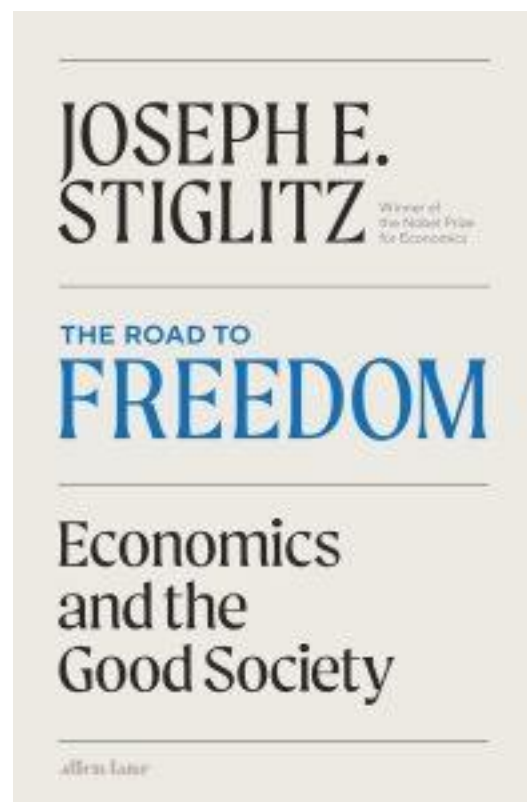


Dorling, D. (2024) Review of The Road to Freedom: Economics and the Good Society by Joseph E. Stiglitz and published by Allen Lane, LSE Review of Books, 4 June <https://blogs.lse.ac.uk/lsereviewofbooks/2024/06/04/book-review-the-road-to-freedom-economics-and-the-good-society-joseph-stiglitz/>

The Road to Freedom: Economics and the Good Society. Joseph E. Stiglitz. Allen Lane. 2024.

Danny Dorling
June 4th, 2024

In The Road to Freedom, Joseph Stiglitz considers the relationship between capitalism and freedom, evaluating democracy, economics and what constitutes a good society. According to Danny Dorling, the book's lack of a coherent structure and an outline of what measures could enable a more free and equal society will leave many readers wanting.



Joseph Stiglitz has a message, and it's worth listening to. It is that humans are not selfish. Or to be a little more precise, they're " ...not as selfish as the Right claim" (82). That is the central point of his valedictory volume *The Road to Freedom*, titled with a pun on Hayek's 1944 [*The Road to Serfdom*](#). Published almost exactly 80 years later, this new book is intended as the long-awaited counterargument to emerge from within the centre of the discipline of economics. But in this endeavour, it disappoints.

Stiglitz's argument in *The Road to Freedom* is that right-wing economists are "almost poisonous", by which he means that often that his opponents make malicious arguments such as to suggest that poor children have chosen the wrong parents (83). He reiterates his long-held claim (and obvious truism) that, both in the past and today, "markets were, in fact, not efficient; that ... in general the economy is *inefficient*." (78-79, emphasis in the original). It is admirable that Stiglitz battles on trying to explain this to those of his readers who have unevidenced faith in "market efficiency". However, what alternative is he offering them?

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The book is mostly about one man's "lifetime of scholarship" at places including Columbia, Harvard, Yale and Oxford (295-297). It is more than a set of new ideas. According to the author, this scholarship extends the work of John Stuart Mill, Friedrich Hayek, Milton Friedman, Antonio Gramsci, Thomas Hobbes, Adam Smith, Karl Marx, Charles Darwin, John Keynes, and John Galbraith (the most mentioned ten, xv-xviii, 22, 23, 25, 87, 131). We do learn that his next book, being written now with colleagues, is to be titled *The Other Invisible Hand* (154). Presumably this will be an elaboration on his [previous comments](#) arguing that most people are not as selfish as most economists are.

So why was this book published? The key reason is because of who its author is. Joseph Stiglitz is currently professor of economics and finance at Columbia University. He was the winner of the 2001 Nobel Prize in economics, and is the author of many other books, notably [Globalization and its Discontents \(2002\)](#). He was formerly chairman of the council of economic advisers to President Clinton and the chief economist at the World Bank from 1997 to 1999; (He [left the World Bank](#) after having been outspoken in his criticism of the US's approach to the Asian financial crisis).

