Testimonials

MARSHALL GOLDMAN, JEFFREY SACHS, PAUL SAMUELSON & MARTIN WEITZMAN


It is the tradition at Harvard, when a faculty member dies, to hold a formal memorial service in Harvard’s Memorial Church as well as a subsequent dinner at which more informal comments are offered. In addition, the Faculty of Arts and Sciences adopted what Harvard calls a ‘Memorial Minute’ in Professor Bergson’s honor. What follows is the November 18, 2003 Memorial Minute and some of the memorial tributes presented at the November 24 memorial service.

ABRAM BERGSON

Memorial minute
At a meeting of the Faculty of Arts and Sciences on November 18, 2003, the following Minute was placed upon the records.

Abram Bergson was born in Baltimore on April 21, 1914, and died this past April 23 in Cambridge at the age of 89 years. Attending Johns Hopkins on a full scholarship, he was a hometown commuter who graduated at the young age of 19 years in 1933. That same year he entered the Harvard economics PhD programme. His formative years thus coincided with the onset of the Great Depression, a cataclysmic paralysis of world capitalism with enormous political and social consequences, which drew him to economics and inclined him towards a lifelong study of human welfare and alternative economic systems.

As a 23-year-old graduate student in the Harvard economics department, Bergson wrote an extraordinarily influential paper on the foundations of social welfare. To comprehend its impact on economics, one needs to understand that behind every economist’s notion that, say, free trade is generally a good idea, or that rent controls are generally a bad idea – and behind every cost-benefit analysis of medical care, or of public works, or of anything else – is a philosophy about how to make an overarching summary evaluation of social policies with mixed impacts on different people.

The core issue is how to render an overall judgment of whether it is better or worse on balance to support a policy that invariably helps some people but
hurts some others. What is needed desperately is a conceptual apparatus that has the potential to weigh and aggregate together the pleasures of different winners and the pains of different losers to yield some kind of a reasonably balanced ‘yes’ or ‘no’ answer to basic policy-choice questions. Bergson’s 1938 paper clarified for all time what, exactly, are the links and how they are connected in the chain of reasoning that lies behind all of applied welfare economics. In that article, Bergson defined the notion of a social welfare function and introduced a conceptual device that is now a part of every PhD economist’s tool kit – usually without their knowing where it came from. The thought experiment he introduced and made famous was to see things through the eyes of an ideal social planner whose welfare is a function of the individual utilities of all the people in the society. This construct has been used ever since to clarify the welfare attained by an actual economic system like a market mechanism, or an actual economic policy like free trade, by comparing the outcome with the hypothetical welfare attainable by the imaginary omnipotent social planner.

From that point forward, Bergson’s career could essentially be described as the theory and practice of welfare economics, with the largest application by far being to the field that made him famous, the study of socialist economics, particularly the economy of the Soviet Union. In 1937, Bergson started learning Russian and made a lengthy research visit to Moscow. He spent most of the war years as head of the Russian desk at the Office of Strategic Services. In 1945, Columbia University called him to an economics chair. Abe returned to Harvard as full professor in 1956 and remained here for the rest of his life.

It is difficult to exaggerate the influence of Abram Bergson on the area of Soviet economic studies. Put simply, he became the world’s leading authority on the Soviet economy, a scholar who was consulted and cited far more than any other about the assessment and evaluation of Soviet economic performance. The seemingly blistering pace of Soviet industrialisation in the middle third of the 20th century, and its subsequent slowdown after that, were hot topics on the world stage of public and private opinions. A lot of ideology hung in the balance. To this minefield of claims and counter-claims, Bergson brought a great scholar’s careful analysis of Soviet statistics and a balanced assessment of the overall performance of its economic system.

Bergson essentially invented and applied a whole new methodology for evaluating non-market allocation systems – in this case the entire Soviet economy. First he calculated the true prices reflecting relative scarcities or relative tradeoffs that are implicit in such a planned system, but which do not necessarily coincide with the artificially posted prices that appear in its own internal accounting books. Then he would infer the welfare implications as if
two market economies were being compared over time or across space. Essentially, he redid the Soviet economic accounts in Western format, as if they were being measured as standard national income aggregated at true scarcity prices, for which construct a secure welfare interpretation had already been established, by him as well as several other well-known economists. It was an extremely ambitious research programme, requiring the coordination of inputs from many different sources and scholars, along with a great range of skills from the chief coordinator.

