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Avner Offer (1944–)

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Abstract

Avner Offer's work includes the history of property politics in England before the Great War; the impact of the international food economy on politics and strategy in Britain, the British Empire, and Germany before and during that War; analysis of the experience of affluence and its impact on social mores and well-being in the UK and USA since 1950; and a study of abstract economic theory and its influence on political ideologies and economic organisation in the West since the late 1960s. In his model building, he sees motivation through the lens of a quest for self-esteem and approbation, and views institutions as devices to control and constrain commitment across time. Much of his work can be read as a defence of social democracy, and an analysis of how welfare can be destroyed by political and economic calculations inducing inequality and conflict.

Keywords

Property; professions; British politics; First World War; agrarian history; food economy; affluence; behavioural economics; economics of happiness; Nobel Prize in Economics; welfare states.

1 Introduction

Avner Offer's abundant scholarship may be divided into a number of streams. In his first two monographs, he developed fresh analyses of the course of British and imperial history from the 1870s to the Great War (Offer 1981, 1989), using as a fulcrum the idea of control of land as simultaneously the most basic factor of production and a potent source of political and cultural power. In his next two books, he analysed the rise of consumer society in the United States and the United Kingdom after 1950 (Offer 2006), and the links between high economic theory and market ideologies that from the early 1970s helped to disrupt and displace social democracy (Offer and Söderberg 2016). Extending these projects, Avner then turned to the historical evolution of finance and its penetration into pension, health and housing provision (Offer 2012a, 2014a, 2017a, 2018). He has also maintained a longstanding interest in the economics and culture of land ownership in Britain and in the visual representations of landscape. Any one of his contributions would be a substantial scholarly achievement. This chapter outlines the formative experiences and main writings of a world-renowned economic historian, and searches for some keys as to how to understand his body of work taken as a whole.

Avner is a fine historical writer, and his skills of narrative, evocation and exposition have assured him a readership beyond academia (for example, *The Economist* 2006; James 2006; Venook 2016). He is as much a political economist and social scientist as an historian. Implicit as well as explicit models of social behaviour and economic structure and careful appraisal of data are always in play in his work, propelling and shaping the enquiry. Alongside formal causal models and quantitative analysis, Avner has deployed behavioural models going beyond the constrained maximisation constructs of economic theory. Key organising ideas in his work have included the quest for status and esteem, the mutually supportive functions of reason and emotion through instincts of altruism, empathy, and reciprocity, the dilemmas of choice over time, the challenges of myopia and infirmities of self-control, and the social organisation of risk-bearing, risk-sharing, cooperation and conflict (Offer 2012a, b). He has always sought out moral, psychological and cultural explanations to challenge and enrich classical and neoclassical economic models based on methodological individualism. This wide theoretical curiosity, allied to high skill in archival work and devotion to empirical verification, has helped him to make original contributions to some of the oldest questions of political economy and economic history, such as aggregate and sectoral growth, demographic and class change, technological diffusion, specialisation and trade, the operation of markets (and States) in factor, capital and consumer goods (Offer 1980, 1991, 1993), the institutional evolution of property rights (Offer 1977, 1994) and the definition and measurement of welfare (Offer 1997, 2003).

Avner's life story is very different to that of his peers in British economic history and political economy. That story can give clues about the ideas that have animated the work of this highly original scholar. He was born in Mandatory Palestine in 1944 (Offer 2014b: 13–33; Nunan 2012) and grew up in Kibbutz Yifat in the Jezreel Valley, the heartland of Israel's communal agricultural settlements which had been founded by Jewish immigrants from Eastern Europe some two decades before. His father had come from Odessa in 1928, escaping the turmoil of the first decade of the Soviet Union. Avner's mother was born in Palestine, her forbears also coming from the Black Sea region. The young Zionist immigrants regarded Palestine as more than a place of refuge; here was an opportunity to pursue a revolution in the condition of the Jewish people, for an existential transformation. The settlements of the Jezreel Valley cultivated a new way of life for an ancient and harried people. Members abandoned their native languages to speak a revived Hebrew. They discarded inherited culture, heritage, and religious traditions, rebelled against the bourgeois and shtetl legacies, and submerged individual need in the imperatives of the modern Zionist collective: 'To build and to be built by the land', as the Zionist slogan went.

Yet there was something old-fashioned in Avner's upbringing in the utopian kibbutz. From his parents and also his schooling, he could imbibe high European culture alongside the austere values of pioneering and egalitarian Labour Zionism, which had its own secular canon of song, dance and ritual, much of it distilled from the German *Wandervogel* and East European folk culture. There

was plenty of classical music to hear and fine literature to read, especially Russian classics in translation. Avner's mother was a talented poet and sculptor, and his father was intermittently an ambassador for the kibbutz movement, taking the family for sojourns abroad. Two and a half years in Canada and New York as a child aged five to eight helped form and cement Avner's easy command of English and this was followed, a decade later, by five months in Moscow at age 17, where he failed to learn much Russian, saving him from the risk of being tempted into the study of Soviet history and politics in later life, as he wryly acknowledged looking back over his career (Nunan 2012). These youthful memories may have affected his political outlook as well: he had early seen the superpower rivals at the peak of their confidence and success, expanding his awareness of the wider world beyond the confines and conformities of the pioneering State of Israel. A lifelong immunity to the extremes of market fundamentalism and dogmatic socialism might be ascribed to these youthful experiences of America and the Soviet Union, a kind of ideological inoculation. Other economic historians, including his close colleague and predecessor in the Chichele Professorship of Economic History at Oxford, Charles Feinstein, have been attracted to one or both poles; Avner has remained a resolute social democrat.

