Resisting Narrative Closure:
The Comparative and Historical Imagination of Evsey Domar

Ibanca Anand

Abstract: This article explores the peculiar approach to narrative argumentation taken by MIT economist Evsey Domar (1914-1997). Combining biography and textual analysis of his academic work reveals that Cold War themes permeated Domar's later research in comparative economic systems, Soviet economics, and economic history—and yet, Domar employed these themes in ways that challenge traditional understandings of postwar American social science. Against the heady partisanship and epistemic self-confidence that characterized his milieu, Domar offered conclusions that emphasized ambiguity, complexity, and open-endedness. He achieved this, the article argues, by thinking not only comparatively, but also historically and speculatively. This article takes a journey through a number of Domar's historical and speculative narratives to demonstrate that what Domar was ultimately doing in many of his works was resisting normative, literary, and scientific closure.

Keywords: Evsey Domar, Comparative Economic Systems, Economic History, History of Economic Thought, Narrative Economics

Well before he became a tenured professor at one of the most influential economics department in the twentieth century, Evsey David Domar (1914-1997), born Joshua Domashevitsky, lived a quite remarkable childhood at the margins of empire. Domar was born in the city of Łódź, Poland, then under Russian rule, and his moderately religious Jewish family migrated eastward amid increasing tensions of the Great War. After a series of incremental relocations, Domar’s family finally settled in Harbin, a multicultural city in Chinese Manchuria that, as a result of

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being a new stop on the Trans-Siberian Railroad, had a sizable Russian population. Domar lived in Harbin until the age of twenty, witnessing the first few years of the city’s occupation by Japanese imperial forces. Spending his formative years caught within this maelstrom of cultural curiosities and confusions—including being chastised by his mother for thinking to buy candy from Chinese-operated stores—instilled in Domar a serious aspiration to leave the country that he considered his home by “historical accident.” Nevertheless, Harbin provided Domar with experiences that fundamentally influenced his career as a future macroeconomist, economic historian, and comparative social scientist. When asked what sparked his interest in economics, Domar reflected that his father had been an importer, and questions of exchange rates, customs duties, contracts, and prices permeated his young imagination. Harbin, Domar reminisced, was “blessed” with two currencies, the Japanese yen and the local dollar (Domar 1996: 180-1). Judging the appropriate course of action for each market transaction was thus, for him, a question of context. This sensibility—that choices between alternatives always involved more complexity and ambiguity than one might suspect—eventually found its way into Domar’s academic work. As this paper interrogates, Domar’s attention to open-endedness resulted in a particular form of narrativizing within his economic arguments. Namely, Domar offered his audiences with narratives that resisted closure.

In 1936, Domar moved to the United States to pursue a bachelor’s degree in economics at UCLA; his excellence in the subject led him to continue on as a PhD student at Harvard (1940-1947), where he was advised by Alvin Hansen. Although Domar is most remembered for his contributions to Keynesian growth theory, especially his development of the influential Harrod-

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Domar model (Domar 1946), this paper centers a later phase of his research career: namely, his work in comparative economic systems, Soviet economics, and economic history. In the 1950s and ‘60s, academic economists—and American political culture more broadly—became captivated by an irresistible question: what economic system was better, the American system or the Soviet one? Domar’s research on growth and macroeconomic management became relevant in new ways within this Cold War debate. Having been raised in close proximity to the birth and spread of the Soviet Union, his attention was understandably caught by the geopolitical tension. Cold War themes and analysis of the Soviet economy appeared repeatedly in Domar’s work beginning in the 1950s and for the remainder of his career. His arguments were often furnished with personal anecdotes from his travels to the Eastern bloc, references to Soviet academic literature both historical and contemporary, and thought experiments that placed his readers in an imagined Soviet setting. Importantly, the Soviet example was used to make claims about domestic U.S. concerns. Much as a foil clarifies the unique characteristics of a protagonist in fiction, Domar’s comparative structure allowed him and his American readers to see clearly their own realities. The Soviet Union became, as he noted in an address to the Political Economy Club at Johns Hopkins in 1949, “a mirror for understanding ourselves.”

This rendering of the Soviet Union—not merely as a political adversary needing to be defeated through diplomacy and warcraft, but rather, as a symbolic counter-image to an American identity—was a powerful trope that permeated the postwar cultural and intellectual scene of the United States. These ‘us-versus-them’ concerns became essential themes in Domar’s later

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3 Domar seemed well-aware of this future legacy. In a 1992 essay, he admitted, “If the reader recognizes my name it must be in connection with growth models” (Domar 1992: 123). See Boianovsky 2017, 2021 for an analysis of Domar’s research on economic growth.