Abe participated enthusiastically in the multi-disciplinary Russian Research Center (now the Davis Center), serving as its Director for many years. A small army of students learned about socialist economics and the Soviet economy from Bergson. Among his students are many with notably successful careers in universities, governments, research institutes and businesses.

As a scholar, Abe was modest – really, genuinely modest. He was the straightest straight arrow in the Harvard economics department, non-Machiavellian to the point of sometimes seeming naive. Bergson was convincing in his assessments of the Soviet economy mainly because of his intellectual authority, but also because he was 'honest Abe', who refused to have preconceptions, and who told it as he saw it, empirically, from the best reconstructed data he could honestly come up with.

A first impression of Abe was that he was a very proper man. Coming to know him better, one saw that behind the somewhat formal front was a warm, kindly person – and this caring person was hard to forget. He formed deep, lasting friendships, perhaps the most famous being with his Harvard classmate Paul Samuelson. It would be remiss to end this brief Minute without noting the close relationship Abe had with his wife of 63 years, Rita, that sustained him over such a long and productive life.

Respectfully submitted,

Marshall I. Goldman
Paul A. Samuelson (MIT)
Martin L. Weitzman, Chair
Abram Bergson Memorial Service
The Memorial Church, Harvard University
November 24, 2003

Jeffrey Sachs
After love of family, there may be no bond stronger than the love of one's teacher. That is how I, and I'm sure many here, feel about Abe Bergson. Abe
was a pivotal figure in my life, in our lives: teacher, mentor, role model, counselor, friend. I am here to express my gratitude.

Abe Bergson, we all know, personified scholarship, and even more, wisdom— that ineffable quality which combines learning, integrity, commitment, and ethical engagement. This much is clear to all. What I want to share with you is the dazzling magic for me, as a 20-year-old junior at Harvard College, of gaining entry to Abe’s celestial orbit.

I had come to Harvard College filled with questions about the nature of society, fueled in part by the Vietnam War, a high-school trip to Russia, a summer visit to an East German pen-pal, and a freshman-week reading assignment of Schumpeter’s *Capitalism, Socialism, and Democracy*. As you can imagine, my head was spinning.

I had come, indeed, with a question, inchoate, poorly formed, and yet insistent. How should a society best order its affairs? It is the question I’ve been grappling with, in my own imperfect ways, for more than three decades.

Abe Bergson was the intellectual giant and gentle teacher who gave me the great gifts of guidance and confidence to pursue this search. He was, of course, already a legend when I first met him. EC 10 had taught me of the Bergson Social Welfare Function. My budding concerns about socialism and capitalism pointed always to Bergson’s books and articles. So it was with a dizzying excitement and anticipation that I knocked on his door in my junior year to see if he would lead me through a directed reading class on comparative economic systems. Thus began my weekly meetings with Abe, a thrilling association that would continue for the next quarter century.

My reading sessions with Abe were transformative, electric. He introduced me in a breath-taking, almost personal way, to von Mises, and Lange, and Hayek, and Lerner, and Dobb, and Scitovsky, and of course, to Samuelson. I read extensively; we discussed; and I learned about a way of seeing the world: with rigour, and knowledge, and breadth, and integrity, and yes, with Bergsonian wit and a droll, almost playful regard for the groping, imperfect missteps of all scholars, even the greatest, and even himself.

We discussed Cambridge’s G. E. Moore, an over-rated pedant in Abe’s view. We read A. J. Ayer and the logical positivists. We discussed the then newly published *Theory of Justice* of John Rawls. Abe was a scintillating thinker, and, crucially, an independent thinker. He was methodical and purposeful. He was not to be swept by fads. As just one example, he regarded John Rawls’ mini-max principle as rather arbitrary, just one of the many plausible versions of his more general social welfare function.

But equally importantly for me, he was kind, supportive, encouraging, and utterly generous of his precious time and wisdom. He helped instil
values as well as knowledge; encouragement as well as discipline in thought. And subtly, but surely, he helped to convince me, perhaps more than anyone else, that critical juncture in my life, that I might usefully and productively devote my own career to the quest that Abe was on: to develop and use the tools of economics to improve the human condition.

At the end of the reading course, I received a junior-year honour from Harvard College, the Detur Book Prize, which entitled me to receive any book of my choice. Naturally I selected Abe’s *Essays in Normative Economics*, and that volume inscribed by Abe remains among my most treasured possessions.