On the brink of military service in 1962, Avner developed a liking for photography and soon showed not only devotion to the art but also rare skill and talent. He thought that this might be his vocation after army service. Avner served for eleven years as a conscript and reservist in a paratroop reconnaissance infantry unit, seeing action in Jerusalem in the Six-Day War of 1967, and then in the Jordan Valley and the Sinai in the aftermath of that conflict, leading up to and including the 1973 Yom Kippur War. He captured his soldiering experiences of 1967 in an extraordinary series of photographs of soldiers and civilians, both Jewish and Arab, caught in the vice of war, images that were widely exhibited and published at the time and winning him first prize at the 1968 Tel Aviv Museum exhibition of "Photographs from the Six-Day War". His photograph of the paratroopers of his own unit advancing up the road to the Lion's Gate of the Old City of Jerusalem on their way to the Temple Mount nearby was one of the great images of the war and was widely reproduced. Avner collected these images into a memoir of the war written immediately afterwards, but only published in 2014. The book, entitled *Burn Mark* (Offer 2014b), can be viewed not only as an intimate record of a crucial campaign, but also a paean to past youth and camaraderie, a remembrance of the fallen, and an elegy for a country that was to shed its innocence and diminish its ideals in the long years of conflict.

The jolt of the 1967 victory and the expansion of its borders gave Israel a burst of confidence, even euphoria, with shadows and doubts suppressed. As a loyal scion of the labour movement that still dominated Israeli society, Avner worked after the war as a farmer and pioneer both in his home kibbutz and in the new settlement of Sde Boker in the Negev Desert in the south of the country, where the founding premier David Ben Gurion, by then in his eighties, resided in political retirement. Avner worked on nature conservation for an NGO and

subsequently spent three years leading a field survey of the nature and landscapes of the Southern Sinai for the country's Nature Reserves Authority. During this period of Israel's strength and growth, Avner also perceived that the occupation of Palestinian land and domination of its people, excoriated by Ben Gurion but embraced by most of the political elite, was leading Israel into a dead end. His unease was deepened by the constant rumbling of attritive war on Israel's extended borders, which absorbed the energies and took the lives of many of his generation.

In 1969, Avner embarked on studies at the Hebrew University of Jerusalem, a seat of learning still under the influence of the Germanic academic culture of its founding professors. He read geography, including a strong quantitative element, as a preparation for further conservation work, and also history as a key to understanding the sources of Israel's growing geopolitical and social predicaments. Avner studied with some of the scholarly greats of that era such as Jacob Talmon, who wrote a notable book on totalitarianism and populist democracy (Talmon 1952), and who courageously opposed the occupation of Palestinian territories. Through Talmon's study of the Rousseauian general will, Avner seems to have picked up a sense of the uneasy relationship between liberalism, democracy and nationalism at the birth of modern politics. He also developed a strong interest in history and philosophy of science and the logic of scientific discovery and explanation, and wrote a dissertation on Darwin. Israel's strong schools of behavioural economics and strategic bargaining were also then emerging, with scholars such as Daniel Kahneman, Amos Tversky and Robert Aumann in Jerusalem producing seminal insights into rationality beyond simple maximisation models. Avner remembers the ferment and excitement associated with those new ideas on the Jerusalem campus. Methodological concerns from these first years of study would come back into play much later when Avner turned his attention to the scientism of modern economic theory.

Avner graduated with high honours in 1973 and decided to accept a scholarship for study abroad, choosing the University of Oxford. He chose Britain over America as he wanted to study British imperialism and politics as determinants of Israeli history. He experienced this move to Britain in his late twenties as much as a severance from the encompassing world of the kibbutz as a parting from Israel. Avner had come to the conclusion that egalitarian kibbutz society, whilst admirable and just, was perhaps past its heroic stage and did not hold out sufficient challenges for the young. Moreover, his worries about the direction of the country were deepening as the dominant Israeli Labour Party became mired in corruption and infighting. He arrived on a scholarship at St Antony's College, Oxford, in the autumn of 1973 to commence doctoral studies on landownership in England from 1870 to the First World War and after. He was supervised first by the Industrial Revolution historian Peter Mathias at Oxford, and then by Michael (F.M.L.) Thompson from London University, author of classic works on English landed society and one of the foremost economic and social historians in the United Kingdom. Perhaps the study of a very different, deeply rooted and

traditional landed society, a stark contrast to the socialist kibbutz, would help him make sense of the world from which he sprang.

