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Why Is There No New Milton Friedman Today?

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If I approach this question from a more general angle of cultural history, I find the diminution of superstars in particular areas not very surprising. As early as the 18th century, David Hume (1742, 135-137) and other writers in the Scottish tradition suggested that, in a given field, the presence of superstars eventually would diminish (Cowen 1998, 75-76). New creators would do tweaks at the margin, but once the fundamental contributions have been made superstars decline in their relative luster.

In the world of popular music I find that no creators in the last twenty-five years have attained the iconic status of the Beatles, the Rolling Stones, Bob Dylan, or Michael Jackson. At the same time, it is quite plausible to believe there are as many or more good songs on the radio today as back then. American artists seem to have peaked in enduring iconic value with Andy Warhol and Jasper Johns and Roy Lichtenstein, mostly dating from the 1960s.

In technical economics, I see a peak with Paul Samuelson and Kenneth Arrow and some of the core developments in game theory. Since then there are fewer iconic figures being generated in this area of research, even though there are plenty of accomplished papers being published.

The claim is not that progress stops, but rather its most visible and most iconic manifestations in particular individuals seem to have peak periods followed by declines in any such manifestation. In essence the low-hanging fruit for the production of fame becomes much harder to find. Probably there will never be

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another geometer as fundamental as Euclid and no economist to rival the reputation of Adam Smith as a founder of the discipline.

Newer areas still seem to be generating iconic superstars up through the current day. Bill Gates, Steve Jobs, and Mark Zuckerberg stand good chances of going down as world-historic innovators and perhaps thirty years from now we will be asking why there is no new Steve Jobs.

Now let's apply this to Milton Friedman. The world made significant advances in liberty in the 1980s and 1990s. Friedman's career covered that period and indeed he was an important figure for many pro-liberty movements. At the very least he was articulating the vision of liberty which many people were fighting for, even if they were not influenced by him in every case. For 'freedom fighting,' at that time, and moving toward markets, he attained iconic status.

Moving to another sphere, I think of the academic world of economics as having made quite significant advances in theory in a period something like 1920 to 1980, and then slowing down. Friedman's academic career developed over those years except for the very early segment. So he was very close to peak icon-producing times on the academic side as well. Friedman circa 1953 could write a fundamental essay like "The Methodology of Positive Economics," or restate the quantity theory of money (1956), in a way that today is no longer possible to do with such far-reaching impact.

By writing that, I don't mean to take anything away from Friedman's truly impressive achievements at the personal, research, and outreach levels. But he was also a person who came along at the right moment doing the right things. If Friedman had been born in 1985 and was starting his career now, or even born in 1965 and starting his career twenty years ago, he would do very very well as an economist but he also would find it much harder to reach the same kind of iconic status.

In addition to overlapping with the fall of communism, Friedman's peak academic influence coincided with a period when the world moved to floating exchange rates, which he advocated and even helped design, and coincided with when the United States experienced stagflation, which he had predicted. That is again wisdom on his part, but had economic policy been better in the first place Friedman would not have become nearly as iconic, so there is a role for random forces as well.

In some respects, if there is a Milton Friedman of today, it is Paul Krugman, who both has a Nobel Prize and has a very large popular audience and considerable skills as a communicator. Of course Friedman's contributions as an economist were far more fundamental. Arguably Friedman deserves three or four distinct Nobel Prizes, while no one would say the same about Krugman, even though most of his serious critics readily would grant he deserves the one.

WHY IS THERE NO NEW MILTON FRIEDMAN TODAY?

What about the differences in political orientation? The great policy battles of Friedman's day were defeating communism and planning, moving away from naive Keynesianism, privatizing, and overcoming an excessive belief in regulation. And today what goals are *perceived* (correctly or not) as comparably important? Improving income inequality, fixing health care, and reining in the banks. The cynic might toss in 'fighting austerity and returning to naive Keynesianism.' It should be no surprise that today's closest equivalent to Milton Friedman—in terms of being an iconic, popular, Nobel Prize-winning economist—should come from the left rather than from a conservative or a libertarian viewpoint.

In short, I don't expect we will be seeing another Milton Friedman anytime soon.

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