Abe was my teacher for years to come. He arranged an invitation for me to join him for a day in Wroclaw, Poland in 1976, the summer after my Harvard College graduation. This was indeed, the first professional conference that I attended. As we walked through Wroclaw, and as Abe pointed out to me the shoddy socialist maintenance of the conference site, I saw Abe as a true explorer: eyes open, taking in the evidence of socialist Poland, linking theory and practice. This experience illustrated in a small, but powerful, and absolutely captivating way that good economics exists not only in the theorems, in the journals, in the conference halls, but also, indeed as importantly, in the assimilation of evidence and experience from life itself. For Abe, as for all great economists, there was no divide between economics and the ‘real world;’ just the real world.

From being mentor, Abe also became colleague and friend and invaluable counsellor. One of the pivotal symbolic moments of our relationship came as I was honoured to join the Harvard Economics Department faculty in 1980. Suddenly, and with no small trepidation in my voice, ‘Professor Bergson’ one day became ‘Abe’. We were now colleagues, though he always remained my teacher.

For 20 years more, Abe and I discussed politics, economics, history, and of course the collapse of communism and the transition to markets in Eastern Europe and the former Soviet Union. He analysed, wrote, and read voluminously, questioned intensively, and advised sagely. Abe cut through cant, ideology, and shortcuts. His wisdom was forever a guide, illumination, and inspiration.

When it came time for me to add my voice to the nominations for the Nobel Prize in Economics, naturally I nominated Abe. This was a prize he richly deserved but did not receive. Paul Samuelson, who of course could have won half a dozen times, once noted that Abe Bergson deserved not just one, but at least two Nobel Prizes: for his great work in welfare economics and for his other full career as dean of scholars of the Soviet economy. What was additionally remarkable about Abe was that these two life projects were
seamlessly intertwined: theoretical and practical; normative and positive; conceptual and empirical. Abe was after holistic truths and deep understanding. Usual boundaries could not apply.

The other boundary that Abe crossed, in my great good fortune, was the boundary of teacher and friend. From my junior year in college onward, I was a guest of the incomparable Bergson family – taken under the wing not only by Abe but also by the ever-incomparable Rita, and befriended by their three lovely daughters. That personal affection extended to my wife Sonia, my parents, and Sonia’s parents. Abe and Rita were always on hand to celebrate our life milestones as well: our wedding and the naming and bar mitzvahs of our children.

Abe wrote extensively about the role of the economist as advisor to the larger community. He was, of course, most concerned about the role of the welfare economist, the wielder of a Bergson Social Welfare Function. Abe’s ideal type advisor was to be wise, judicious, and a small ‘d’ democrat, helping a community to see how best to forward its economic interests according to what Abe called its ‘prevailing values’. In one essay, Abe wrote that the welfare economist might ‘hope that the world would be a better place to live in with his counsel than without it.’

Abe fulfilled his hope. He made our world a better place, and markedly so. He enriched our lives. We say a profound thank you to Abe Bergson for showing us the wisdom and civility and kindness that is possible, and that he magnificently achieved. We also extend our love, gratitude, and deep affection to Rita, Judith, Mimi, and Lucy.

**ABRAM BERGSON, ECONOMIST**

**Paul A. Samuelson**

Abram Bergson was my closest friend at Harvard. Waiting in the 1935 line to collect my fellowship, I met him as a tall preppy type on my first day in Cambridge.

At a young age in 1933 Abe came to the Graduate School, after undergraduate training at Johns Hopkins (where he was a hometown commuter). Adolph Hitler was responsible for new foreign blood arriving in the Harvard professoriat to trigger a prewar overdue renaissance in economics. When Bergson died at the age of 89 years, he was the last survivor of Harvard’s age of Frank Taussig, as well as being a young star in the new age of Joseph Schumpeter, youthful Wassily Leontief, eclectic Gottfried Haberler, and after 1937, Alvin Hansen, the ‘American Keynesian.’
As Leontief's second protege, I am proud to have been preceded by Abram Bergson, his first protege. I would be honoured to be known as Bergson's first protege, for much of my own work in welfare economics owes virtually everything to his classic 1938 Quarterly Journal of Economics article that for the first time clarified this subject.

Many of the cognoscenti at the frontier of modern welfare economics - I being one of them - expected Stockholm to wake up to Bergson's merits. I should have scolded them, but early on I had vowed to eschew singing the praises of my kind of guy, a doctrine which even held where Modigliani, Tobin, and Solow were concerned. Alone, along with Ian Little or John Harsanyi or Abba Lerner or Bill Vickery or Richard Musgrave or John Rawls, a Bergson prize could have added lustre to the new post-1968 Alfred Nobel awards in economics.