Avner's first Oxford term was soon interrupted by a call back to military service on the fierce Sinai front of the 1973 war. He found himself fighting under the command of Ariel Sharon on the banks of the Suez Canal right up to the moment of ceasefire. Grateful to be alive, he returned to Oxford to bury himself in his research, producing his first monograph on Property and Politics 1870–1914 in 1981, completed as a Junior Research Fellow at Merton College. Avner sensed that, after the trauma of the 1973 war, the political mood in Israel was hardening and the compromises necessary to make peace were beyond reach. He and his generation of the 1960s had paid a toll in war service, and, despite the field victories, the future road was dark. More time away made good sense, and he took up a Lectureship in the Department of Economics at the University of York, where he taught economic and social history alongside Feinstein who led the department. Feinstein was a pioneer of the new quantitative economic history with a virtuoso ability to gather and fine-tune the historical national accounts, the bedrock for empirical appraisal of macroeconomic performance (Offer 2017b).

Avner worked at York for a decade and his family enjoyed living there. His York phase was divided by a productive three-year research sojourn at the Australian National University in Canberra, where he became fast friends with the distinguished social historians Kenneth and Amirah Inglis. The family flourished in the balmy environment of mid–1980s Australia, and there Avner researched and wrote his second monograph (Offer 1989), which described the agrarian origins of the First World War and traced the deeper structures of the far-flung pre-war British Empire. In 1991, he was appointed to a senior position back at Oxford, as a Reader and Professorial Fellow at Nuffield College, moving in 2000 to the Chichele Chair in Economic History at All Souls College in succession to Feinstein and held earlier by Mathias.

At Oxford, Avner helped build up a powerful economic history group which included Feinstein, Knick Harley, Jane Humphries and Robert Allen. The team also included Nicholas Dimsdale, Paul David and other stars. At the time, this may have been the premier economic history group in the world, with new graduate courses attracting an international student body, and a constant stream of distinguished visitors and research collaborators. Avner contributed to the programmes with energy and commitment, helping to launch many scholarly and professional careers. He revelled in collegiate life, where the generations mixed at a common table, bonded by a common purpose, and trusting in the good sense and sound motivations of one other. The life of the college was 'the closest I could find to a kibbutz', Avner said more than once.

In this latter phase, his attention turned to the social and cultural shape of late capitalism and the ideologies of political economy, resulting in a widely-read and warmly reviewed monograph on affluence, well-being and post-war capitalism

(Offer 2006). He later embarked on a study, joining with the younger Swedish scholar Gabriel Söderberg, which took the history of the Nobel Prize in Economics as a framework to explore the meaning and impact of modern economic theory (Offer and Söderberg 2016). Avner spent several periods in America to study and experience at close hand the epicentre of world capitalism, finding the manufacturing culture of Detroit, even in its decline, as interesting as New York as a financial and cultural capital. These latter works analysed and documented the undermining of individual self-control and satisfaction in consumer society, and the neglect of community, solidarity and social obligation by modern economics.

Avner retired from the Chichele Chair in 2011. Freed from full-time teaching and administration, he continued to work on more recent issues in political economy, tracing the displacement of social democracy by market liberalism in the West, particularly the Anglosphere, from 1970 to the present. He also explored the trajectories along which finance has affected the organisation of housing, welfare and government. His work on the historical problem of quality of life has evoked wide interest beyond the academy, with governments in the UK, Sweden and Israel keen to learn from his work.

In "retirement", the flow of vigorous work has not abated – rather the opposite. Avner remains as a stalwart presence and beneficial force at Oxford, always ready to give attention and good advice to students and colleagues, and continuing with a considerable effort of teaching and supervision. Beyond the university community, he has also contributed as a public intellectual with occasional forays into policy. His main vocation remains as a scholar, and his influence as a writer and communicator in his discipline is exceeded by none. We now turn to investigate more closely that body of work.

2 Land, Tenures, and the Property State

Property and Politics 1870–1914 (Offer 1981) is a work of high ambition that was acknowledged by reviewers on publication as a stunning debut. Here, Avner aimed to anatomize English society before the Great War by working through the relationships of landed wealth and income, taxation, regulation, private and municipal enterprise, land and credit markets, professional human capital (with a special focus on lawyers and clerics), local and national politics, and the cultural and ideological dimensions of landholding. The material covered was dense, but skilfully ordered with ideas drawn from classical and modern political and economic theory. In the Offerian vision, Adam Smith's rational actors seek approbation and acceptance from their status as property holders, as well as maximisation of incomes. Ricardo's capitalists avoid competition and capture rents from property ownership. Pareto's elites partake of a culture of "romantic residues" derived from past forms of economic life and property. Bentham's State regulates and stabilises the allocation of resources by conferring property rights, with owners paying a portion of their wealth to maintain the State which establishes and protects their property. Henry George's land monopolists extract

unearned increments from industry and labour as towns expand and the economy grows. Rousseau, who is accorded the first and last lines of the book, describes property as a coercive source of inequality, the original worm of self-regard, destroying the pre-lapsarian world of natural community. Underpinning the entire study was a basic problem in political theory from Hobbes and Locke, through Rousseau, to Mill and Marx: How can fallen man civilise an unequal property-holding world through politics?

