Douglass C. North
Trailblazer

Robert Higgs

I met Douglass C. North more than forty-eight years ago, during the final week of 1967. The American Economic Association was holding its annual meetings in Washington, D.C., and I went to Doug's room at the Shoreham Hotel there to be interviewed for a faculty opening at the University of Washington, where he was chairman of the Department of Economics. I still recall that meeting. I knocked on the door, Doug opened it, grasped my extended hand, and nearly dragged me into the room with the words, "You're Bob Higgs, and we're very interested in hiring you." Needless to say, this reception was not the sort that a nervous, twenty-three-year-old job candidate expected as he trudged from room to room to describe his dissertation research and answer all sorts of questions posed by faculty members from the hiring institutions. But Doug did not do business in the usual way, and his capacity for venturing beyond the typical modes in conducting faculty affairs—as when he offered me the job over breakfast the next morning—or in thinking about economic history played important roles in the great success that he enjoyed during his long professional life.

Others have presented the main outlines of Doug's career—degrees earned, positions held, books and articles published, professional honors attained—and I will not duplicate those particulars here but rather offer a few remarks about a man who not only hired me for my first professional job but also mentored me (sometimes making me quite angry in the process), assisted my professional development, and worked closely with me and several other economic historians during the fifteen years

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(1968–83) that I spent as a faculty member at the University of Washington, a period during which its graduate program in economic history, one of the world's best, was enjoying its golden age. (Both Doug and I left the university in 1983.)

When I met Doug, I already knew a fair amount about his work in American economic history. He had established himself as a leader in the Cliometric Revolution, a development that began in the late 1950s in which economic historians trained as economists largely replaced those trained as historians, at least in departments of economics where economic history continued to be offered in courses and as a field of specialization for graduate students. Doug's leadership in this movement was not without irony, however, because the hallmarks of Cliometrics—the use of explicit, often formally specified neoclassical economic theory and econometric testing—were not much in evidence in Doug's own writing, which continued to be more literary and old-fashioned in its expository style, albeit often focused on the programmatic desirability of applying economic theory and developing new theoretical frameworks that went beyond the standard neoclassical stipulations.

In this way, Doug was always more an exhorter than an exemplar, more one who wrote about what economic historians should do rather than one who simply conducted substantive research that put the new approaches on display and thereby demonstrated their power to explain historical events more effectively. Doug was a trailblazer, the one who cuts marks on the trees for others to follow rather than the one who himself cuts down the trees and clears away the rocks and other obstructions. In showing where he thought economic historians and economists ought to go, he was something of a preacher, confident that he had seen the Promised Land and knew the general direction in which it lay, urging the unrepentant to embrace new professional convictions and undertake the difficult task of working in accordance with a new inspiration.

Strange to say, perhaps, Doug's main goal was always that of an economic theorist rather than that of a historian. He usually wrote about grand topics—the economic growth of the United States, the rise of the Western world, economic growth on a global scale, institutions as fundamental to economic conduct and performance, and violence and social order—and he was usually content to make stylized facts serve as his *explicandum*. As a would-be theorist, however, he was rarely if ever a true originator, but instead an arbitrager. In several of his books, he carried ideas from economics (and sometimes other disciplines), where they were more or less familiar and hence no longer at the cutting edge of research, to history, where they were relatively unfamiliar and hence offered the potential for adding substantial value to research endeavors at the existing margin. He played both sides against the middle, as it were: economists were easy on him because he was "only a historian," and historians were easy on him because he was "only an economist."

This observation should not be seen, however, as a damning one. Building serviceable bridges between disciplines is not easy or simple work, yet Doug accomplished this sort of bridging time and again to the enormous enrichment of both sides of the connection. His work on institutions and his important role in creating the economics subfield of New Institutional Economics, work for which he was honored with a Nobel Prize in economics (shared with Robert W. Fogel) in 1993 and other professional recognitions, fall within the realm of intellectual arbitrage.

