson-Skog ('Revisiting railway history: the case of institutional change and path dependence'), Veblen is quoted as an early (1915) example of the path-dependence effect. According to Andersson-Skog, it was the early investment in Britain's railways that resulted in later obsolescence: rail, ports and other facilities were unable to compete with newly industrializing economies, such as Germany. The British system, Andersson-Skog argues, can be regarded as '[a collection of] technical and political constraints that locked the railways into a highly inefficient system' (p.76).

In their Introduction to *The Evolution of Path Dependence*, Magnusson and Ottosson refer to the theoretical work of Nelson and Winter, but they put a more positive slant on this. Past experience, they suggest, creates a pool of useful knowledge which can be used when individuals or firms confront specific problems, or are forced to make choices. In 'Path dependence in economic geography', Magnus Lagerholm and Anders Malmberg also refer to Nelson and Winter's deployment of the path-dependence concept, which they say can be useful when trying to understand how routines work. Path dependence, these authors argue, can be conceived not only as a trajectory through times, but also as a road laid out in the landscape

such that the connecting of space and time provides useful insights in regional analyses. Economic geography, these authors write, has much to gain from incorporating concepts from evolutionary economics. History matters. Geoff Hodgson is cited ('The role of institutions and organizations in shaping radical innovations') as subscribing to the view that routines are 'metahabits' which diffuse across populations of organizations within an institutional environment, an insight he is said to borrow from evolutionary biologists such as Ernst Mayr (see Mayr, 1992), and which may owe something to Veblen. There is much else in these rich volumes which cannot be given justice in a brief review. They deserve a place in any well-stocked university library.

References

- Boyd, R. and Richerson, P. (1985) *Culture and the Evolutionary Process*, Chicago University Press, Chicago, IL.
- Darwin, C. (1871) *The Descent of Man*, John Murray, London.
- de Waal, F. (2009) *The Age of Empathy*, Harmony Books, New York.
- Haidt, J. (2006) *The Happiness Hypothesis*, Arrow Books, London.
- Hodgson, G. (ed.) (1995) *Economics and Biology*, Edward Elgar, Aldershot.
- Keltner, D. (2009) *Born to Be Good: The Science of a Meaningful Life*, Norton, New York.
- Mayr, E. (1992) *One Long Argument: Charles Darwin and the Genesis of Modern Evolutionary Thought*, Allen Lane, London.
- Veblen, T. (1909) 'Fisher's rate of interest', *Political Science Quarterly*, 24, 2, pp.296–303.
- Wynne-Edwards, V. (1962) *Animal Dispersion in Relation to Social Behaviour*, Oliver and Boyd, Edinburgh.

John Laurent
Highfields, Queensland, Australia
johnlaurent@dodo.com.au

© 2012, John Laurent

<http://dx.doi.org/10.1080/08109028.2012.703842>

Privatising the public university: the case of law, by Margaret Thornton, Abingdon, Routledge, 2012, xxi + 270 pp., £75, ISBN 978-0-415-67789-9

Margaret Thornton (a law professor at the Australian National University in Canberra) introduces the Preface of her book with a sentence that neatly captures its theme:

The recent pace of social change in universities has been akin to being strapped to a political rollercoaster and being unable to alight, which means that there is scant opportunity to discern clearly what is happening or to reflect on why it is happening. (p.xii)

The task that Thornton has set herself – namely, reflecting on why change is occurring – is indeed daunting, but she addresses it with clarity, producing a persuasive and thoroughly convincing outcome. This is an important and timely work and, although it has a focus on the discipline of law, its relevance extends far beyond that.

Privatising the Public University comprises some six chapters, each dealing with a major aspect in institutional change in the modern university. The strength of