To make sense of it all, Avner developed his own theory of "tenures", or claims by groups to privileged status and income by virtue of their cohesion as owners or professionals. Tradition and expertise vests these groups with lucrative control of resources and skills. The first part of the book, entitled "Law as Property", is the main instantiation of the tenure thesis, and threw light on some highly technical aspects of the development of property law and practice (elaborated earlier in Offer 1977). Lawyers were the tenured professional group par excellence, extracting a share of social wealth by their monopoly control of legal transactions, especially land conveyance. These ideas of rent seeking and regulatory capture were deployed at the same time that they were first being modelled more formally in the United States. Land law reform, pre-eminently land registration as a rationalisation of conveyancing, was the proving ground for lawyers' independent, self-governing professional status. Edwardian solicitors' incomes were threatened by a downturn of the property cycle and by overcrowding of the profession. Self-interested solicitors, organised under the umbrella of the Law Society, blocked attempts by Benthamites and Liberals to institute a system of land registration as a quick, cheap and secure form of recording and conveying titles, a system that reformers held to be clearly superior to common law conveyance by deed. The lawyers disagreed, claiming that their arcane techniques were beyond the reach or understanding of non-professionals. The legislation that finally emerged in 1922–1925 was designed to rationalise property law on the legal professionals' terms. It solved a string of particular problems and assisted in the liberal commodification and clarification of land entitlements, but also preserved the lucrative role of lawyers in executing title searches, land contracts and conveyances. Self-interested professionalism thus defeated the public interest, and Britain's economy remained saddled with high legal transaction costs for the remainder of the twentieth century.

These conceptions of monopolistic human capital and professional identity, cartelisation and rent seeking exerted a wide influence amongst economic, social and legal historians in the decades that followed (see, for example, Perkin 1989 and Anderson 1992). Avner's critique of the professions came from the left but chimed with the Thatcherite assault on establishment and professional formations in the 1980s. At the same time, his critical account of the lawyers' promotion of their own interests attracted rebuttals or demands for adaptation by scholars who found value in the pre-modern sensibilities of the old learned professions (Anderson 1992; Pottage 1994; riposte from Offer 1994).

Moving from legal to political authority, Avner was also interested in the reciprocal nature of State authority and property prerogatives. In the liberal (Lockean, Kantian) equation, the representative State exists to protect and manage property, which requires taxation and administration – but not redistribution, which is seen as an illegitimate violation of vested rights beyond the reach of politics. How is that line to be held in modern times when the State's power rests on a growing franchise, and the public realm, both local and national, is called upon to shoulder new and heavy tasks of military and welfare investment? This was the conundrum that led to the People's Budget of 1909 and the constitutional crisis that followed, and launched a deeper crisis of State legitimacy in Britain that fluctuated in intensity but that has never really ended.

Avner went on in *Property and Politics* to describe the mounting conflict between town and country, Liberals and Tories, capitalists and rentiers, over who should bear taxation burdens necessary to support the modern welfare and warfare state, and who should reap the benefits of expanding social wealth expressed in rising property values. He deployed quantitative data to describe wealth distributions, modes of land ownership and levels of income and taxation over the period covered by the volume, dissecting high politics and the motivations of leading actors, giving due weight to the social and cultural dimensions of ownership in the politics of property. In later quantitative work, Avner showed that economic payoffs could not explain the premium prices commanded by land, a gap which he explained in terms of the social and political status and self-esteem that command of acres or houses conferred on the owner (Offer 1980, 1991). He went on to examine the reduction or abolition of rates, the capping of local government taxation, the sell-off of public housing and promotion of private home ownership to reshape the electorate, the channelling of savings via profit-taking banks into the domestic land market (Offer 2014a, 2017a), and the opening of property ownership to investors as a store of value and leveraging opportunity, which effected a febrile boom in both commercial and domestic land markets in Britain. Current work in progress shows how mass home ownership in the twentieth century could only be achieved by means of government mandates, sanctions, and subsidies.

3 Food, Empire and War

Avner's next historical project, *The First World War: An Agrarian Interpretation* (Offer 1989) was situated in the same fin de siècle as *Property and Politics*, but ranged across a much wider terrain. Here, Avner examined international food supply as a factor in the course of late Victorian imperialism and the run up to, outbreak, prosecution, and settlement of the Great War. During the "first globalisation" of 1870–1914, Britain outsourced much of its food supply to overseas suppliers, as did Germany, albeit to a lesser extent. This new international division of labour exposed the maritime supply routes of food and essential raw materials to naval blockade. This gave rise to international tensions which were instrumental in setting off the First World War, and affected the way it was fought and concluded.

Avner began by examining the German food economy during the war, assessing the fragility of domestic and imported supplies, and carefully reconstructing the quality of food and calorific intake over time. He then linked this to data on illness, mortality, and morale, both on the front and at home, concluding that the sense of deprivation and uncertainty incurred by food stress, including the ill will caused by competition for food resources and coercive rationing by the State, were more significant factors in understanding Germany's defeat than the insult to health during this protracted period of hardship. These discoveries marked the beginning of Avner's quest to find secure economic-historical measures of welfare that go beyond the commodity standard of living.