4 Domar Papers, box 10, “USSR Travel Notes (2 of 2).”
research endeavors. A growing literature on Cold War social science has persuasively argued that the contours of social research were shaped by federal strategic objectives to ‘know the enemy’ in the postwar period (Engerman 2004, 2009, 2010a, 2010b; Solovey 2013; Rohde 2013; Cohen-Cole 2014; Gilman 2016). Domar’s work can certainly be situated within this trend. However, in closely inspecting his arguments, and therefore looking not only at the context of his intellectual work but also at the text itself—we find that Domar invoked Cold War comparisons not to argue for the superiority of one superpower over another. Rather, he employed the dichotomy to emphasize complexity and indeterminacy, sometimes challenging the validity of the dichotomy itself. This dismembering of dichotomy was achieved, as this paper illustrates, through a tendency to think not only comparatively, but also speculatively and historically. To convey the lessons of these speculative and historical exercises, Domar often packaged his economic writings in the form of narratives.

Unlike other modes of scholarly representation, narratives offer readers meaningful connections along what Mary Morgan identifies as two main grids: relational and spatio-temporal. Morgan argues that narratives are not necessarily linear stories—they are representational modes that assemble diverse bits of information into coherent (though not always complete) wholes. Whereas Cold War-inflected scholarly work often engaged in relational associations (United States contra Soviet Union), Domar’s work uniquely engaged both speculative and historical elements that resulted in more nuanced conclusions. As the following examples will illustrate, Domar often emphasized space and time grids to disrupt common perceptions along the relational grid. “A narrative account makes it easy to think not just about contingencies, but also

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5 I thank Dorothy Ross for the conceptualization of Domar as engaged in the “dismembering of dichotomy.”
about possibilities, and counterfactuals” (Morgan and Wise 2017: 2). By invoking speculative and historical narratives in his academic work, both as resources to think and as vehicles to explain, Domar arrived at suppositions that frequently diverged from many of his contemporaries.

The economic historian Dierdre McCloskey, who has engaged extensively with the idea of narrative in economics, writes that “the task of pure theory is to make up fantasies that have a point, in the way that Animal Farm has a point” (McCloskey 1990b: 16). She quotes the historian Hayden White in relaying that “the demand for closure in the historical story is a demand…for moral reasoning” (ibid, 16). Elsewhere, she argues that “stories carry an ethical burden” that are often “[concealed] under a cloak of science” (McCloskey 1990a: 135). If the cloak were removed and economics became more transparent about its underlying moral and philosophical judgments, in McCloskey’s view, the “story” of economics would “be a better one” (McCloskey 1990b: 20). From this view, the role of narratives in economic science seems to be that they not only make disparate elements cohere, but also impart normative meaning.

Normative closure, however, is not the only form of narrative closure that Domar’s writings urge us to consider. An alternative interpretation of closure is offered by philosopher Noël Carroll, who claims that closure represents “the phenomenological feeling of finality that is generated when all the questions saliently posed by the narrative are answered” (Carroll 2007: 1). This closure is more literary in nature, dealing with elements of plot. Do we walk away from a

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6 In a (1946) essay, George Orwell (1946) admitted that “every line of serious work that I have written since 1936 has been written, directly or indirectly, against totalitarianism…Animal Farm was the first book in which I tried, with full consciousness of what I was doing, to fuse political purpose and artistic purpose into one whole.”
narrative feeling satisfied that we have been given solutions to the problems the narrative set itself up to solve? Have loose ends been tied up? Closure is obtained, according to Carroll, when an author successfully fulfills her promise to explain all she had committed to explain.

Yet another form of narrative closure, and the one perhaps most relevant for the purposes of interrogating Domar’s endeavors, is the idea of scientific closure. In the emerging literature on narrative science, a prevailing interpretation of narratives is that they serve to close up the space between evidence of a phenomenon and a hypothesis or model posed about that phenomenon (Morgan, Hajek, and Berry 2022). Narratives in this way become one mode of argumentation for scientists seeking to convince their audiences of the authority of their claims. Closure occurs when authors make clear that their argument is, indeed, a reflection of reality.