In 2011 *Time Magazine* ranked Stiglitz among the 100 most influential people in the world, and the (then recently departed from office) British Prime Minister [Gordon Brown suggested that](#) he “...got the Asian crisis right, foresaw the bubble that caused such havoc in 2008 and is advocating global answers to a host of problems that can no longer be solved at the local or national level [...] his work goes on challenging us all to rethink our ideas, he will always be a controversialist wherever he goes.”

In 2024 [ScholarGPS](#) ranked Stiglitz as the world’s most productive social scientist in terms of the “profound impact” (his citations) and the quality (his h-index) of his publications. However, the Scholar GPS ranking does seem a little biased towards the works of white men in the whiter parts of the west, Stiglitz included.

But what are Stiglitz’s priorities as an intellectual today? He explains: “The most important example of a global public good is protecting the world from climate change” (83). Much in the book takes this tone: pronouncements from on high that erase the more pressing concerns of those who live without basic needs being met today, such as safety, shelter and food.

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The book lacks a global outlook and substantive depth to its enquiry. There are only a very few references to places other than the US (or to Oxford in England). Stiglitz claims that Finns like paying tax (82), but he does not suggest why. He chastises the French for “...continu[ing] to contribute to global warming unabated” (68) after a tax on diesel use was not implemented; but does not set it in context, for instance, by comparing France’s decarbonisation policy record to that of the US. He suggests that economic growth in China has nothing to do with communism (209) without explaining why. It is hard to imagine China having had such a highly coordinated economy and such determined long-term economic planning without communism.

The book concludes by suggesting that “we can do much better than the current form of capitalism” (277) and that we need a new global economic architecture. As a reader, it is somewhat frustrating to wade through hundreds of pages only to discover that: “This is not the place to delve into what that architecture would fully look like.” (260). Clearly, he is not suggesting that other countries copy China. So, what is Stiglitz advocating, other than a little more kindness and humanity? There are many economies in Europe and elsewhere (such as Austria, Belgium, Canada, Denmark, Estonia, Finland, Germany, Hungary, Ireland, and Japan) that have, by historic standards, achieved high levels of economic equality which he could have suggested as models for the future of the US; however, perhaps to do so would appear unpatriotic.

The primary purpose of the book, then, remains vague. Stiglitz writes that “we don’t have to answer the question of what every possible good society might look like. We begin where we are. We respect honesty, kindness, other-regardingness, cooperativeness, and empathy. We dislike suffering and deprivations, injustices, and so forth” (213). But the book suffers from not being grounded in a proper examination of at least one different society and its current trajectory or alternative future, and how that currently differs from the US.

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There is little new to be learned from this book by economists or students of economics. Compelling insights – such as the fact that in the US, unlike in most countries, resources below land are not owned by the state (109) – are few and far between. That said, a more general audience may gain insight from its analysis of right-wing economists. If intended for general readers, however, its broad-stroke approach is undercut by the book’s lack of a clear and logical structure. Instead, it takes a stream-of-consciousness approach that is difficult to follow and belies the structured approach (of three parts

and distinct chapters) indicated in the table of contents. Beyond that, the book's referencing is severely wanting. It is in several places unconvincing (such as where it just suggests that all that is needed is a little more humanity), vague (see note 17 on page 319) and often self-indulgent (see notes 18, 19 and 20 on 322).

Admittedly, economics appears today to be only just able to begin to take tiny steps out of the mess the discipline is in; at least the kind of economics that still dominates university departments in the US and UK. Students of economics worldwide have rebelled against the orthodox teachings of the old men at the top of the discipline in declining western countries. They have called for more heterodox views to be included in their syllabi. As yet, at least in the most elite of academic institutions, these calls have been largely ignored.

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This is a book that might look good on your shelf. Friends and visitors may be impressed by the literary company you keep. But this is not Stiglitz at his finest, and it reflects a hollowness to the so-called international debate, which is currently presented as mainly being held within US Universities. An observer viewing the debate that Stiglitz is part of, where he has to spend so much of his time and so many words in this book countering free-market maniacs, might conclude that by the year 2024, there is still no road to freedom in sight.

Note: This review gives the views of the author, and not the position of the LSE Review of Books blog, or of the London School of Economics and Political Science.



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