The book then turned its focus to the Allies where the picture was very different. Across a century or more of specialisation in trade and industry, Britain had run down its domestic food economy and become dependent on cheap food imports – which explained the country's mediocre food culture in modern times. Britain's manufactured exports did not cover the cost of its food and raw material imports, a gap bridged by services and income from overseas assets, and vouchsafed by financial and naval power. Wheat was the essential staple, and Avner explored the migration of Britons to the prairies and pastures of the Dominions, showing how the bonds of trade, kinship and shared culture held together a vast imperial system of food production and transport. He then demonstrated that the deepening of the British food trading economy between the metropole and peripheries of empire affected the social structure of both. Large landownership in Britain, with its tenant farmers and impoverished wage labourers, could not compete with the yeoman farmers of the Dominions, who enjoyed land abundance and strong incentives to work for economic independence on their homesteads. A similar analysis of settler capitalist societies had been developed by Avner's Canberra colleague Donald Denoon a few years earlier (Denoon 1983). In sum, British farming declined, starved of investment and labour, whilst colonial and North American farming flourished. Impoverished British workers moved to the wealthier colonies in search of better lives. Changes in land use and agrarian pricing affected wage levels and opportunities for capital investment. These developments help explain the migration cycles of the pre-war period, the development of social democracy in the Dominion societies, their exposure to the ebb and flow of capital flows and commodity prices, and the heightened class conflict and angry politics in the British metropole.

Avner then analysed the social and economic development since the mid–nineteenth century of the three main breadbaskets supplying Britain – Australia, Canada and the United States, offering glimpses also of South American export production, and contrasting these with subsistence systems in Russia and India. Wheat was like petroleum – a bulk-traded international good, not easily replaced, and cheap to transport in highly responsive markets. Avner highlighted an interesting dualism in the wealthy wheat-exporting societies: a high-wage settlement and well-developed public goods, combined with fear of competition from Asia and considerable racial animus. The inefficient constraints on free

labour migration in the Pacific Rim was an economic puzzle whose answer lay not only in the relations of inside and outside labour markets but also in terms of the colonial insistence on a white racial identity and imperial defence. When war broke out, the Dominions leapt to the defence of the mother country and sent their youth to die across the oceans in Europe and the Middle East at rates comparable to the losses of the British and French.

The second half of the book focused on military strategy and the economics of blockade. Avner demonstrated, through painstaking research in the British and German archives, how the pre-war leadership of Britain and Germany were each conscious that they had surrendered their food self-sufficiency through economic specialisation, and came to fear the other's capacity to cut vital food supplies. On both sides, therefore, political and military elites strove to neutralise the mutual threat of starvation by means of military and naval superiority. After two years of stalemate in the trenches, Germany made the fateful decision to launch economic war against a staggering Britain by starting the U-boat campaign against mercantile shipping. By bringing America into the war, the submarine campaign guaranteed German defeat, and a tight food blockade helped to bring the Central Powers to their knees.

The global story of international food production and trade added a new dimension to this much-studied history of strategic miscalculation and descent into the Great War, and also gave a new twist to economic theories of empire, moving explanation away from the Hobsonian theory of capital export and under-consumption as the taproot of imperial expansion. Avner suggested that military planning on the German side with its fatalistic commitment to decisive action regardless of the consequences overcame civilian rationality both in the initial attack of 1914, and the "second decision for war" being the 1917 U-boat campaign (Offer 1995). The story on the British side was more complicated; the civilian and naval planners expected to win a long war by means of blockade, and had good reasons to avoid being drawn into a land war. The pre-war Liberal government attempted to deter and constrain the Germans by means of a naval buildup and a bellicose posture. When Germany failed to read the signals and threw the dice in August 1914, Britain was drawn into a continental commitment.

Avner also highlighted the social contract on the home front as a factor in understanding the course of the war. The nation state in all combatant countries placed heavy demands on its populations, and had to offer a modicum of equality in return. German officialdom was more coercive and less inclined to rely on moral appeals and market incentives to discipline production and ration consumption. Avner argued that resentment about the inequality of burdens leached the authority of the German State and undermined the war effort. In contrast, the British home front remained more or less intact. With the hardships of the Allied food blockade extending into the winter of 1918–1919, accompanied by the 'flu epidemic, German civil society was gravely weakened; this, together with the punitive Allied victory settlement, left a poisonous

political legacy post-war. The idea of unequal burdens and coercion as destructive of polity was to recur in Avner's later social and economic analyses.