In contrast to narratives that achieve closure in all three respects—normative, literary, and scientific—we unearth a rather distinct mode of narrative in Domar’s work—namely, narratives that resist closure. These narratives culminate not in finality and clarity, but rather ambivalence and confusion. In what follows, several of Domar’s published articles, research materials, and lecture notes will be analyzed to understand this peculiar approach to narrative. First, we begin with a fuller picture of the historical moment in which we encounter Domar, so that his peculiarity may be better understood.

I. The Cold War as Historical Frame

As the Second World War came to a close, the relationship between the Soviet Union and the United States quickly soured from one of wartime allies to adversaries vying for dominance on
the global stage. Having established their usefulness in Washington during World War II, American social scientists were keen to extend their influence into a new era of conflict. In this context, the increasing epistemic authority and policy access given to social science throughout the twentieth century was further accelerated as new research agencies and funding organizations materialized to promote social scientific inquiry (Lyons 1969; Simpson 1998; Robin 2001; Solovey 2013). Amidst the fraught political climate of the Cold War, American social scientists’ claims to neutral objectivity and dispassionate analysis enhanced their suitability as the agents of rational decision-making (Mirowski 2002; Amadae 2003; Morgan 2003; Erickson 2015; Erickson et al 2013). The sociologist Talcott Parsons (1946: 655), who helped establish the Department of Social Relations at Harvard in 1946, asserted that “if we are to be moving more and more into a scientific age, and science is to help solve its social problems, it must be social science which does so.” While a new age did enable the expansive influence of the social sciences, it simultaneously colored those research agendas. As the essays in Solovey and Cravens (2012) demonstrate, social science (particularly in America) became “entangled in” (though not determined by) the Cold War, with strategic concerns frequently shaping the outlines of debate. In historian Nils Gilman’s framing, the Cold War “represented a force field in which various possibilities for extending or resisting contemporaneous cultural, political, and socioeconomic power structures played out,” thereby defining “the topographic map of the intellectual and cultural life of the period” (Gilman 2016: 513-4). The Cold War was not just a battle of military might, but also of political, economic, social, and cultural systems, with the credibility of capitalist democracy and the American “way of life” at stake. These imperatives enabled and constrained the development of the American social sciences in significant ways.

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7 See also the discussion in the introduction of Solovey and Dayé 2021.
A prime example of how the American social sciences were shaped by their Cold War environment is the rise of area studies, and particularly Russian studies (also called Soviet studies or Sovietology), in the two decades following World War II. Historian David Engerman (2009) has described how “government officials worked together with scholars and foundation officers to establish a new enterprise, unprecedented in academic life.”[^8] Interdisciplinary research centers were established at American universities throughout the 1940s and ‘50s, such as Columbia’s Russian Institute (1946) and Harvard’s Russian Research Center (1948). Although scholars associated with these centers came from a range of disciplinary backgrounds, economists played a special role within this intellectual mobilization, because knowledge about Soviet political economy—especially its capacity for future growth—was a high priority for the U.S. government. Such knowledge was used in the development of foreign policy, and also helped publicly debunk claims of prosperity touted by the Soviet Union.

Not only were existing theories applied to Soviet questions, new theories and techniques were formulated as well. For instance, game theory and systems analysis—developed primarily under the aegis of the RAND Corporation—were emerging as “rational, mathematically rigorous means of choosing among alternative future systems characterized by complex environments, large degrees of freedom, and considerable uncertainty” (Jardini 1996: 317). In the Cold War, American economic expertise, bureaucracy, and military objectives became intimately intertwined.[^9]

[^8]: See also Mosely (1959) for an early assessment.
[^9]: Daniel Kuehn’s piece on Warren Nutter in this special issue is another excellent example of this development.
At first glance, it seems as though Domar’s professional trajectory would be an exemplar for this trend. Though he proclaimed that “[his] ventures into Soviet economics [were] not sufficiently deep or frequent to claim the title of a sovietologist,” he published numerous articles dealing with Soviet topics in leading economics journals between the 1950s and 1990s (Domar 1989b: xi).\(^\text{10}\) From 1949-1951, he served as Director of Russian Studies at the Operations Research Office of Johns Hopkins University, and as Visiting Professor of Columbia’s Russian Institute from 1951-1955.\(^\text{11}\) In 1956, he was invited to join the MIT faculty by Robert Solow, who recognized a gap in expertise in Eastern economies within the department. Domar taught undergraduate and graduate courses on Russian economic history, the economics of the Soviet Union and China, and comparative economic systems throughout his decades-long tenure at MIT. While he was there, MIT was a key node in the Cold War ‘military-academic-industrial complex.’ The university often ranked as the top academic defense contractor with over $100 million in R&D contracts per annum, and had earned the epithet “Pentagon on the Charles” (Leslie 1993: 235; Nelkin 1972). Beyond his employment at MIT, Domar also served as a consultant for the RAND Corporation in the 1950s-80s, a community from which he received helpful feedback on preliminary versions of his analyses of the Soviet economy. Additional consulting engagements included the Ford Foundation’s International Studies program (1954-58), the Brookings Institution (1956-59), and the Institute for Defense Analysis (1961-62).\(^\text{12}\)

