

Chapter 5

Statistical Prejudice:

From Eugenics to Immigration

Let us bear in mind the words of Galton written almost in the last years of his life, words not of despair, but of wise caution: ‘When the desired fullness of information shall have been acquired, then and not till then, will be the fit moment to proclaim a “Jehad” or Holy War against customs and prejudices that impair the physical and moral qualities of our race.’

Pearson and Elderton “Forward” *Annals of Eugenics*

5.1 Prejudice and Resemblance

The foundational assumption that the street porter and the philosopher are essentially the same prompts us to ask whether we all have the same motivations or whether there is something special about uncovering scientific “truth”? In particular, are scholars motivated by the same self-interested desires for fame and fortune as the rest of the population? Today, we are often ready to presume that scholars are more public-spirited than the rest of the population; they are said to seek only (or at least mainly) the truth. We allow that prejudice infects the academy in the area of personal relationships, acknowledging, for instance, that a scholar might oppose hiring a talented colleague because of racial or religious prejudice. Yet we often cling to the belief that the same scholar would be unbiased in the evaluation of *ideas* or *intellectual output* – that he or she would never ignore or disparage ideas for racial or religious reasons. Such a presumption – that the expert has more public motivation than ordinary people – may be the final and most persistent form of hierarchical thinking.

In this chapter, we examine a case in which the presumption that experts seek only the truth was terribly wrong. We demonstrate that prejudice infected the (public) “science” of the prejudiced, and was then passed on to other scientists.¹ The historical

¹The argument of Arrow (1972) and Phelps (1972) characterizes prejudice as an intellectual short-cut. In such cases, information about a group is a means to another end, e.g., an input to profit-maximizing employment decisions. Here, we consider the characterization of the group itself in Galton and Pearson. We do not intend to assert that all scientists who accepted eugenicists’ results were either unprejudiced, or prejudiced. But it does seem clear to us that at least some of the post-Classical

record below reveals that prejudice afflicted powerful intellects, namely Karl Pearson and Francis Galton.² Galton and Pearson supposed at the outset of their statistical study that Jews are inferior. Although Galton was candid about his presuppositions and warned the reader to beware of them,³ Pearson presented himself as a disinterested truth-seeker uncontaminated by such vulgar motives as might taint ordinary people. He interpreted his statistical results of “difference” to obtain the conclusion “inferior,” even though the eugenics doctrine and the statistical procedures he favored ought to have led him to the opposite conclusion. Eugenic doctrine held that a feature of the “inferior” stocks of people was “imprudence,” “intemperance,” or high time preference.⁴ Yet when Pearson found empirical evidence suggesting the Jew might be prudent and patient, he interpreted his results as evidence of Jewish inferiority, while maintaining silence as to the issue of

economists (such as Pigou), were reluctant to accept eugenic claims about genetic variation by class, and were convinced by the “scientific” status of such claims. Pigou 1907, above Chapter 4.

²Steve Stigler summarizes the importance of Galton and Pearson for economists (Stigler 1986, p. 265-266).

³At age 85, Galton found reasons to believe that majoritarian decision-making had desirable properties. He called attention to this “unexpected” result, and chose to title the first of a pair of articles “*Vox Populi*” thereby challenging his Carlylean beliefs. Galton 1907a and 1907b, are reprinted with a discussion of their significance, in Appendix 1 below.

Galton presented both his presuppositions and his results in the analysis of finger prints. He was predisposed to believe that the fingerprints of black people were more uniform than those of white people but confessed an inability to find this result in the data. Galton (1892a, pp. 195-96, quoted in Table 4-1 above).

⁴Although there is some variation at the time, the words imprudence and intemperance are frequently used interchangeably to signify high time preference. Peart 2000 gives details on time preference in post-Classical economic thought. See Table 4-1 above.

time preference.⁵

Our contention is that scholars, like other people, are motivated by fame and fortune, as well as the desire to obtain the truth. For statisticians, one value of an estimate may be preferred to another (Feigenbaum-Levy 1996). The tradeoffs we consider here are i) the perception that Jews are different; ii) eugenic theory concerning time preference; and iii) the statistical philosophy enunciated by Galton and Pearson. The fact that Pearson's findings ought to have led him to have rejected the hypothesis of inferiority, suggests how incorrect and dangerous the assumption of motivation by truth-seeking can be.

The first "racial" hierarchy discussed by the British eugenic thinkers was the difference between Irish and Scots "races." The episode below concerns Jews and Gentiles. By examining the statistical work in service of eugenics, we may learn something about how prejudice interacts with statistical procedures and economic theory to become public "science". That eugenic doctrine came to dominate economics as scientific "truth", supported by the biometric research of Francis Galton and Karl Pearson, is clear from the testimony of post-Classical economists such as Pigou (1907), Fisher (1909), and Schumpeter (1954, p. 791). The statistical case having been made by Galton and more fully by Pearson, post-Classical economists came to accept their claim that Jews were

⁵Pearson thus provided an unexpected instance of the eugenic case of declining human status as ability improved, described in our diagram of human capacity (above, Chapter 2).

inferior. That statistical research helped to move economics from the Classical period characterized by the hardest possible doctrine of initial human homogeneity – observed differences among people arise from incentives, luck and history – to a period in which economics alleged foundational differences among and within races of people (Darity 1995). As a consequence, economists in the post-Classical period came to recommend restrictions on Jewish immigration alongside other eugenic policies (above, Chapter 4).