4 Wealth and Time, Self-Control and Satisfaction

Avner's third major project, *The Challenge of Affluence*, shifted ground in both the time periods studied and techniques applied. It also reached for an economic as well as an historical audience, and was very widely read, reviewed, praised, and criticised. The subject was the affluent and hedonistic consumer society that emerged in the United States and Britain after 1950. The book kicks off with the core argument: 'Affluence breeds impatience, and impatience undermines well-being' (Offer 2006: 1). Avner here took aim at the core assumption of neoclassical economics that people were the best judges of their own good. The criticism went beyond the usual behavioural and game-theoretic qualifications of expressed preference utilitarianism, viz. that bounded rationality and coordination problems could impede the instrumental attainment of goals. Avner was more interested in the plentiful social-psychological and survey evidence where people reported stagnation or decline of their happiness levels even as they satisfied their wants. This observation has long been a staple of moralising literature and psychology; Wilde quipped in his 1892 play *Lady Windermere's Fan* that it was a much worse tragedy to get what you want than not; Freud in *Studies in Hysteria* three years later suggested that the task of psychoanalysis was to help modern man attain merely common unhappiness; and there is certainly a tradition in utilitarian ethics of identifying higher and lower forms of well-being (Gintis 2007). Could a rigorous social science of the relation of want-satisfaction to happiness be charted? Avner advanced a new testable hypothesis: that the flow of abundant and novel material and experiential pleasures of late capitalism can undermine the quality of life as evidenced by the indices of reported levels of subjective well-being. Consumption in the affluent society strains the consumer's capacity to assimilate, enjoy and attend to meaningful life experience, with deleterious effects on intimacy, health and life satisfaction. Material abundance and overexposure to marketing intensified the intrinsic preference for immediate satisfaction, and consequent surges of over-stimulation swamped the capacity for enjoyment. The key to well-being was to bring stimulation into alignment with the capacity for enjoying it.

Avner deployed models of hedonic experience and consumer and household decision-making in a series of original test cases examining sources of pleasure (and pain) as varied as advertising, car ownership, dissemination of consumer durables, body weight and self-control, occupational status, inequality, sex and family life. Key to his approach was the problem, being worked out in behavioural economics, of hyperbolic discounting, a form of hedonic myopia that makes temporally distant but significant rewards far more difficult to build into a calculus of decision-making than immediate pleasures or avoidances of pain or effort. Modern affluence had diffused compelling but potentially harmful consumer satisfactions through society, promoting poor-quality foods which caused an obesity crisis inimical to health and self-esteem, and particularly

afflicting the poor whose futures were much more uncertain than those of the wealthy. Two chapters examined the frenzy for bigger and gaudier automobiles; Detroit had preferred to manipulate desire by means of unremitting but superficial novelty over investment in durable engineering and safety. The advent of mass auto ownership contributed to congestion, pollution, suburbanisation and the breakdown of community; a private good generated public bads. Another chapter, co-researched with Sue Bowden, examined the temporal diffusion of domestic consumer durables – cleaning, cooking and entertainment devices – and found that "time-using" entertainment appliances, television and radio, diffused more rapidly than "time-saving" ones, which reduced the workload of housewives. The time saved from housework was transferred into watching television. Consumption was promoted by highly proficient and manipulative advertising that wore a "mask of intimacy", but ubiquitous commercial speech ultimately undermined trust in all information in the public space and debased the public good of truth and sincerity, of mutual expectations of honesty.

An important bridge between instrumental theories of rational choice and a secular concept of the good life was found in the work of the psychologist George Ainslie. In *Picoeconomics* (1992), Ainslie modelled the individual as involved in a constant process of bargaining between inter-temporal states of motivation, setting up "commitment devices" to enforce internal deals prioritizing future states over near-field pleasures, and repressing self-cheating. Avner demonstrated how the historian and social scientist could expose the cultural inheritance of commitment devices that stinted and gave savour to experience, that afforced the Ainsliean internal deals; and conversely, one could measure the negative impact on utility when such commitments were weakened or abandoned. The temptations of myopia were traditionally countered by social commitment devices like table manners, education, mortgages, marriages, insurance, and pensions. Heightened consumer choices and stimuli undermined communal and institutional commitment devices that had slowed down consumption, delayed satiation, and maintained appetite and anticipation. The old curbs had constrained immediate pleasures and maintained a more sustainable sense of well-being.

Avner charted changes in family structure, as the patient staging of courtship, sexual initiation and marriage gave way to impatience and restlessness in relationships, with women and children the main victims. Another source of ill-being was the rise in inequality and extension of status ladders. Much well-being is generated by being able to compare oneself favourably to others, and to one's past self. Modern consumer capitalism set up a privatised acquisitive arms race that diminished a rough equality of basic goods and made people at the bottom feel like losers, even though they were consuming more than generations past.

The book's chapter on obesity (based on Offer 2001) explicitly treated the condition as a challenge to the rationality assumption in economics. People regret the overeating that makes them obese even as it happens, and then strive

to undo the result by means of slimming and medical treatment. A follow-up analysis demonstrated that English-speaking countries have much higher rates of obesity than European welfare states and shows that overeating is a response to the competitive pressures of market liberalism, to economic insecurity rather than (as argued by others) to inequality (Offer et al. 2010).