\(^\text{10}\) Surprisingly, Domar is not mentioned at all in Engerman’s (2009) authoritative account of Soviet studies in the postwar period. Engerman does mention him briefly in an article on economic Sovietology (Engerman 2010a: 249-50).

\(^\text{11}\) Domar’s older sister taught Russian language courses at the institute for many years. See Domar Papers, box 18, “Biographical: Jews in Harbin.”

\(^\text{12}\) He also received funding from the National Science Foundation, the International Research & Exchange Board (IREX), the American Council of Learned Societies, the Center for Advanced Study in the Behavioral Sciences at Stanford, and the Sloan Foundation at MIT (Domar 1989b).
The late 1960s saw the professionalization of the field of comparative economic systems, with a new journal (the *Journal of Comparative Economics*) and academic association (the Association for Comparative Economic Studies). Domar was closely involved with the emergence of this field, serving as the Association’s President in 1970 and as a member of the *Journal*’s editorial board from 1976-1982. His research was often inspired or supplemented by visits to the USSR. These included trips in 1959 with an American Economic Association delegation, in 1960 with a group from the Engineers Joint Council, and in 1970 on his own as a guest of the USSR’s State Committee on Science and Technology. On these trips, Domar met with prominent Soviet economists, visited industrial and agricultural sites, and gathered Russian books to ship back to the United States. He maintained relationships with Soviet academics (some of whom he received at MIT when they were visiting the United States), and his profile was included in *Economics Encyclopedias* published in the Soviet Union. The impression that first emerges from these biographical details is that Domar’s career was a prototypical example of ‘Cold War social science.’ But, his degree of engagement in Soviet affairs, including his travels, activities, and early historical experiences, allowed him to resist the urge to see the world in terms of simple ideological dichotomies.

Engaging with Soviet themes and researchers did indeed make Domar’s endeavors compatible with the tenor of his political moment, but shifting the frame of analysis to his writings illuminates a more complicated view of Domar’s role within the Cold War’s intellectual force field. To begin this analysis, let us examine Domar’s (1967) article, “An Index Number Tournament.” In the introduction to a (1989) collection of essays, Domar shared that his “interest in this dismal subject [index-number theory] was aroused by the nearly unanimous acceptance of

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13 All details from Domar Papers, box 7, “Soviet Union.”
the Federal Reserve index of industrial production and the condemnation of the Soviet one by our sovietologists…I have always been suspicious of unanimity among economists: it usually indicates that a result obtained by one researcher has been accepted uncritically by others” (Domar 1989: xiv).

Domar’s study tested out the theoretical and empirical credentials of the two different indexes of industrial production—the H-type index preferred by the U.S. Federal Reserve and the S-type index preferred by the Soviets—by setting them up in a ‘tournament.’ He set the scene for his story by explaining that among American experts, the S-type index, which relied on value-of-output (price) weights, was “condemned” as being inferior to “its more respectable rival,” the H-type, which utilized value-added weights (Domar 1967: 170). Part of the condemnation stemmed, Domar presumed, from suspicion that a value-of-output weighting could be easily manipulated to produce more attractive growth estimates. According to him, this suspicion muddied the ability of economists to assess the appeal of the Soviet measure on its own terms. He furnished the two indexes with human qualities: “If the S index, even in its ‘pure’ form, comes to us with the guilty look of a culprit, the H index radiates an aura of innocence” (177). The anthropomorphizing of index numbers rendered Domar’s argument akin to an economic fable, wherein the promise seemed to be that Domar would conclude with a winner. The possibility of both normative and literary closure loomed large from the article’s outset, but Domar also sought scientific closure.