5.2 Galton and the Jews

Galton's project of composite photography was an early exercise in his agenda of racial improvement.⁶ He was convinced that the results would show physiognomical differences of the criminal or Jewish "type" and could then be employed for the principle of human selection:

This face and the qualities [the composite] connotes probably gives a clue to the direction in which the stock of the English race might most easily be improved. It is the essential notion of a race that there should be some ideal typical form from which the individuals may deviate in all directions, but about which they chiefly cluster The easiest direction in which a race can be improved is towards that central type, because nothing new has to be sought out. It is only necessary to encourage as far as practicable the breed of those who conform most nearly to the central type, and to restrain as far as may be the breed of those who deviate widely from it. Now there can hardly be a more appropriate method of discovering the central physiognomical type of any race or group than that of composite portraiture. (1907c, p. 10)

Galton goes on to explain his failure to recognize criminals using composites:

I have made numerous composites of various groups of convicts, which are

⁶Composite photography is featured in the exhibition "Perfecting Mankind," Squiers (2001).

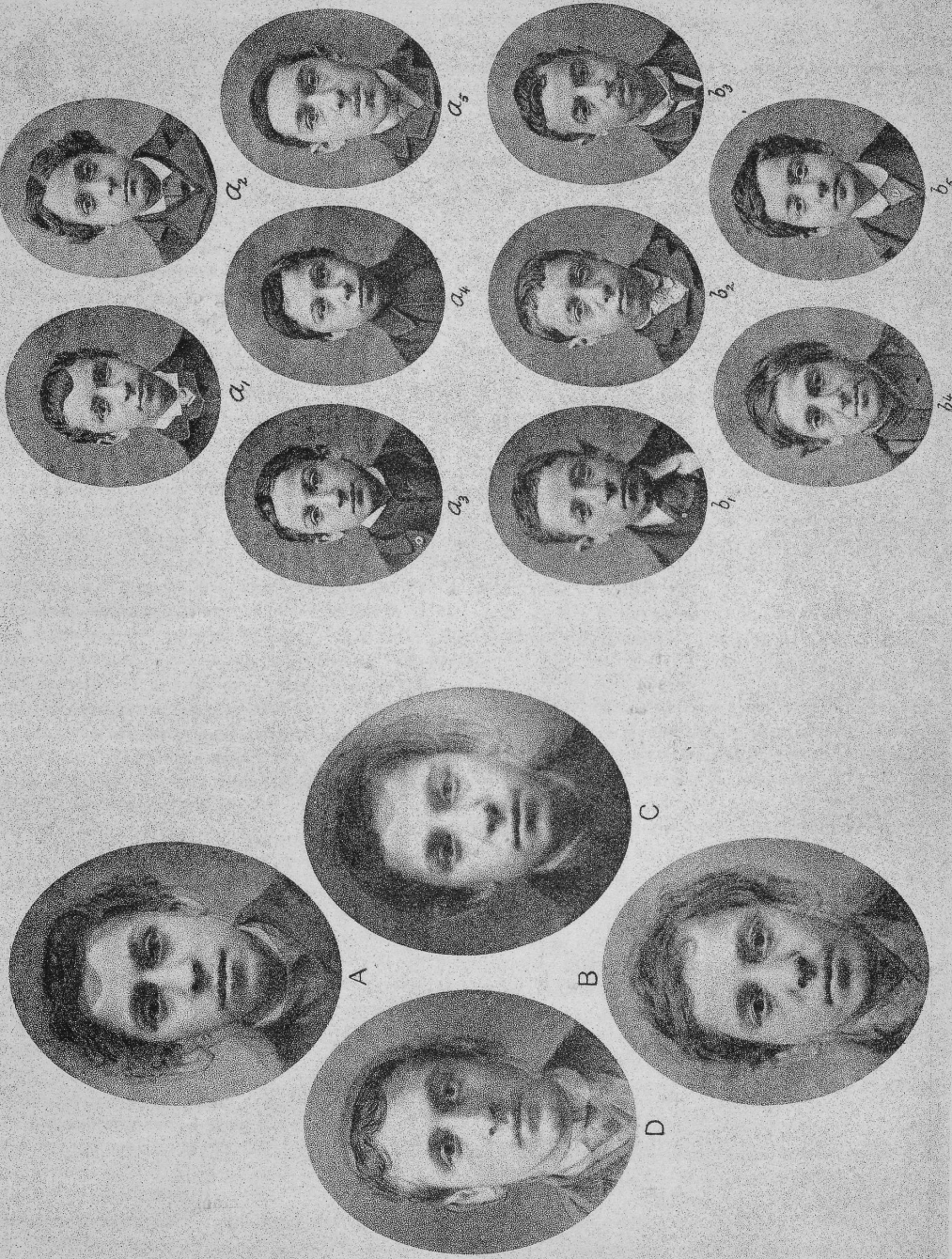
interesting negatively rather than positively. They produce faces of a mean description, with no villainy written on them. The individual faces are villainous enough, but they are villainous in different ways, and when they are combined, the individual peculiarities disappear, and the common humanity of a low type is all that is left. (1907c, p. 11)

