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John Kenneth Galbraith, 97, Dies; Economist Held a Mirror to Society

By [HOLCOMB B. NOBLE](#) and [DOUGLAS MARTIN](#)

John Kenneth Galbraith, the iconoclastic economist, teacher and diplomat and an unapologetically liberal member of the political and academic establishment that he needed in prolific writings for more than half a century, died yesterday at a hospital in Cambridge, Mass. He was 97.

Mr. Galbraith lived in Cambridge and at an "unfarmed farm" near Newfane, Vt. His death was confirmed by his son J. Alan Galbraith.

Mr. Galbraith was one of the most widely read authors in the history of economics; among his 33 books was "The Affluent Society" (1958), one of those rare works that forces a nation to re-examine its values. He wrote fluidly, even on complex topics, and many of his compelling phrases — among them "the affluent society," "conventional wisdom" and "countervailing power" — became part of the language.

An imposing presence, lanky and angular at 6 feet 8 inches tall, Mr. Galbraith was consulted frequently by national leaders, and he gave advice freely, though it may have been ignored as often as it was taken. Mr. Galbraith clearly preferred taking issue with the conventional wisdom he distrusted.

He strived to change the very texture of the national conversation about power and its nature in the modern world by explaining how the planning of giant corporations superseded market mechanisms. His sweeping ideas, which might have gained even greater traction had he developed disciples willing and able to prove them with mathematical models, came to strike some as almost quaint in today's harsh, interconnected world where corporations devour one another.

"The distinctiveness of his contribution appears to be slipping from view," Stephen P. Dunn wrote in *The Journal of Post-Keynesian Economics* in 2002.

Mr. Galbraith, a revered lecturer for generations of [Harvard](#) students, nonetheless always commanded attention.

Robert Lekachman, a liberal economist who shared many of Mr. Galbraith's views on an affluent society that they both thought not generous enough to its poor or sufficiently attendant to its public needs, once described the quality of his discourse as "witty, supple, eloquent, and edged with that sheen of malice which the fallen sons of Adam always find attractive when it is directed at targets other than themselves."

From the 1930's to the 1990's, Mr. Galbraith helped define the terms of the national political debate, influencing the direction of the Democratic Party and the thinking of its leaders.

He tutored Adlai E. Stevenson, the Democratic nominee for president in 1952 and 1956, on Keynesian economics. He advised President [John F. Kennedy](#) (often over lobster stew at the Locke-Ober restaurant in their beloved Boston) and served as his ambassador to India.

Though he eventually broke with President [Lyndon B. Johnson](#) over the war in Vietnam, he helped conceive Mr. Johnson's Great Society program and wrote a major presidential address that outlined its purposes. In 1968, pursuing his opposition to the war, he helped Senator Eugene J. McCarthy seek the Democratic nomination for president.

In the course of his long career, he undertook a number of government assignments, including the organization of price controls in World War II and speechwriting for [Franklin D. Roosevelt](#), Kennedy and Johnson.

He drew on his experiences in government to write three satirical novels. One in 1968, "The Triumph," a best seller, was an assault on the State Department's slapstick attempts to assist a mythical banana republic, Puerto Santos. In 1990, he took on the Harvard economics department with "A Tenured Professor," ridiculing, among others, a certain outspoken character who bore no small resemblance to himself.

At his death Mr. Galbraith was the Paul M. Warburg emeritus professor of economics at Harvard, where he had taught for most of his career. A popular lecturer, he treated economics as an aspect of society and culture rather than as an arcane discipline of numbers.

Keeping It Simple

Mr. Galbraith was admired, envied and sometimes scorned for his eloquence and wit and his ability to make complicated, dry issues understandable to any educated reader. He enjoyed his international reputation as a slayer of sacred cows and a maverick among economists whose pronouncements became known as "classic Galbraithian heresies."

But other economists, even many of his fellow liberals, did not generally share his views on production and consumption, and he was not regarded by his peers as among the top-ranked theorists and scholars. Such criticism did not sit well with Mr. Galbraith, a man no one ever called modest, and he would respond that his critics had rightly recognized that his ideas were "deeply subversive of the established orthodoxy."