His research narrative took readers through algebraic analyses of the indexes, followed by a sequence of empirical experiments in Section IV, to test their ‘relative virtues’ (182). In telling
his research as a story of a tournament, Domar challenged the near-unanimous acceptance of the H-index by revealing its potential analytical shortcomings. The narrative concluded as follows:

“It would be unfair not to admit that the S index has done much better…than I had ever anticipated: I had expected it to be thoroughly beaten by H. As it was not, I believe it is fair to…call our index-number tournament a draw. But since S entered it as an underdog, and H as a popular favorite, the proponents of S (if there are any) may justly claim a moral victory - for the moment… But let us not overdo our welcome to S, lest its luck should turn in the next contest” (186, emphasis added).

Although a discussion of index-number theory was, by Domar’s admission, a “dismal subject,” we can observe how his narrative argument was animated by rhetoric like ‘moral victory,’ ‘guilt,’ ‘virtues,’ and ‘tournament.’ What otherwise may have been a banal explanation of the defects in the Federal Reserve’s index was instead told in a manner that resonated with the Cold War fight and a compulsion to find out who is better, us or them. These narrative rhetorical flourishes, which played upon a desire for normative judgment, culminated instead in a tone of reluctance. The reluctance stemmed from an awareness that there may be a “next context;” the next episode in the story in time extended beyond the moment of the paper’s analysis. Thus, Domar’s conclusion—that the methods of the Soviet index may have had some advantages, but that these advantages were tentative at best—hint that Domar was simultaneously resisting scientific closure. By engaging in an imaginative exercise, the telling of the index number tournament and by emphasizing the long time horizon (past and future) affecting the subject at hand, Domar offered his readers a subtle rejoinder to the Cold War imperative to definitively claim superiority on one side or the other. The normative and literary closure that Domar
provided (that the Soviet index number ‘won out’), was dampened by a conclusion that ultimately emphasized the elusiveness of scientific closure (that no answer was timeless, not even his).

Whereas the narrative told in “An Index Number Tournament” suggested some merits of a Soviet approach, not all of Domar’s comparative works gestured in this direction. A good example of an alternative, yet similarly tepid, assessment is his (1966a) “Soviet Collective Farm as Producer Cooperative.” This article took as its inspiration then-recent changes in Soviet agricultural policies that Domar tracked in 1956-66 press articles from two prominent Soviet newspapers, Izvestia and Pravda. In a lecture at Johns Hopkins, Domar claimed that his sources of information in developing the argument for the article were “statistics of output and its limitations, laws, economic books and articles, speeches, fiction and the Krokodil.”14 Domar distilled these historical and speculative details into a simple, imaginary scenario of a cooperative firm reacting to fluctuating economic variables in an idealized market socialist economy.15 The article opened by asking the reader to:

“Imagine that most of the obstacles facing Soviet kolkhozes (collective farms) today…suddenly vanish, and the kolkhozes find themselves in a Lange-Lerner type of a competitive world where everything can be bought and sold at a market price, and where

14 The Krokodil was a Soviet satirical magazine that Domar was especially fond of; it is quoted often in his works. He also visited the Krokodil office in Moscow during his 1959 travels to the USSR, and enjoyed the conversation as the staff were “less on the defense of the reality here than most economists I had talked to.” Domar Papers, box 10, “USSR Travel Notes (2 of 2).”

15 For other examples of narrative evidence used to help understand an economic phenomenon, see the “travelers’ tales” used by Warren Nutter to assess the quality of Soviet consumer goods (Kuehn, this issue), Alfred Marshall’s analysis of nineteenth-century British economic history (Maas, this issue), or Zvi Griliches’s narrative explanations for the adoption of hybrid corn and increased applications of fertilizer (Biddle, this issue).
peasants are free to run their own affairs provided the essential structure of the kolkhoz is retained. How would Soviet agriculture, or for that matter any economic sector so organized, fare in such a wonderland?” (Domar 1966b: 734).

This thought experiment narrative was anchored by comparisons to “a profit-maximizing firm, the ‘capitalist twin,’ with the same production function and prices as the co-op” (737). The expected behavior of the imaginary kolkhoz to a range of potential changes in economic environment, including an increase in rent prices or the presence of a labor shortage, was described with the aid of several microeconomic formulas and graphs.16 Throughout, these expectations were compared with the behavior of a capitalist firm under the same conditions—offering readers a ‘paired’ narrative of economic decision-making under the contrasting regimes.