But the composite photography had one purported success, identifying the “Jewish type.” Here is Pearson’s retrospective judgment on the Jewish composites (Images 5-1 and 5-2), likened to “a great work of art”:

There is little doubt that Galton’s Jewish type formed a landmark in composite photography, and its success was, I think, almost entirely due to (a) increased facility in the process, and (b) to the fact that his composites were based on physiognomically like constituents. In the case of criminality and phthisis he has based his composites on mentally and pathologically differentiated components, and had expected to find mental and pathological characters highly correlated with the facial. His negative results were undoubtedly of value, but they cannot appeal to the man in the street like his positive success with the Jewish type. We all know the Jewish boy, and Galton’s portraiture brings him before us in a way that only a great work of art could equal—scarcely excel, for the artist would only idealise from *one* model. (1924, p. 293).

THE WISH TYPE.

Full Face.

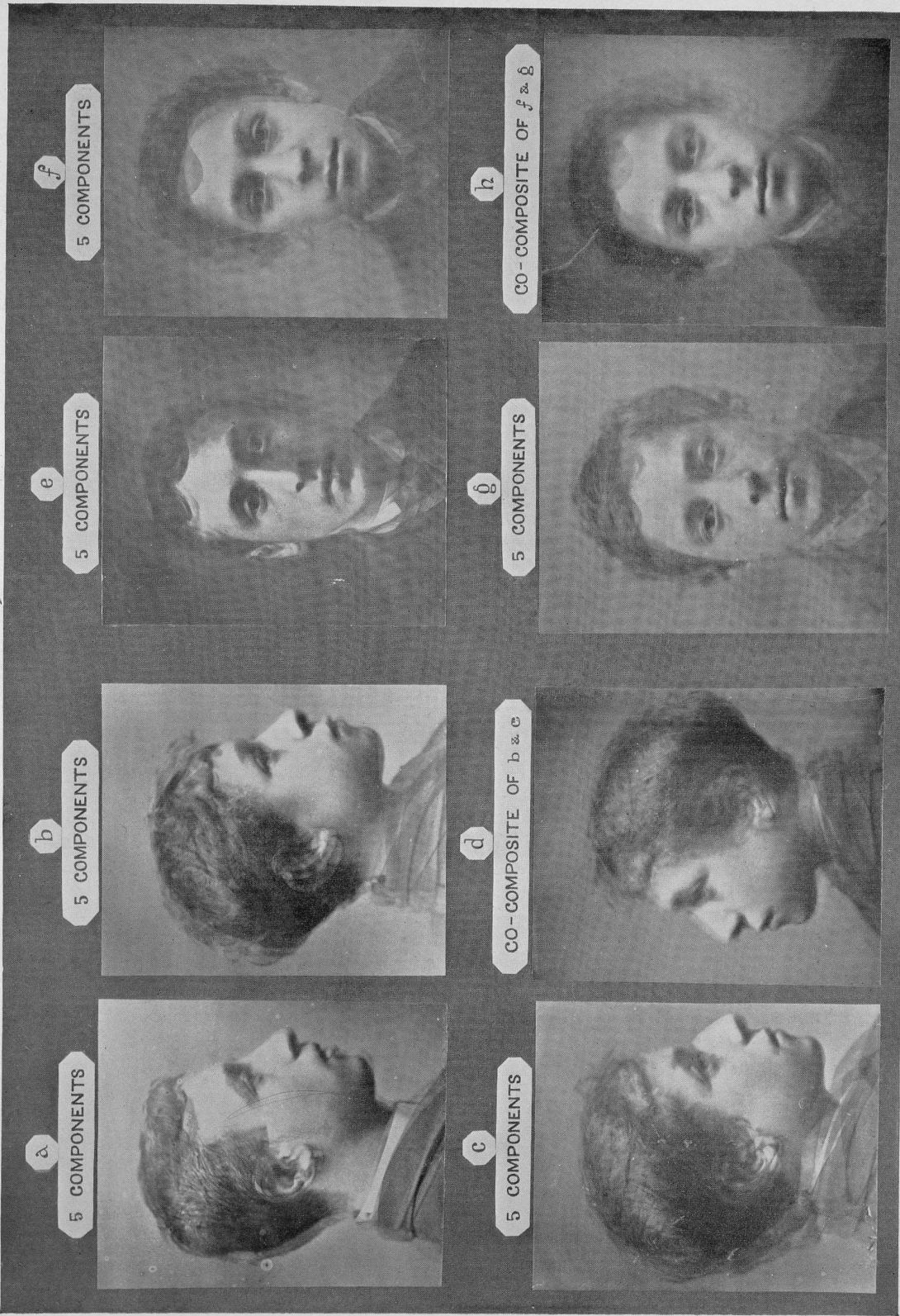


INK PHOTO. BRIDGES & CO. LONDON

COMPOSITES.