Avner's achievement in *The Challenge of Affluence* was to apply a novel combination of behavioural, decisional and welfare models across a varied historical canvass composed of carefully gathered and measured data: 'I have woven the argument from the whole range of evidence: this is both social science and history' (Offer 1989: 11). The book could also be read as a sustained attack on much of modern economics and the public policies that economics supports or justifies. Data showed that economic growth and increased GDP per head did not promote subjective happiness. Indeed, efforts to increase prosperity measured in material terms might actively undermine the capacity for well-being.

What, then, was the appropriate measure of happiness? Myopic limitations on rationality and the unmanageable abundance of information prevented the self-referential individual from properly assessing all available options across any longer period of time; in modern economic theory, everything was driven by individual choice, but social science had also generated plentiful evidence that meaningful maximising of utility over time was impossible. Instead, Avner embraced an older political – or better, moral – economy. In an influential article (Offer 1997, developed in Offer 2006: Chapter 5), he introduced the concept of "the economy of regard", in which aspiration was guided not by self-interest but by a quest for approbation. Exchange was started by a unilateral gift which elicited a discretionary response, starting off a cycle of mutually beneficial reciprocity. The idea originates in Smith's *Theory of Moral Sentiments*. In another article, Avner showed that the concept of "sympathy" was an intrinsic capacity which was required to establish a social order driven by our concern for the good opinion of others (Offer 2012b).

Avner's arguments were criticised by many economists, reasserting their well-rehearsed intuitions that more was not less, that choices were empowering and the meeting of needs and wants was generally pleasant (Gintis 2007). Such critics may have missed that Avner was really cleaving to an adapted utilitarianism, expanding the measures of happiness to include inter-subjective experience, self-esteem and approbation derived from mutuality and obligation. He also, in effect, displaced instrumental rationality, the efficient adaptation of means to reach discretionary goals. Instead, he preferred a model of judgement and taste guided by culture as a good in itself, and also better suited to deal with the decisional challenges of time discounting and future uncertainty. Friendly critics (Oswald and Powdthavee 2007) suggested that there was a sting in the tail of such social measures of well-being and reason: in an affluent society of impatient, over-consuming, miserable and ill individuals, one's self image and canons of judgement, born of comparison to others, might settle into a low equilibrium,

normalised by one's social surrounds and expectations. This insight has been supported by later research on the flaws of contemporary capitalism, especially with the decline of meaningful work, the fraying of community, and the unavailability of decent health care causing increased "deaths of despair" in contemporary America (Case and Deaton 2020).

5 The Market Turn

Avner acknowledged that his 2006 study of affluence did not cover the complementary topics of public goods and collective welfare provision. In his next period of research, he entered this fray, and carried the enquiry forward into recent decades of intellectual, political and financial history. Avner analysed the turn to market definition of social relations that had taken place since the 1970s, both in high economic theory and in political discourse and action. Avner observed how the "market turn" had eviscerated social democracy, which he conceived as a pooling of life risks and production of public goods brokered by a trusted State. The ring-fencing of risk and smoothing of life-cycle earnings by non-market institutions (social insurance) has been replaced by market organisation of housing, education, health, employment and retirement through deregulated financial institutions. Politically difficult cross-generational welfare pacts have been replaced by unreliable contractual intra-generational savings and insurance deals. Arguing for the depoliticisation of an inefficient mixed economy, these reforms brought financial gains and political power for a small elite, matched by insecurity and stagnant incomes for the rest, with the result that the whole system regularly tipped into crisis.

There was an intellectual story to be told. In *The Nobel Factor*, a co-authored study of the origins and history of the Nobel Prize in Economics, written with Gabriel Söderberg, Avner showed how the Riksbank, the Swedish central bank, had set up and paid for the Prize from the late 1960s with the purpose of celebrating economic theorizing that questioned the social democratic consensus of high tax and transfer and strong public goods. The coterie of Swedish economists controlling the award of the Prize were discreet and nuanced as they set to work. Survey data showed that some two-thirds of the economics profession had a left-of-centre policy orientation but approximately half the prizes went to conservative economists, including Friedrich von Hayek, George Stigler, Milton Friedman, James Buchanan and Robert Lucas. These awards enhanced the credibility of their free market theories, and their often aggressively conservative or libertarian politics. Most of the other prizes went to liberal economists such as Paul Samuelson, Robert Solow, Kenneth Arrow, and Joseph Stiglitz, who nevertheless were committed to the assumptions of neoclassical economics. Only one prize went to a social democrat, Gunnar Myrdal, from Sweden, though behaviouralists such as Daniel Kahneman and Elinor Ostrom who received awards also stood somewhat outside the liberal consensus.

Avner found much to deplore in the post-war development of economic science, with the Chicago School from Friedman to Lucas, and the wider (and somewhat

different) circle of economists associated with Hayek and the Mont Pelerin Society. The moral and political values of conservative economics presented it as a "Just World" theory, in which the market gives everyone what they deserve, regardless of their prior endowments and how these might have been obtained. As Friedman put it: 'The ethical principle that would directly justify the distribution of income in a free market society is, "To each according to what he and the instruments he owns produces"' (Friedman 1956: 1). The consequence is indifference to inequality. Prestigious branches of economic theory (such as optimal taxation and public choice) give precedence to policies based on the purported efficiency of imagined free markets over the proven benefits of social equity and public goods. In other words, economic theory can too easily serve as a "warrant for pain" (Offer 2014c).