After reflecting on the relevance of these theoretical insights to current Soviet agricultural conditions, Domar proposed a list of policy recommendations. “If this list is so conventional as to create an anticlimax, I apologize,” Domar noted (749). After adding one “rather essential recommendation” that kolkhozes be permitted to hire and fire workers at will, Domar concluded with the following sentence: “If this freedom brings it suspiciously close to a profit-maximizing capitalist firm, the similarity could be declared to be purely coincidental” (749). This waggish conclusion did not detract from the ultimate impact of Domar’s conclusion: from a microeconomic perspective, a capitalist environment would lead to more efficient outcomes for the imaginary kolkhoz. The determination was not an emphatic endorsement of capitalism, but it

16 Domar took for granted, of course, that the imaginary kolkhoz would be making these decisions in adherence to neoclassical assumptions of rationality.
nevertheless insinuated capitalism’s potential benefits. Domar did, in this instance, offer readers normative closure of the outcome of his narrative.

Elsewhere, however, we find that Domar’s enthusiasm for capitalism was lukewarm, and often tempered with conditionalities. During a 1959 conversation with a Yugoslavian government official, Domar was asked whether socialism had any advantages over capitalism. “To which I replied that I didn’t care very much as a matter of dogma how strongly a society was socialist or capitalist, but that I hoped that whatever we get, we get by a process of peaceful evolution of social experimentation,” Domar recalled. A similar sentiment was expressed in his John R. Commons Lecture (1966b) given at the 1965 conference of the American Economic Association. Regarding the question of capitalism versus socialism, Domar shared his personal convictions: “I have no general solution to this complex question independently of time or place. I wish…that this question could be discussed with less passion, and that our government would not try to force capitalism on unwilling people” (Domar 1966b: 7-8). In the same lecture, Domar admitted to some of the shortcomings of capitalism, such as the profit incentive’s potential to “punish the most well-intentioned and hard-working person and throw riches to the unscrupulous speculator” (8). “No wonder,” he continued, “that the current Soviet reforms oriented toward the market and profits are opposed by many Soviet managers, who would gain freedom but lose security. And who are we to complain, being, as most of the members of this assembly undoubtedly are, either holders of tenure positions or aspirants for them?” (8). Furthermore, he bemoaned that an economy driven by self-interest, though efficient, prevented us from activating

17 Domar Papers, box 10, “USSR Travel Notes (2 of 2).”
18 Domar was the first economist to receive the John R. Commons Award presented by the Omicron Delta Epsilon society.
“motivating forces of higher quality, and we suffer from their shortage in our political and social life” (9).

Despite these weaknesses, Domar nevertheless condoned capitalism’s use of the profit incentive as an alternative to central planning. He made this argument with the use of a colorful analogy, one that would be familiar to the lived experience of his audience (a room full of professors). Domar compared the use of profits as a way to achieve economic efficiency with the use of grades in the acquisition of knowledge. “A student can get good grades by choosing easy courses, flattering teachers, and even by cheating on examinations,” Domar explained, noting that better stimuli were possible. But in an “age of mass education,” the strategy of closely monitoring educational development would be far from ideal. “Should we prescribe the Soviet-type norms to our students, that is the exact number of hours to be spent (by each student individually or by all?) on each subject, with their study hours policed by a horde of proctors, supervised in their turn by super-proctors? And what is to prevent a student from spending the prescribed number of hours looking into the assigned book and thinking of something else?” Domar (1966a: 7) asked. In the privacy of faculty lounges professors may have regretted an emphasis on grades in lieu of creativity, but grades nevertheless served as practical signals, thought Domar. So, too, did prices.

Domar’s analogy invited the listener to consider the practicality of the profit incentive in a homespun light, as well as ponder the fruitlessness of a meticulously ordered system. The imaginary exercise carried rhetorical force, communicating the advantages of the profit incentive in a compellingly simple fashion. But, as in previous examples, the moral conclusion was not definitive to Domar. In his characteristic way, he added a hint of caution: “It is only that I do not
know of any better method for enforcing economic discipline and preventing wholesale waste. The future may provide us with a wider choice” (7). Taking Domar’s work on comparative systems as a whole, it is clear that Domar was not an obvious champion of either system. His arguments resisted a clear sense of normative closure.

In the introduction to his 1989 collection of essays, Domar (1989b: xii) warned that “the obsession with communism has already cost us much blood, treasure, and prestige…Chances are we will have to live in a world where some countries are capitalist, some communist, some in a transitional state from one system to another and back again…We may not like this kind of world, but we will have to get used to it.” Here, as in other instances, Domar preferred not to give a clear-cut verdict over the predominant Cold War question regarding the ‘better’ system. What influenced his hesitance to embrace a victor (normative closure)? And how did this impact his many warnings to fellow social scientists to avoid treating his conclusions as definitive fact (scientific closure)? As the next section will argue, a vital clue to Domar’s open-endedness was his affection for history.