"As a matter of vested interest, if not of truth," he added, "they were compelled to resist." He once said, "Economists are economical, among other things, of ideas; most make those of their graduate days last a lifetime."

Nearly 40 years after writing "The Affluent Society," Mr. Galbraith updated it in 1996 as "The Good Society." In it, he said that his earlier concerns had only worsened: that if anything, America had become even more a "democracy of the fortunate," with the poor increasingly excluded from a fair place at the table.

Mr. Galbraith gave broad thought to how America changed from a nation of small farms and workshops to one of big factories and superstores, and judgments of this legacy are as broad as his ambition. Beginning with "American Capitalism" in 1952, he laid out a

detailed critique of an increasingly oligopolistic economy. Combined with works in the 1950's by writers like David Reisman, Vance Packard and William H. Whyte, the book changed people's views of the postwar world.

Mr. Galbraith argued that technology mandated long-term contracts to diminish high-stakes uncertainty. He said companies used advertising to induce consumers to buy things they had never dreamed they needed.

Other economists, like Gary S. Becker and George J. Stigler, both Nobel Prize winners, countered with proofs showing that advertising is essentially informative rather than manipulative.

Many viewed Mr. Galbraith as the leading scion of the American institutionalist school of economics, commonly associated with Thorstein Veblen and his idea of "conspicuous consumption." This school deplored the universal pretensions of economic theory, and stressed the importance of historical and social factors in shaping "economic laws."

Some, therefore, said Mr. Galbraith might best be called an "economic sociologist." This view was reinforced by Mr. Galbraith's nontechnical phrasing, called glibness by the envious and antagonistic.

Mr. Galbraith's pride in following in the tradition of Veblen was challenged by the emergence of what came to be called the new institutionalist school. This approach, associated with the University of Chicago, claimed to prove that economics determines historical and political change, not vice versa.

Some suggested that Mr. Galbraith's liberalism crippled his influence. In a review of "John Kenneth Galbraith: His Life, His Politics, His Economics" by Richard Parker (Farrar, 2005), J. Bradford DeLong wrote in *Foreign Affairs* that Mr. Galbraith's lifelong sermon of social democracy was destined to fail in a land of "rugged individualism." He compared Mr. Galbraith to Sisyphus, endlessly pushing the same rock up a hill that always turns out to be too steep.

Amartya Sen, a Nobel Prize-winning economist, maintains that Mr. Galbraith not only reached but also defined the summit of his field. In the 2000 commencement address at Harvard, Mr. Parker's book recounts, Mr. Sen said the influence of "The Affluent Society" was so pervasive that its many piercing insights were taken for granted.

"It's like reading 'Hamlet' and deciding it's full of quotations," he said.

John Kenneth Galbraith was born Oct. 15, 1908, on a 150-acre farm in Dunwich Township in southern Ontario, Canada, the only son of William Archibald and Catherine Kendall Galbraith. His forebears had left Scotland years before.

His father was a farmer and schoolteacher, the head of a farm-cooperative insurance company, an organizer of the township telephone company, and a town and county auditor. His mother, whom he described as beautiful but decidedly firm, died when he was 14.

The Farming Life

Mr. Galbraith said in his memoir "A Life in Our Times" (1981) that no one could understand farming without knowing two things about it: a farmer's sense of inferiority and his appreciation of manual labor. His own sense of inferiority, he said, was coupled with his belief that the Galbraith clan was more intelligent, knowledgeable and affluent than its neighbors.

"My legacy was the inherent insecurity of the farm-reared boy in combination with the aggressive feeling that I owed to all I encountered to make them better informed," he said.

Mr. Galbraith said he inherited his liberalism, his interest in politics and his wit from his father. When he was about 8, he once recalled, he would join his father at political rallies. At one event, he wrote in his 1964 memoir "The Scotch," his father mounted a large pile of manure to address the crowd.