In a long laudatory obituary article on Bergson for the National Academy of Sciences, USA, I have given my hunch as to why Bergson did not receive his just due. Suffice it to say here that the naive view grew up and persisted which held that Ken Arrow had proved that no Bergson Welfare Function could possibly exist. Reviews of Arrow's great work by Ian Little, Samuelson, and Bergson himself, pointed out that Arrow's Social Welfare Function had nought to do with the historical welfare functions of Bentham, Edgeworth, and Bergson. Alas, life teaches that history never does get things right and Abe was its victim.

One of Joseph Schumpeter's best biographers, an earnest Swede, writes at one point, in my paraphrase. 'Now I must ask: Can Schumpeter be said to have been a friend to mankind?' And then he wrote, 'I am not sure how to answer that question.' That same question asked about Abe - Honest Abe as he was affectionately known at the Harvard Russian Research Center - admits of no doubt. However 'Straight Arrow' might be defined, Bergson earned the title. When he and his brother chose to change the name Burk to the Bergson which more transparently defined their Russian immigrant inheritance, only Abe could have worried whether someone might deem him to be seeking reflected fame of the French philosopher Henri Bergson. In an age of political incorrectness, Bergson persisted in his own William Tell rectitude.

Following his path at Austin, Texas, Washington OSS, and the Columbia Russian Research Institute, he was recalled to Harvard in 1956. As Dean of Kremlinologists, from Harvard's bully pulpit Bergson trained two generations of Soviet experts, while all the time adding to the abstract mathematical economics that he and I learned at the knees of Wassily Leontief and Edwin Bidwell Wilson.

Abe's was a good life. And during it he splashed the rest of us with what we economists call consumer's surplus.
ADDENDUM

I think it may be useful to prepare a few remarks additional to the above Appleton Chapel’s eulogy. Although I cannot claim a specialist’s competence on Soviet studies, in successive editions of my best-selling textbook *ECONOMICS* I did serve as a consumer of ruling experts’ best estimates of how 1950–1990 USSR real National Product (per capita and in total) compared with contemporaneous US National Product. Consulting with Bergson himself, and utilizing the best non-classified CIA civilian estimates, over many successive editions I told beginner readers something like the following.

Reckoned in per capita terms and in Soviet relative prices, \( \frac{\text{GNP}_{\text{USSR}}}{\text{GNP}_{\text{USA}}} \) equaled about two-thirds. Reckoned in American relative prices, this ratio dropped to about one-third. Taking an evenhanded Geometric Mean of these bounds, my readers were informed that Soviet per capita well being seemed to be about half America’s. And, rather surprisingly, this ratio seemed not to change much from one textbook revision to the next.

After the Gorbachev break-up of the Soviet Union and after unification of communist East Germany with Mixed-Market West Germany, these earlier estimates now seem to have been excessive evaluations of the communist performance relative to the mixed-capitalism performance. (eg, maybe East German productivities and market worthy real wage rates began at unification time nearer to one-third than to the 80% popular pre-1990 estimates.)

Hindsight is of course easy. And the buoyant late Senator New York, Patrick Daniel Moynihan, had good fun castigating me as an errant and gullible textbook author. I could only whisper, *Touche*. And while at the same time extending to myself the cold comfort that I had shown the proper respect for what peer-reviewed essays judged to be the best approximate guesses.

Still, as a general economist I can hope to learn from attempting to review and rationalize any admitted error. I do not know the degree to which Dr. Bergson would agree with my amateur’s hypothesis. But here it is.

Statistical index numbers of real US output, or real French or Japanese output, as compiled by the famous University of Pennsylvania Purchasing-power Corrected Tables, have validity and meaningfulness to the degree that the \( P/P_j \) price ratios that they use as inputs do have some rough correspondence with (1) true technological tradeoff ratios of the respective goods, and (2) also with true consumer taste tradeoff ratios of those goods. Thus, large-footed men are happiest when their money can buy them shoes that are not of the one-size-must-fit-all type. Furthermore, deadweight loss inefficiencies will be minimized only if the relative prices of large and small
shoes do correspond roughly with their genuine relative marginal costs (where costs take into account market-clearing scarcities of labour, machinery, raw materials, land, and so forth).