II. Domar and History

In a 1992 reflective essay, Domar shared: “the first love of my youth was, and now of my old age is, history” (Domar 1992: 118). Domar ultimately pursued economics because it was considered a more practical path to employment and because his local university did not have a history department, yet he came to weave the two disciplines together in the latter half of his career as an economic historian. “Surely, anyone who wants to learn how history is made—my lifelong aim—should begin with economics. It is the key to history,” he claimed (ibid, 118). The
historian Dorothy Ross (1991: xiii) asserts that “the models of the social world that…dominated American social science in the twentieth century invite us to look through history to a presumably natural process underneath.” Domar’s forays into economic history did examine these ‘natural’ economic forces, but his historical imagination simultaneously led him to believe that those forces did not over-determine how reality unfolds. A good demonstration of his approach can be found in his (1970) “The Causes of Slavery or Serfdom: A Hypothesis,” one of his most well-known works.

The inspiration for this article was sparked by Domar’s reading of the Russian historian Vasily Kliuchevski’s multi-volume *Course of Russian History*, a commanding work exploring the economic and social history of late imperial Russia.\(^{19}\) Domar was especially taken by Kliuchevski’s ([1907] 1936) account of the rise and fall of Russian serfdom, a widespread system of indentured servitude that began in the 16th century and lasted formally until the 1861 Emancipation. According to Domar, Kliuchevski had “assembled and described the relevant facts (and in beautiful Russian at that) and stopped just short of an analytical explanation” (Domar 1970: 19). Hence, Domar saw an opportunity to refine Kliuchevski’s account into a “simple economic model” that could explain why serfdom had emerged, the conditions under which it thrived and remained a viable economic system or not. Domar’s model was indeed simple—it demonstrated that a high land/labor ratio made workers much more valuable than land. Since landlords could extract wealth from workers much more efficiently than from land rents, there was a strong economic case for forcibly tying peasants to their farms.\(^ {20}\) The

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\(^ {19}\) The volumes were gifted to him by his wife, Carola, in the 1950s.

\(^ {20}\) He cited examples from Russian writers including Pushkin and Gogol to show how ownership status was expressed not in acres of land, but in “numbers of souls.” Landowners that had more souls, i.e. serfs, were assumed to be better off.
Theoretical model was thus ‘fitted’ by Domar onto Kliuchevski’s historical narrative. The model also allowed Domar to speculate on an alternative unfolding of Russian history: “if the Muscovite government could have only waited a few hundred years” for the land/labor ratio to reverse as a result of Malthusian pressures, serfdom may have been abolished for economic rather than political reasons. Counterfactual thinking is a keystone of narratives, so it is unsurprising that Domar concluded his first section on this note. Once again, there is no narrative closure in his history.

The second section of the article began, “Where I come from, an economic model without empirical testing is equated with a detective story without an end” (23). To assess the validity of his hypothesis, Domar relied on historians’ accounts of four episodes of serfdom and slavery: imperial Russia, 14th-16th century Poland-Lithuania, the late Roman Empire, and the antebellum United States. Each historical case provided important nuances that at times confirmed, at times contradicted, Domar’s hypothesis. As such, Domar acknowledged that economic incentives were not the only relevant force—the model could not explain everything. In the case of the United States and Russia, coerced labor was abolished even when land remained abundant; the systems were “terminated by political action, in which the Russians showed much more sense than we [Americans] did” (Domar 1989a: xviii). Ultimately, Domar ended on the, again, quite ambiguous conclusion that “economic conditions alone are neither necessary nor sufficient for the emergence of slavery (or serfdom); and they may be sufficient but not necessary for its end” (10). With such caveats, Domar accepted the contingencies of the past.

21In his discussion on the United States, Domar (1970: 30) wrote that “the American South fits my hypothesis with such embarrassing simplicity as to question the need for it.” Domar’s student, Robert Fogel, extended Domar’s thesis in a landmark (and controversial) study with Stanley Engerman on American slavery (Fogel and Engerman 1974), for which the two received the 1993 Nobel Memorial Prize in Economics.
suggesting that while the economic dynamics of a historical event can be extracted, they do not comprise the full account. An attention to history illuminated the idiosyncrasies of real life. And given such complexity, scientific closure for the economist was impossible.

