

Toporowski has summarized more than a century of finance thinking in a mere 170 pages including references. This brevity may have been at the expense of a more detailed amplification of some passages and a certain amount of repetition (which the author warns about in the introduction). Nonetheless, the interested reader in finance will find Toporowski's book a mandatory reference.

Ayoze Alfageme Ramírez
University of Geneva

Ethical Formation of Economists

Edited by Wilfred Dolfsma and Ionana Negru

Routledge: Abingdon, Oxon, 2021. 200 pages, £36.99 (paperback)

This edited volume revolves around the ethical behaviour of economists. Whether as researchers, instructors or professionals who inform public or private decision making, economists inevitably face and make ethical decisions, and these decisions are the subject of this collection of nine essays.

One of the main problems this edited volume exposes is that economists are often unaware of the ethical dimensions of their work or research and do not explicitly reflect on or recognise the value-laden content of the methods, tools, theories or assumptions on the basis of which they advance knowledge or inform decisions. As a result, economists implicitly apply the moral content contained in mainstream neoclassical economics, namely narrowly defined utilitarian consequentialism, without evaluating its appropriateness for the issue at hand or alternative approaches to ethics.

Several chapters address ethical dimensions economists face in their research practice and specifically when applying widely used empirical research methods like Randomised Control Trials (Sindzingre, Chapter 7) or econometrics (Ziliak and Teather-Posadas, Chapter 8). They carefully trace and expose the ethical dimensions imbued in those research methods, such as the value-judgements inherent in null-hypothesis testing or the dependence relations between aid-dependent countries and donors sponsoring RCTs. Doing so, Sindzingre and Ziliak and Teather-Posadas unmask first and foremost our own oblivion of these ethical dimensions, which are barely discussed outside of a small research community, the widespread use of these tools notwithstanding. Groot and Maasen van den Brink (Chapter 9), in turn, expose economists' lack of awareness of the moral reach economics research carries on policy making and criticises economists' reluctance to assume the role of public intellectuals.

This collective state of oblivion about the ethical dimensions of research methods, the ethical implications of theorising and our ethical responsibilities when informing decisions, come out of a long history of eradicating philosophy of sciences from the economics curriculum and attempts to portray economics as a purely positive science. Both trends started with the rise of neoclassical

economics but culminated with Friedman's (1953) influential work on positive economics, which as O'Sullivan (Chapter 4) lays out in greater detail, is a notion that is both epistemologically flawed and practically impossible to maintain.

As a result, the training of economists generally does not foster thinking about value and judgements (Morgan, Chapter 10) and most economists are unaware that they inevitably and rightly so enter the realm of the normative when making policy recommendations. The two standard tools taught to evaluate whether an outcome is to be judged good or bad are Pareto-optimality and the Kaldor-Hicks compensation test, the limitations of which are vigorously exposed by White (Chapter 6). In short, economists are not helped or trained much to think about responsibility and the ethical dimensions of their analysis, research and methods.

Reincorporating ethics into the professional practice and research of economists requires therefore a complete overhaul of how we train economists. How this could be done in practical steps is discussed by the chapters of De Martino, Mearman and McMaster and Duckworth in Chapters 2, 3 and 5 respectively. De Martino maintains that what is needed beyond explicit training in the value-content of different methods and theories is extensive practical wisdom, which students can acquire by way of discussing complex situations and immersion in the professional community in intern-/ apprenticeships. Mearman and McMaster argue that at the core of the curriculum reform must be rebuilding the foundations of the discipline away from Epicurean utility maximisation and harm avoidance towards reincorporating Aristotelian virtue in the form of care. Duckworth points out that only collectively can economists assume responsibility for the progress of the discipline and societal outcomes.

The volume discusses plenty of concrete examples of ethical dilemmas economists face when informing decisions and when designing research. It also contains plenty of practical examples of how we can prepare our students for making and recognising the ethical decisions they will inevitably face, using, for instance, the rail track dilemma. Even though, the volume may seem to speak in the first instance to those committed to reforming economics pedagogy and curriculum, it is a book that is significant for all economists. After all, our first ethical responsibility is to recognise and address our own ignorance. This book yields the foundation – a much needed beginning – for reforming the discipline.

Christina Wolf
Kingston University London