"He apologized with ill-concealed sincerity for speaking from the Tory platform," Mr. Galbraith related. "The effect on this agrarian audience was electric. Afterward I congratulated him on the brilliance of the sally. He said, 'It was good but it didn't change any votes.' "

At age 18 he enrolled at Ontario Agricultural College, where he took practical farming courses like poultry husbandry and basic plumbing. But as the Depression dragged down Canadian farmers, the questions of the way farm products were sold and at what prices became more urgent to him than how they were produced. He completed his undergraduate work at the University of Toronto and enrolled at the [University of California](#), Berkeley, where he received his master's degree in 1933 and his doctorate in agricultural economics in 1934.

A major influence on him was the caustic social commentary he found in Veblen's "Theory of the Leisure Class." Mr. Galbraith called Veblen one of American history's most astute social scientists, but also acknowledged that he tended to be overcritical.

"I've thought to resist this tendency," Mr. Galbraith said, "but in other respects Veblen's influence on me has lasted long. One of my greatest pleasures in my writing has come from the thought that perhaps my work might annoy someone of comfortably pretentious position. Then comes the realization that such people rarely read."

While at Berkeley, he began contributing to The Journal of Farm Economics and other publications. His writings came to the attention of Harvard, where he became an instructor and tutor from 1934 to 1939. In those years the theories of John Maynard Keynes were exciting economists everywhere because they promised solutions to the most urgent problems of the time: the Depression and unemployment. The government must intervene in moments of crisis, Lord Keynes maintained, and unbalance the budget if necessary to prime the pump and get the nation's economic machinery running again.

Keynesianism gave economic validation to what President Roosevelt was doing, Mr. Galbraith thought, and he resolved in 1937 "to go to the temple" — Cambridge University — on a fellowship grant for a year of study with the disciples of Lord Keynes.

In 1937 Mr. Galbraith married Catherine Merriam Atwater, the daughter of a prominent New York lawyer and a linguist, whom he met when she was a graduate student at

Radcliffe.

In addition to his wife and his son J. Alan, of Washington, a lawyer, he is survived by two other sons, Peter, a former United States ambassador to Croatia and a senior fellow at the Center for Arms Control and Nonproliferation in Washington, and James, an economist at the University of Texas; a sister, Catherine Denholm of Toronto; and six grandchildren.

Mr. Galbraith became an American citizen, and taught economics at [Princeton](#) in 1939. But after the fall of France in 1940, Mr. Galbraith joined the Roosevelt administration to help manage an economy being prepared for war. He rose to become the administrator of wage and price controls in the Office of Price Administration. Prices remained stable, but he grew controversial, drawing the constant fire of industry complaints. "I reached the point that all price fixers reach," he said, "My enemies outnumbered my friends."

He was forced to resign in 1943 and was rejected by the Army as too tall when he sought to enlist. He then held a variety of government and private jobs, including director of the United States Strategic Bombing Survey in 1945, director of the Office of Economic Security Policy in the State Department in 1946, and a member of the board of editors of Fortune magazine from 1943 to 1948. It was at Fortune, he said, that he became addicted to writing.

In 1949 he returned to Harvard as a professor of economics; his lectures were delivered before standing-room-only audiences. And he began to write with intensity, rising early and writing at least two or three hours a day, before his normally full schedule of other duties began, for most of the rest of his life.

He completed two books in 1952, "American Capitalism: The Concept of Countervailing Power" and "A Theory of Price Control." In "American Capitalism," he set out to debunk myths about the free market economy and explore concentrations of economic power. He described the pressures that corporations and unions exerted on each other for increased profits and increased wages, and said these countervailing forces kept those giant groups in equilibrium and the nation's economy prosperous and stable.

In his 1981 memoir, he said that though the basic idea was still sound, he had been "a bit carried away" by his notion of countervailing power. "I made it far more inevitable and rather more equalizing than, in practice, it ever is," he wrote, adding that often it does not emerge, with the result that "numerous groups — the ghetto young, the rural poor, textile workers, many consumers — remain weak or helpless."

He summarized the lessons of his days at the Office of Price Administration in "A Theory of Price Control," later calling it the best book he ever wrote. He said: "The only difficulty is that five people read it. Maybe 10. I made up my mind that I would never again place myself at the mercy of the technical economists who had the enormous power to ignore what I had written. I set out to involve a larger community."