Several colleagues played important roles in providing Doug with new insights that he employed in major works of historical reinterpretation. Donald Gordon, who spent a period at the University of Washington before I went there, taught Doug basic price theory and gave him an appreciation of its great explanatory power. Doug put this new understanding to good use in his book on the economic growth of the United States before 1860. Later, Yoram Barzel and Steven N. S. Cheung gave Doug an understanding of the fundamental role of private-property rights and transaction costs, and Doug went on (along with our colleague Robert Paul Thomas) to place these concepts at the heart of his reinterpretation of the economic growth of the Western world in the early-modern period. I myself spent many years urging on Doug the central role of ideology in economic history, and in the early 1980s he vigorously embraced this understanding in his book on structure and change in economic history. (He never publicly identified my role in this change of his views, however, so it is possible that someone else, not I, was responsible for it.) Later, after Doug had joined the faculty of Washington University in St. Louis, he drew on colleagues' understanding of cognitive science to propose explanations for how people alter their "mental models" and hence their economic and political behavior with important consequences for the long-term development of their societies. In noting some of those from whom Doug took key ideas in the development of his own thinking, I do not intend to detract from the importance or originality of his work. We all learn from others, and we all have a vast menu of sources from which to choose. Doug displayed excellent judgment in his decisions about which ideas to employ as fulcrums of his own analysis.

Another reason for Doug's great success was his unflagging self-confidence. He never seemed to be discouraged. He never doubted his ability to identify major flaws in economic and historical preconceptions and research strategies or to state with great boldness where the economics and historical professions should go in order to understand their subjects more deeply. By placing institutions at the center of economic analysis—an accomplishment he attained along with other major contributors, especially Ronald Coase and Oliver Williamson—he effected a highly significant reformation of professional sensibilities, particularly among economists. He was never shy about urging others, even the leaders of the economics profession, to take up his ideas and put aside long-established professional conventions and modes of analysis. Whether he was lecturing at the Sorbonne or at Harvard or at a third-rate college, he spoke with equal confidence and conviction. More than once I winced as I listened to him personally "reading the riot act" to leading economists. Yet the deference that I supposed he ought to show these great economists was not his style.

Doug's self-confidence spilled over onto the graduate students. He caused them to believe that they, too, could make great contributions, that they could operate successfully at the upper echelons of the profession, that they could do work of great and enduring value to historians, economists, and other scholars. And—lo and behold—some of them went forth fortified by Doug's inspiration and did make important contributions! Although Doug did not serve as the principal supervisor on many Ph.D. committees, he inspired many candidates under others' principal supervision with his convictions and his faith in their capabilities. He enjoyed teaching both graduate and undergraduate students, and he continued to teach courses at Washington University in St. Louis long after nearly all members of his cohort had retired or died. In this regard, one might be tempted to quote St. Paul about his keeping the faith, but for Doug the work never had anything to do with faith. In his eyes, he was strictly a scientist, and he had little patience with colleagues who sullied their scientific work with what he took to be ideology.

In this regard, among others, he and I parted company. My own view was, and remains, that all economists necessarily work in an ideological context, that everyone's work is subject to ideological framing, and that Doug's orthodox acceptance of the reigning positivism and Popperianism in mainstream economics was a shortcoming, not a virtue. Few economists have shared my views about these matters, however, so one might well conclude that in this area as in others Doug chose wisely. At all events, he chose a grounding for what he took to be his "science" that raised few hackles among his fellow mainstream economists and thus only promoted further the acceptance of his ideas in the mainstream. The proof of the pudding is in the eating, they say, and no one can dispute that the professional accolades and honors heaped on Doug over the years testify to the significance of his overall research program and the way in which he developed and promoted it.

In retrospect, it is impossible for me to imagine how my own career might have developed in the absence of my association with Doug. He helped to advance my career in a variety of ways; he led me to think more deeply about certain critically important issues and problems in economics and economic history; and he inspired me to suppose I too might somehow contribute significantly to the progress of understanding in economic history. He and I fought many battles in his office and mine over the years: a few of them personal, the great majority of them in regard to substantive ideas and professional tactics. It is not too strong a statement if I say that I have spent the past three decades—since we parted company as departmental colleagues in 1983—continuing to ponder and probe ideas that he, above all, provoked me to think about. If I ultimately arrived at a different set of professional convictions, that outcome in itself is not so much a criticism of his teaching and inspiration as a testament to them.