In his solo and collaborative writings on the technical content of modern economic theory, Avner engaged with two main approaches which are inconsistent with each other. One is "good faith economics", which scales up the discretionary choices of omniscient individuals into a socially optimal general equilibrium. This is a harmony theory in which there is no conflict of interest. Alternatively, in "bad faith economics", information is asymmetric and limited and everyone has an incentive to cheat. Good faith economics is unrealistic but specifies optimal policy solutions. Bad faith economics is more realistic but is empirically indeterminate and is unattractive ethically. Neither provides reliable guidance for policy.

Can society do better? Hayek argued that it was impossible for any form of social management to encompass the richness of information handled smoothly by the market. In recent writings, Avner has produced powerful counterarguments to this based on the heuristics of time discounting and collective decision-making in conditions of uncertainty to make a positive case for public goods and social insurance (Offer 2003, 2012a, 2018). He names these "prudential goods" and shows how wealthy societies have historically expanded the production of such goods to form some 40% of the economy. Prudential goods are hardened into institutionally protected entitlements for good reason: not as illegitimate use of public power for sectional rent seeking, but rather as commitment devices to overcome market failures and coordination costs, to extend time horizons, to pool risks and benefits and help individuals smooth life-cycle earnings, and to achieve economies of scale. Since the 1970s, hostility from the high economic theorists, consumer restlessness, political boredom and division, and short-termism by politicians currying electoral favour combined to undermine investment in prudential goods, resulting in breakdowns in societal order that ultimately harmed individual prosperity for the majority or for large minorities – a price that the electorate seemed willing to pay or at least unwilling to recognise.

In recent work, Avner develops a new theory of the private-public boundary. The efficiency attributes of the market are only available for short-term projects whose duration is determined by the break-even time horizon defined by the

prevailing interest rate. The higher the interest rate, the shorter this time horizon. If a project has a longer break-even, it cannot be undertaken by profit-making business on its own. It needs to be undertaken directly by society (through public enterprise or not-for-profit), or by a "franchise" whose profit is underwritten by society. Between them, these social and hybrid forms of enterprise cover more than half of aggregate economic activity. Competitive markets are important enclaves, but cannot provide a template for society.

One corollary of pervasive public and hybrid economic activity is pervasive corruption which has increased in line with marketisation and financialisation. A possible solution to such problems is indicated by the successful "integrity revolution" which took place in Northwestern Europe in the second third of the nineteenth century. This was achieved by aligning the interests of public servants with their occupational codes, and worked well for about a century until the privatisation of public services and the introduction of competitive incentives into those remaining in the public sector. Payment by results in the public service set up a conflict between the self-interest of officials and the public good. Meanwhile, the privatised utilities and services continued to depend on government support. This support extends to the very heart of capitalism, the financial system which relies on central bank clearing, regulation, credit, and bailouts. (Offer 2018, and current work in progress). Here was a tragic irony: myopic choice amplified by sectional interests and accelerated by economic ideology is strong enough to undo the commitment devices installed historically to counter it. The linked crises of 2020 in public health and the macroeconomy highlight what is at stake.

6 Conclusion

Some of the dominant themes of classical and New Economic History concerned economic performance across time, defined in terms of growth, expansions of productive capacity through technology or organisation, rising standards of living, demographic expansion, and power relations and material distributions mediated by class, race and gender. Surveying Avner's work as an integrated whole, he has embraced these questions in his research programme, especially in his first phase of work, but he has also taken them in new directions. He has focused on the paradoxes and pathologies of modern economic growth, observing how social and military conflict, the search for security, status, and identity, and the fragility of well-being, make the judgments of political economy more, not less, difficult even in a world of technological change and material plenty. But the picture is not all dark: Avner's narratives and analyses are leavened with the sense that social and individual choice can always take new courses, that goodwill, mutuality and cooperation are just as pervasive as self-interest, rivalry and conflict, and that a prudent social democracy supporting a secure and genial citizenry is, despite all, quite possible.

We may ponder how life experience, education, culture, identity, and memory will shape the intellectual life of a particular scholar or writer, and how valuable

it is for the reader to know something of the life of an author or creator. Avner's life and formation outside the liberal Anglo-American consensus, in the first decades of socialist Israel, is surely a large element shaping his historical and economic vision, his sense of what most needs explaining. We can leave the last word on this puzzle to Avner himself, who offered these lines to readers of his 1989 work on the First World War, at the close of the Preface (Offer 1989: ix):

> A decade or so spent as a farmer, soldier, public servant and student in Israel in the 1960s and 1970s prepared me to perceive the agrarian, military and mental patterns of the Edwardian Empire. Those years also exposed me to some of the faces of war.
>
> > Clouds float across my window
> > In many towns, on many desks,
> > then seasons, years – a decade yet?
> > A mound of paper binds me in the net
> > of puzzles that research might yet unravel
> > and memories that I am ever striving to forget.

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