Components.
FRANCIS GALTON, F.R.S. PHOTO.

ILLUSTRATIONS OF COMPOSITE PHOTOGRAPHY



The Jewish Type.

Full Face.

Profile.

The Jewish composite photographs were discussed in two 1885 articles by Galton and his co-experimentalist, Joseph Jacobs. Galton wrote that the composites captured the Jewish acquisitive soul:

They were children of poor parents, dirty little fellows individually, but wonderfully beautiful, as I think, in these composites. The feature that struck me the most, as I drove through the adjacent Jewish quarter, was the cold scanning gaze of man, woman, and child, and this was no less conspicuous among the schoolboys. There was no sign of diffidence in any of their looks, nor of surprise at the unwonted intrusion. I felt, rightly or wrongly, that every one of them was coolly appraising me at market value, without the slightest interest of any other kind. (Galton 1885, p. 243)

Jacobs, to whom Galton (1885) had referred the reader, disagreed:

I fail to see any of the cold calculation which Mr. Galton seems to have noticed in the boys at any of composites A, B, and C. There is something more like the dreamer and thinker than the merchant in A. In fact, on my showing this to an eminent painter of my acquaintance, he exclaimed, "I imagine that is how Spinoza looked when a lad," a piece of artistic insight which is remarkably confirmed by the portraits of the philosopher, though the artist had never seen one. The cold and somewhat hard look in composite D, however, is more confirmatory of Mr. Galton's impression. It is note-worthy that this is seen in a composite of young fellows between 17 and 20, who have had to fight a hard battle of life even by that early age. (Jacob 1885, p. 268).

For Jacobs, the portraits simply showed the Jewish boys had lived a hard life.

Pearson dissented from Jacobs, warning that "... many will criticise, and I think rightly criticise the analysis Mr. Jacobs gives of the 'Jewishness' in these portraits ..." (1924, p. 293).

5.3 Pearson and the Jews

For Galton and Pearson, breeding the Carlylean hero was the goal of eugenics.⁷

Like many eugenicists, Pearson (1921) feared that Britain would increasingly fail to produce such “heroes” as she became more affluent:

Where are the younger civil servants to replace our dying pro-consuls, and to whom the nation can commit with a feeling of security and confidence the future problems of South Africa? Where are the new writers to whom the nation listens as it did to Carlyle, Ruskin, and Browning? or for whose books it eagerly waits as for those of Thackeray and George Eliot? Where are the leaders of science who will make the epoch that Darwin and Huxley made in biology, or Faraday and Clerk Maxwell in physics? (1901, p. 56)

Here is Pearson’s distinction between the average and the exceptional:

There may be a steady average ability, but where is the fire of genius, the spirit of enthusiasm, which creates the leader of men either in thought or action? Alas! it is difficult to see any light on the horizon predicting the dawn of an intellectual renaissance, or heralding social and political reforms such as carried the nation through the difficult fifty years of the middle of this century. Possibly our strong men may have got into the wrong places. ... but I must confess to feeling sometimes that an actual dearth is upon us. And if this should be so, then the unchangeable law of heredity shows us only too clearly the source: we have multiplied from the inferior, and not from the superior stocks. (1901, pp. 56-57)

It will soon become clear that what Pearson says about the exceptional Jew – the Spinozas and the Einsteins – and the policy response to Jewish immigration, runs counter to his position here.

⁷“Here was Galton fifty years ago calling out for the ‘superman,’ much as the younger men of to-day are doing. But he differed from them in that he saw a reasoned way of producing the superman, while they do not seem to get further than devoutly hoping that either by a lucky ‘sport’ or an adequate exercise of will power he will one day appear!” Pearson (1924, p. 78).

The first article in the *Annals of Eugenics* of which Pearson was the founding editor is part one of “The Problem of Alien Immigration into Great Britain Illustrated by an Examination of Russian and Polish Jewish Children” by Pearson and Margaret Moul. Since their procedure violates Pearson’s commitment to the method of moments, we shall argue that the article suggests how eugenic presuppositions colored the statistical results.⁸

Pearson-Moul motivate the exercise with a concern over racial quality in densely settled countries. They begin by telling a story of climate and race suitability.⁹ The inherent inferiority of the Negro – unsuitable even for Africa! – was said to be obvious:

It is perfectly idle to talk in these matters either of pride of race or of the common humanity of all mankind. The reasons that can be given for admitting orientals as permanent immigrants into a densely populated occidental country apply equally to the admission of occidentals into oriental countries. When it comes to settling or resettling a sparsely peopled country, then it is possible to find out whether the individual is a real humanitarian or not, according as he thinks only of his own race, or of the actual suitability of other races, as judged by their culture and their adaption for the proposed environment. From this standpoint it is probable that the Japanese would be far more valuable than men of Nordic race in many of the Pacific islands, and that the Hindoo and still more the Chinaman might, to the great advantage of the general world progress, replace the negro in many districts

⁸“Before Student’s time [and the t-test], every analysis of data that considered ‘what might have been’ resembled a long staircase from the near foreground to the misty heights. One began by calculating a primary statistic, a number that indicated quite directly what the data seemed to say about the point at issue. The primary statistic might, for instance, have been a sample mean. Then one faced the question of ‘How different might its value have been?’ and calculated a secondary statistic, a number that indicated quite directly how variable (or perhaps how stable and invariable) the primary statistic seemed to be. The secondary statistic might have been an estimate of the standard deviation of such a sample mean. After this step, one again needed to face the question of ‘How much different?’ ... In principle, one should have gone on to a tertiary statistic ... then to a quaternary statistic.” Mosteller & Tukey (1977, p 2).

⁹This was a common argument at the time. Jevons (1869) was also struck by the relationship between climate and race; for the American context, see also F. Walker in Darity (1995).

of Africa. (1925, pp. 6-7)¹⁰

Pearson-Moul then review contending views of the results of immigration. On the one hand, there is the human homogeneity story, while on the other hand, immigrants might overly compete for jobs and resources:

In the years preceding the Great War the question of indiscriminate immigration – especially that of the Polish and Russian Jews into the East End of London, and the poorer quarters of other large towns in Great Britain – had become a very vital one. It was asserted on the one hand that the immigrants were a useful class of hard workers fully up to the level of the English workman in physique and intelligence, and on the other hand these immigrants were painted in lurid colours as weaklings, persons with a low standard of life and of cleanliness, *under-bidding native workers in sweated trades and spreading anarchic doctrines*, so that the continued inflow of this population was leading not only to economic distress, but to a spread of doctrines incompatible with the stability of our social and political systems. (1925, p. 7) [emphasis added]¹¹

In the face of these competing predictions, Pearson and Moul call for disinterested scientific study:

It was very obvious to the onlooker that whatever might be the real facts of the situation, those facts were not available for the calm discussion of the case. The partizans of cheap labour and the partizans of monopolistic trades-unionism were both undoubtedly acting from personal and party inspirations, and there was no one whose business it really was to find the true answer to the question of whether Great Britain could assimilate to its national profit this mass of new and untested material. (1925, p. 7)

¹⁰We consider discussions of immigration by economists in Chapter 4 and below, Section 5.4. See Commons 1916, Fetter 1907, 1916.

¹¹“The effect is noticeable and disastrous in the case of the Irish-Americans. Displaced by Italians and Slavs, many of the young men have fallen into the hoodlum and criminal element. Here moral causes produce physical causes of race destruction, for the vicious elements of the population disappear throughout the diseases bequeathed to their progeny, and are recruited only from the classes forced down from above.” (Commons 1916, p. 204).

They then explain why immigration is the central matter in eugenics policy and they remind the reader that “special cases” do not support general conclusions:

The whole problem of immigration is fundamental for the rational teaching of national eugenics. What purpose would there be in endeavouring to legislate for a superior breed of men, if at any moment it could be swamped by the influx of immigrants of an inferior race, hastening to profit by the higher civilisation of an improved humanity? To the eugenicist permission for indiscriminate immigration is and must be destructive of all true progress. ... No sane man, however, doubts that at various periods of English history our nation has been markedly strengthened by foreign immigration. The Huguenots ... the Dutch ... that of the Germans of 1848 – the “Achtundvierziger” – many of whom were indeed of Jewish extraction. But these special cases do not prove the general desirability of free immigration ... (1925, p. 7)

Pearson and Moul begin the serious work by testing whether Jewish children were as clean or as well dressed as Gentile children. They conclude that Jewish children were poorly dressed compared to their Gentile counterparts, a result which gives “some ground” for the argument that Jews “undersell natives in the labour market”:

It is clear that the alien Jewish children are far below the average of the Gentile children, being indeed below the Gentiles of the poorer districts. They are only in excess of the “Ragged School,” although well in excess of this. There seems some ground for the statement frequently made that they undersell natives in the labour market because they have a lower standard of life. (1925, p. 49).

The result was challenged in the *Journal of the Royal Statistical Society* in an article which claimed that it contradicted the “common view” of those who dealt with Jewish children – “does not accord with the common view held by social workers and school teachers who labour among Jewish children.” (F.S. 1926, pp. 148-49).¹²

¹²In Chapter 11, we defend the use of centralized anecdotal evidence when the theory is suspect.