He wrote two more major books in the 50's dealing with economics, but both were aimed at a large general audience. Both were best sellers.

In "The Great Crash 1929," he rattled the complacent, recalled the mistakes of an earlier day and suggested that some were being repeated as the book appeared, in 1955. Mr.

Galbraith testified at a Senate hearing and said that another crash was inevitable. The stock market dropped sharply that day, and he was widely blamed.

"The Affluent Society" appeared in 1958, making Mr. Galbraith known around the world. In it, he depicted a consumer culture gone wild, rich in goods but poor in the social services that make for community. He argued that America had become so obsessed with overproducing consumer goods that it had increased the perils of both inflation and recession by creating an artificial demand for frivolous or useless products, by encouraging overextension of consumer credit and by emphasizing the private sector at the expense of the public sector. He declared that this obsession with products like the biggest and fastest automobile damaged the quality of life in America by creating "private opulence and public squalor."

Anticipating the environmental movement by nearly a decade, he asked, "Is the added production or the added efficiency in production worth its effect on ambient air, water and space — the countryside?" Mr. Galbraith called for a change in values that would shun the seductions of advertising and champion clean air, good housing and aid for the arts.

Later, in "The New Industrial State" (1967), he tried to trace the shift of power from the landed aristocracy through the great industrialists to the technical and managerial experts of modern corporations. He called for a new class of intellectuals and professionals to determine policy. While critics, as usual, praised his ability to write compellingly, they also continued to complain that he oversimplified economic matters and either ignored or failed to keep up with corporate changes. Mr. Galbraith conceded some errors and revised his book in 1971.

A Move Into Politics

One of his early readers was Adlai Stevenson, the governor of Illinois, who twice ran unsuccessfully for president against [Dwight D. Eisenhower](#). Mr. Galbraith often wrote to Mr. Stevenson, introducing him to Keynesian taxation and unemployment policies. In 1953, Mr. Galbraith and Thomas K. Finletter, the former secretary of the Air Force and later ambassador to [NATO](#), formed a sort of brain trust for Mr. Stevenson that included Ambassador W. Averell Harriman, the historian [Arthur M. Schlesinger Jr.](#) and the foreign policy specialist George W. Ball.

Although Mr. Galbraith did not at first regard Kennedy, a former student of his at Harvard, as a serious member of Congress, he began to change his view after Kennedy was elected to the Senate in 1952 and began calling him for advice. The senator's conversations became increasingly wide-ranging and well informed, Mr. Galbraith said, and his respect and affection grew.

After Mr. Kennedy won the presidency in 1960, he appointed Mr. Galbraith the United States ambassador to India. There were those, Mr. Galbraith among them, who believed that the president had done this to get a potential loose cannon out of Washington.

He said in his memoir: "Kennedy, I always believed, was pleased to have me in his administration, but at a suitable distance such as in India." Mr. Galbraith was fascinated with India; he had spent a year there in 1956 advising its government and was eager to

return.

He spent 27 months as ambassador, clashed with the State Department and was more favorably regarded as a diplomat by those outside the government. He fought for increased American military and economic aid for India and acted as a sort of informal adviser to the Indian government on economic policy. Known by his staff as "the Great Mogul," he achieved an excellent rapport with Prime Minister Jawaharlal Nehru and other senior officials in the Indian government.

When India became embroiled in a border war with China in the Himalayas in 1962, Ambassador Galbraith effectively took charge of both the American military and the diplomatic response during what was a brief but potentially explosive crisis. He saw to it that India received restrained American help and took it upon himself to announce that the United States recognized India's disputed northern borders.

The reason he had so much control over the American response, he said, was that the border fighting occurred during the far more consequential Cuban missile crisis, and no one at the highest levels at the White House, the State Department or the Pentagon was readily responding to his cables.

Mr. Galbraith published "Ambassador's Journal: A Personal Account of the Kennedy Years," a book based on the diary he kept during his time in India, in 1969. A year earlier he published "Indian Painting: The Scenes, Themes and Legends," which he wrote with Mohinder Singh Randhawa. An avid champion of Indian art, he donated much of his collection to the Harvard University Art Museums.