The best foreign statistician utilizing official Soviet data – and even under the supposition that the authorities have not consciously cooked their data so as to look deceptively good – cannot very well guess how large the discrepancies are in a totalitarian state between official price ratios and economists’ (Pareto-optimality) price ratios. Thus a Soviet diesel train, even if thermodynamically efficient, may be adding almost naught to the platonic true GDP, if in order to meet a bureaucratic quota of so many thousands of oil-mile tons, the same tank cars of oil are being moved repeatedly back and forth between Minsk and Pinsk.

My words are trite and almost banal. But still they may be an important part of the puzzles that faced dedicated Kremlinologists of the past.

**ABRAM BERGSON: A MENTOR**

**Marshall I. Goldman**

I would like to speak on behalf of Professor Bergson’s many students. This was a relationship from which you never completely graduated. Then and now, for us, he touched three aspects of our academic life: research, interaction with students and his role as a mentor.

Research: His coming to Harvard was viewed as a major addition to the faculty. He was regarded as ‘the’ authority not only on Soviet economic growth but on the theoretical economic concept called welfare economics. His was a one-man effort to recalculate the Soviet Union’s GNP. He called it ‘SNIP’ and it involved years of research and analysis. There were no quick and dirty conclusions or articles or books. His work set the standard for larger-scale efforts financed by such groups as the Rand Corporation. The CIA also consulted with Professor Bergson. Although he did not allude to it often, earlier the US government had also called on his expertise when it needed someone to negotiate with the Soviet government about its claims for damages suffered during World War II. He represented the US side in its negotiations with the Soviet Union over the issue of reparations from Germany.

Interaction with students: One of the first things Professor Bergson did after arriving in Cambridge was to begin what was loosely referred to as the Wednesday Economics Table. He invited all of his graduate students as well as any postdoctoral visitors to the Russian Research Center. We met variously in Albiani’s Cafeteria or until it could no longer pay the rent, the more
presentable Chez Dreyfus. When not meeting as a Russian table, Professor Bergson convened a more formal economics seminar. Those of us with teaching appointments in the Boston area arranged our teaching schedules so that we would be free at lunch on Wednesdays. Attracted by Professor Bergson, the Russian Research Center was able to attract the largest gathering of Soviet economic specialists in the country outside of Washington. Our little collective would also be invited by Professor Bergson and Rita to their home in Cambridge and later to Belmont.

Role as a mentor: It was hard to find someone with more integrity. It was all but impossible to guess which political party or which side of an issue he supported. We were always being asked, 'What do you think?' He would probe and push us but never try to impose his views. Yet he was formidable — formidable as they come. We used to debate and bet who would be the first to dare call him 'Abe' rather than 'Professor Bergson'.

Life as emeritus: After he retired from teaching, Professor Bergson followed much the same routine as before. Of course he no longer lectured in a Harvard classroom but he came religiously to the Russian Research Center, for his research, the economic seminars and the daily coffee hour. As the rest of us grew older, we continued to marvel at the fact that he never seemed to become drowsy during the lunchtime seminar.

How does one sum up a life? One of the saddest things about this funeral is that Abe is not here to hear our appreciation of him. But despite his modesty, he probably knew how we admired and looked up to him. His was the age of the greats at Harvard and in Cambridge—in economics, Paul Samuelson, Robert Dorfman, Bob Bishop, Shigeto Tsuru, Gottfried Haberler, Evsey Domar, and in Soviet Studies, Alex Gerschenkron, Adam Ulam, Merle Fainsod and Richard Pipes. What is equally impressive is that once the Cold War ended and it was possible to hear from the Russians, they too expressed their admiration for his work. Here is an excerpt from an article in Izvestia, titled 'Bergson Knew the Truth About US': 'Recently A. Bergson, one of America’s greatest Sovietologists, died at age 89. Professor Bergson founded a whole school of Sovietology devoted to the problems of economic development in the USSR. He personally and his students painstakingly calculated the real rate of growth and the size of our gross national product, investment, capital structure, capital productivity, and the occupation and the size of the population of the former USSR. His calculations were based on the real ratio between the ruble and the dollar. His results, which were considered classic, gained world recognition. He concluded that the reports by the Central Statistical Administration of the USSR were practically double of what they should be and exaggerated our accomplishments. Professor Bergson even then wrote about the absence in the USSR of real
incentives for labor, scientific progress and about the decline in factor productivity'. Valentin Kudrov

Not only will Professor Bergson’s ideas, his theories and GNP analysis endure, so will his legacy in the form of a cadre of students. We will always remember and forever be affected by his presence. There could be no better memorial.