Assuming that they held income constant across groups – which they attempted to do¹³ – Pearson-Moul detected a difference in cultural expenditure patterns, evidence that Jewish parents were spending less on their children's clothing than non-Jewish parents. If Jewish parents were saving the rest of their income, or spending it on education, then the results suggest that Jews in their sample have a *lower* rate of time preference than their Christian neighbors. As noted above (Chapter 4), eugenicists identified lower time preference with racial superiority.

But Pearson-Moul were silent on where the income went.¹⁴ Instead, they concluded that lower expenditure on clothing was evidence of a racial failing, for which intelligence might compensate. They used the result to argue that Jews should prove they are *superior* in intelligence to make up for their poor physical traits and habits:

The Americans have learnt from experience how unwise it is to admit an untested and motley stream of immigrants even into a land of vacant spaces; it is far more urgent to restrict immigration in the case of a crowded country. There should always be room in a country for the highest type of immigrants, for men who, with superior intelligence or with superior physique, will readily mingle with its stock and strengthen its vitality. But for men with no special ability— above all for such men as religion, social habits, or language keep as a caste apart, there should be no place. They will not be absorbed by, and at the same time strengthen the existing population, they will develop into a parasitic race*, [*A striking instance of such a race is that of the gypsies, who without any thought were

¹³This attempt was criticized (F.S. 1926, p. 149).

¹⁴It has been suggested to us that Pearson-Moul inappropriately pools Christian judgment of Christian clothing with Christian judgment of Jewish clothing. If the Jewish children are observant, then their clothing might appear odd, and thus shabby to those outside the religion. As the Pearson-Moul data come from Polish-Russian children, this is a serious possibility. These considerations were raised by Maria Pia Paganelli of Yeshiva University at the GMU Summer Institute.

allowed to enter this country, and who being there serve no useful and profitable national purpose.] a position neither tending to the welfare of their host, nor wholesome for themselves.

We hold therefore that the problem of admission of an alien Jewish population into Great Britain turns essentially on the answer that may be given to the question: Is their average intelligence so markedly superior to that of the native Gentile, that it compensates for their physique and habits certainly not being above (probably a good deal below) the average of those characters here? (1925, pp. 124-25)

Pearson-Moul proceed to compare the intelligence of Jewish and Christian children. They find little difference between the intelligence of Jewish boys and their Christian peers, but a significant difference between Jewish boys and girls. Since Jewish boys are not more intelligent than non-Jews, and girls are inferior, Pearson and Moul conclude that Jewish immigration should be curtailed:

An examination of this table shows us once that the Jewish girls have less intelligence than the Gentile girls in any type of Council school. The comparison of the Gentile and the Jewish boys is less clear cut ... What is definitely clear, however, is that our own Jewish boys do not form from the standpoint of intelligence a group markedly superior to our natives. But that is the sole condition under which we are prepared to admit that immigration should be allowed. ... Taken on the average, and regarding both sexes, this alien Jewish population is somewhat inferior physically and mentally to the native population. (1925, p. 126)

In short, Pearson-Moul first impute a racial failing on the basis of expenditure patterns. They allow that Jewish intellectual superiority might overcome this failing, and they attempt to measure intelligence. They find no difference in the intelligence of Jewish and Christian boys but a difference between the girls. They then pool by gender and impute a racial difference in intelligence.

Not surprisingly, the Pearson-Moul study made its case in terms of average intelligence, the first moment of the distribution. The study turned next to the question of the occasional extremely capable Jew, a Spinoza or an Einstein:¹⁵

we know and admit that some of the children of these alien Jews from the academic standpoint have done brilliantly, whether they have the staying powers of the native race is another question.* [*A member of an eastern race said to the senior author of this paper recently: 'It puzzles me when I see how late in life you English can work; all I have to do, must be done before I am fifty.'] No breeder of cattle, however, would purchase an entire herd because he anticipated finding one or two fine specimens included in it; still less would he do it, if his byres and pastures were already full. (Pearson and Moul, 1925, p. 127)

Acknowledging that the occasional immigrant will produce exceptional talent, a Spinoza or an Einstein, Pearson-Moul dismiss the need to consider such outliers.

As is well known, elsewhere Pearson strenuously defended method of moments estimation procedures against both maximum likelihood methods as well as the subjective discarding of "outliers".¹⁶ To ascertain the reliability of the estimate of the first moment,

¹⁵See Holmes 1926, p. 233.

¹⁶ Here is how Pearson begins his blistering attack on maximum likelihood estimation in principle, and Fisher in particular. Pearson quotes Fisher (first) giving a personal insult and (second) explicating the methods of moments in opposition to maximum likelihood estimation: "*Wasting your time fitting curves by moments, eh?*"

"Perhaps the most extended use of the criterion of consistency has been developed by Pearson in the 'Method of Moments.' In this method which is without question of great practical utility, different forms of frequency curves are fitted by calculating as many moments of the sample as there are parameters to be evaluated. The parameters chosen are those of an infinite population of the specified type having the same moments as those calculated from the sample ... Moreover for that class of distribution to which the method can be applied, it has not been shown except in the case of the normal curve, that the best [sic! KP] values will be obtained by the method of moments ..." (Pearson 1937, p. 34)

Stigler (1986, p. 338) notes that Pearson "would not budge on the matter of excluding extreme values from his analysis."