In 1963, Mr. Galbraith added fiction to his repertory for the first time with "The McLandress Dimension," a novel he wrote under the pseudonym Mark Epernay.

After Kennedy was assassinated, Mr. Galbraith served as an adviser to President Johnson, meeting with him often at the White House or on trips to the president's ranch in Texas to talk about what could be accomplished with the Great Society programs. Mr. Galbraith said that Johnson had summoned him to write the final draft of his speech outlining the purposes of the Great Society, and that when the writing was done, said: "I'm not going to change a word. That's great."

The relationship between the two men soon broke apart over their differences over the war in Vietnam. Nevertheless, when Adlai Stevenson died in 1965, the ambassadorship to the [United Nations](#) became vacant, and word reached Mr. Galbraith that the president was considering him as Mr. Stevenson's successor.

A Job Declined

Not wanting to be placed in the position of having to defend administration positions he strongly opposed, Mr. Galbraith suggested Justice Arthur J. Goldberg of the Supreme Court. The president named Mr. Goldberg, and Mr. Galbraith later blamed himself for a "poisonous" mistake that "cost the court a good and liberal jurist." Others said he took too much credit for what happened.

In 1973 he published "Economics and the Public Purpose," in which he sought to extend

the planning system already used by the industrial core of the economy to the market economy, to small-business owners and to entrepreneurs. Mr. Galbraith called for a "new socialism," with more steeply progressive taxes; public support of the arts; public ownership of housing, medical and transportation facilities; and the conversion of some corporations and military contractors into public corporations.

He continued to rise early and, despite the seeming effortlessness of his prose, revised each day's work at least five times. "It was usually on about the fourth day that I put in that note of spontaneity for which I am known," he said.

He served as president of the American Economic Association, the profession's highest honor, and was elected to membership in the National Institute of Arts and Letters. He continued to pour out magazine articles, book reviews, op-ed essays, letters to editors; he lectured everywhere, sometimes debating [William F. Buckley Jr.](#), his friend and Gstaad skiing partner. He was so prolific that Art Buchwald, the humorist, once introduced him by citing his literary production: "Since 1959 alone, he has written 12 books, 135 articles, 61 book reviews, 16 book introductions, 312 book blurbs and 105,876 letters to The New York Times, of which all but 3 have been printed."

In 1977 he wrote and narrated "The Age of Uncertainty," a 13-part television series surveying 200 years of economic theory and practice. In 1990 he wrote "A Tenured Professor," about a Harvard professor who devised a legal, foolproof and computer-assisted system for playing the stock market and used his billions of dollars in profits on programs for education and peace — only to be investigated by Congress for un-American activities and forced to shut down his operations.

In 1996, as Mr. Galbraith approached his 90th year, he wrote "The Good Society." Matthew Miller wrote in The New York Times Book Review, "We're not likely to find as elegant a little restatement of the liberal creed, or its call to conscience."

Mr. Galbraith said Republicans out to roll back the welfare state made a fundamental error in thinking that politicians and their actions drive history. In fact, he argued, it is the reverse. Liberals did not create big government; history did.

Mr. Galbraith, who received the Medal of Freedom from President [Bill Clinton](#) in 2000, continued to make his views known. Some were surprising, like his speech in 1999 praising Johnson's presidency, which he had helped to bring down by working with McCarthy.

There always seemed to be one more book. One, "The Essential Galbraith" (2001), was a collection of essays and excerpts that a reviewer in Business Week said remained very timely. Another, "Name-Dropping from F.D.R. On" (1999), recounted encounters with the powerful, including President Kennedy's response when Mr. Galbraith complained that an article in The New York Times had described him as arrogant.

Kennedy retorted that he didn't see why it shouldn't: "Everybody else does."

In 2004, Mr. Galbraith, who was then 95, published "The Economics of Innocent Fraud," a short book that questioned much of the standard economic wisdom by questioning the ability of markets to regulate themselves, the usefulness of monetary policy and the

effectiveness of corporate governance.

He remained optimistic about the ability of government to improve the lot of the less fortunate. "Let there be a coalition of the concerned," he urged. "The affluent would still be affluent, the comfortable still comfortable, but the poor would be part of the political system."

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