(the mean), the procedure entails estimating the second moment, (the variance). To ascertain the reliability of the estimate of the second moment, one estimates higher moments. But when Pearson and Moul claim that information about characteristics of exceptional Jews is not important, they have thrown out information which is critical to the estimation of the third and fourth moment of the distribution. The Pearson-Moul study therefore violated Pearson's own statistical principles. Discarding the exceptional asymmetrically is particularly striking in this context, when Pearson had clearly remarked on the dearth of exceptional talent in Britain. All of this suggests that prior judgments about Jews, rather than statistical principles, drove the results.¹⁷

5.4 Eugenics and the Economists

As noted in Chapter 4, by the turn of the century economists in Britain and America came to accept the eugenicists' claim that "inferior" races over-breed, while Anglo-Saxons reproduce at relatively low rates, as well as the statistical case concerning

¹⁷We know, too, that Pearson's attack on the use of the sample median was central to his disagreement with Galton. "It is well-known that the median is subject to a larger probable error than the mean and this has discouraged its use in statistical inquiries dealing with carefully recorded observations. But Galton realized that while its chief value in such cases was the rapidity with which it could be ascertained, [KP note: That Galton used median and quartiles so frequently even on careful records must, I think, be attributed to his great love of brief analysis. He found arithmetic in itself irksome; he would prefer to interpolate by a graph rather than by a formula, and while his rough approximations were as a rule justified, this was not invariably the case.] yet there existed certain cases in which the median may be said to be far more reliable than the mean." Pearson (1924, p. 34). Pearson cites Galton (1907a, 1907b) in which Galton proposes the sample median as a model for democratic decision making and works an example by computing the median guess in an ox-judging contest. (Appendix 1) Pearson then computes the mean and finds it closer to the true weight of the ox than Galton's median. So even in a case where there is theoretical reason to prefer the sample median, Pearson finds the mean superior.

the “immigration problem”: waves of immigration drawn predominantly from “inferior” races are said to have reduced the quality of the nation’s population (Commons 1916, pp. 200ff). Since such immigrants multiply at high rates, the deterioration would be ongoing.

For economists, eugenics provided at least a partial solution to two related problems, the “relative decrease of the successful strains of the population,” as well as the racial mix of the existing population that resulted from slavery and ongoing immigration drawn predominantly from the “vicious strains of humanity” (Fetter 1916, pp. 366, 369).¹⁸ Irving Fisher, Frank Fetter, and J. R. Commons each argued that without such restrictions on immigration, the “race treason” problem in America would only worsen.¹⁹ Commons pointed to the “shifting of the sources” of immigrants towards Eastern Europe, with the result of increasing the proportion of Jews in the immigrant pool (1916, p. 217).

5.5 Conclusion: Dismissing Ideas using Race

As noted at the outset of this book, the foundational assumption that the street porter and the philosopher are essentially the same has prompted us to ask whether we all

¹⁸Fetter points to the heritage of bad immigration policy, “which survives in many defective and vicious strains of humanity, some of them notorious, such as the Jukes, the Kallikak family, and the Tribe of Ishmael.” (1916, p. 369). The “evidence” of the “Jukes family” is discussed in detail by Carlson 2001. The role of the “Jukes family” as well as an unremarked expose, published in 1931, of the empirical shortcomings of eugenicists’ claims concerning the Jukes, are detailed in Chapter 6.

¹⁹ “On the whole it seems that immigration and the competition of inferior races tends to dry up the older and superior races ...” Commons (1916, p. 208). For a wide-ranging discussion of immigration, see Commons 1916, pp. 198ff. On “race suicide” and American economics see Leonard 2003b.

have the same motivations when it comes to uncovering scientific “truth”.²⁰ Those who deal with ideas frequently presume that scholars are more public-spirited than the rest of the population; scholars are said to seek only (or at least mainly) the truth. We have suggested, by contrast, that a presumption of homogeneity, a presumption that scholars are motivated by the same self-interested desires as the rest of the population, leads us to a skeptical view of scientific practice. In the context of the “science” of eugenics and the statistical work that supported eugenic recommendations, this chapter suggests such skepticism is well-placed.

While we might reluctantly acknowledge that scholars on occasion are led to manipulate data or statistical techniques to obtain desired results, we may still wish to believe that scholars are unbiased in the evaluation of *ideas* or *intellectual output*, that they would never ignore or disparage ideas for racial or religious reasons. This presumption may be the final and most persistent form of hierarchical thinking. Perhaps the most subtle form of prejudice is the claim that an idea that is true and useful for one group, is neither for another. We close with a historical example of such a presumption.

In 1885, the same year as Galton published his Jewish composite photographs, Alfred Marshall delivered his inaugural lecture at Cambridge. Here, Marshall repeated Walter Bagehot’s explanation for the (“excessive”) abstraction in Classical economics by

²⁰Rubinstein (2000) shows what remarkable results can be obtained by supposing only that the motivation of the theorist and the ordinary language user are the same and so brings the theorist and the theorized to the same plane of existence.

appeal to Ricardo's Jewish heritage.²¹

The context of the adjective “excessive” is important. As is well known, the Classical economists' method of abstraction was strenuously resisted in the 1870s by British historicists, notably John Kells Ingram and T. E. Cliffe Leslie.²² Contemporary critics of economic method feared that the deductive method, abstracting as it did from the full array of causes that influenced economic phenomena, would lead to unjustifiable neglect of relevant causes. Instead, Ingram and Leslie called for empirical studies, upon which they envisaged the theory of economics (and the broader sociological study they favored) could be constructed.²³ Walter Bagehot, conservative editor of *The Economist* and author of *Lombard Street*, also figured in debates about the generality of the axioms of Political Economy. Bagehot argued that the conclusions of political economy were of limited relevance, applicable only to countries with institutional structures similar to those of England at the time (Bagehot 1876). His racial explanation for this limited

²¹Walter Bagehot's position at the *Economist* came through his friendship with Greg whose opinion of classical economics we have seen above. Bagehot played a role in creating the illusion that Mill's economics were unoriginal. When Stigler attacked Bagehot's claim (Stigler 1965, pp. 1-15) it was so widespread that he did not find it useful to ask how it came to be.

²²A leading proponent of the Historical School, the Irish political economist, Thomas Edward Cliffe Leslie [1825-82], was Professor of Political Economy and Jurisprudence in Queen's College, Belfast, from 1853 until his death. A second major proponent, whose work proved to be of significant popular appeal, was John Kells Ingram. Ingram's (1888) *History of Political Economy* went through numerous printings and was translated into nine languages.

²³For an overview of the Historical School, see Hutchison 1953. A detailed review of Leslie's ideas is contained in Koot 1975. The prominent economic historian, J. E. T. Rogers, is also considered an important influence in the historical school.

relevance has been neglected in the secondary accounts.²⁴

²⁴The issue turns on whether the explanation was one of innate differences, or different circumstances. The material below on Bagehot suggests that he falls in the former camp. Leslie and Ingram, as well as Mill, seem more accurately placed in the latter category.

We provide the relevant passages to compare Marshall with Bagehot below.

Bagehot

For this trade Ricardo had the best of all preparations—the preparation of race. He was a Jew by descent (his father was one by religion), and for ages the Jews have shown a marked excellence in what may be called the “commerce of imperceptibles.” ...The fact remains that the Jews have now an inborn facility in applying figures to pure money matters. ... The writings of Ricardo are unique in literature, so far as I know, as a representative on paper of the special faculties by which the Jews have grown rich for ages. ... I know none but Ricardo’s which can awaken a book-student to a sense of the Jewish genius for the mathematics of money-dealing. His mastery over the abstractions of Political Economy is of a kind almost exactly identical. (1880, pp. 152-53)

Marshall

And as to their tendency to indulge in excessively abstract reasonings, that, in so far as the charge is true at all, is chiefly due to the influence of one masterful genius, who was not an Englishman, and had very little in common with the English tone of thought. The faults and the virtues of Ricardo’s mind are traceable to his Semitic origin; no English economist has had a mind similar to his. (1925, p. 153)

They [Ricardo and his followers] regarded man as, so to speak, a constant quantity, and gave themselves little trouble to study his variations. ...

This did little harm so long as they treated of money and foreign trade, but great harm when they treated of the relations between the different industrial classes. (1925, pp. 154-55).

In his 1890 Presidential Address before Section F (Economics and Statistics) of the British Association, Marshall used a racial explanation for the difference between English and German economists’ ideas concerning state regulation. Economists in Germany (and to a lesser extent in America) are more apt to favor bureaucracy, than Anglo-Saxon economists. We can therefore think of economists as a spokesperson for the race, and work backwards:

The advantages of a bureaucratic government appeal strongly to some classes of minds, among whom are to be included many German economists and a few of the

younger American economists who have been much under German influence. But those in whom the Anglo-Saxon spirit is strongest would prefer that such undertakings, though always under public control, and sometimes even in public ownership, should whenever possible be worked and managed by private corporations. We (for I would here include myself) believe that bureaucratic management is less suitable for Anglo-Saxons than for other races who are more patient and more easily contented, more submissive and less full of initiative, who like to take things easily and to spread their work out rather thinly over long hours.” (1925, pp. 274-75).

Ideas that are true and useful for one “race” are therefore not necessarily useful for another.²⁵ And if the economist is different from us, his ideas can be dismissed as meaningful for his race, but not for ours. Later economists might dismiss Bagehot’s and Marshall’s opinions as private and inconsequential prejudice, but Galton and Pearson turned such opinions into public science.

²⁵The malleability of “race” in this context is important: as noted in Chapter 3 above, “race” signifies perceived difference, and may be identified with national boundaries as it is here or some similarly imprecise notion.