Domar maintained a similar sense of vagueness towards the future. In contrast, the Cold War period was plagued by overconfidence and a desire to control the future. As essays in the 2012 forum of the American Historical Review illustrate, the Soviet Union and the United States were contending on “an ideological plane, offering contradicting versions of the future” (Engerman 2012: 1407). Methods of forecasting abounded in the two countries; as Andersson (2012: 1415) explains, “the quest for a general theory of prediction was a search for a scientific form of control at a time when change appeared to be distinctly threatening.” Techniques for prediction were built using present and projected data as well as complex mathematics; a need to study past circumstances was often dismissed by social scientists at the helm of decision-making. As futurologist Herman Kahn claimed, for instance, “the unrealized and unexperienced, but historically plausible, problems of World Wars III and IV are more valuable than the experienced problems of World Wars I and II” (Kahn 1969: 416). Connelly et al (2012: 1448) describe the increased presence of “war gamesters”—defense intellectuals like Kahn who could abstract themselves “from all human considerations” and produce logical recommendations based on “facts which have been fed into [their] thinking machine” (see also Dayé 2020). To such experts, the past was irrelevant, the future was doomed by impending catastrophe, and the present was afflicted by an urgent mandate to ensure survival.
Domar’s approach stood against this trend. He did not structure time in this manner, and took seriously the study of history.\textsuperscript{22} As economist Peter Temin, Domar’s colleague who also taught economic history at MIT, states, “history can expand the insights of formal economics, which provides detailed understanding of specific processes, into a narrative of people and choices…It can acknowledge that history is not always monotonic” (Temin 2014: 344-5). Domar continued advocating for increased course offerings in history at his department, even when the trend was moving in the other direction.\textsuperscript{23} In response to a 1967 memorandum requesting feedback from faculty on long-range plans for the department, Domar responded that “economic history is my main concern” (Collier 2016).

What history offered, Domar seems to suggest, was “vision.” If history revealed that reality could proceed in unexpected ways, what did this portend for the future? And how might this change the way we behave in the present? In unpublished notes for a 1961 lecture on Economics and the Modern University, Domar described the increasing sophistication of economic theory, but wrote that “all this is not a substitute to judgment but a help to it…All [these advanced techniques] may give an impression of great success, which is not quite the case. In small problems we have done well, but not in big ones.” He outlined two main reasons for this conundrum: 1) that “the world is still very complex” and therefore analytical ability does not guarantee sound predictions, so no sound closure of any kind; and 2) “our best trained students get little training in history, sociology, political science, and even ordinary business behavior.”

\textsuperscript{22} For examples of other economists who mobilized historical reasoning to build narratives that informed their economics, see Nutter’s Soviet “travelers’ tales” from the same time period (Kuehn, this issue) and Marshall’s time-sequencing visual chronologies of events (Maas, this issue).

\textsuperscript{23} Temin (2014) describes how, as techniques became more sophisticated, students were expected to have more training in modern economic theory and econometrics at the expense of historical training. MIT abandoned the requirement for one course in economic history for graduate students in the 2000s (346).
The lecture notes concluded with the following statement: “Perhaps we should join with historians, political scientists, and others? We can contribute [the] sharp analytical well-trained mind. Can they contribute the vision?”

III. Complexity and the Refusal of Scientific Closure

When Domar stressed the importance of a historical perspective to economic theory, he was emphasizing the boundary between theory and history, and the limited degree to which the former could accurately reflect the latter. As previously explored, the Cold War climate produced in some places a belief in the social sciences to not only understand society, but also predict and help manage it. In contrast to this ardor was Domar’s skepticism, which can be gleaned from his resistance to simplistic narratives and preference for dynamic, open-ended ones.

Another example of his penchant for ambiguity can be found in a paper given at the 1962 International Conference on Economic History. In this paper, Domar attempted to compare levels of industrialization between the United States and the Soviet Union. He did not shy away from admitting the challenges, unrealistic assumptions, and grand omissions required in making such a comparison both theoretically and empirically. He cautioned “the reader not to take this essay too seriously,” (1989a: 146), presented a table if the reader was “willing to take a look” (170), and demonstrated how a conclusion could be vastly different based on the numbers used; “the data are with us or against us, depending on the period chosen, hardly a consoling thought” (170). The self-awareness about the frailty of his argument and evidence came across when Domar jested, “we might beg a generous examiner to award [the analysis] a passing grade, but

obviously without honors, at least at this stage of our knowledge,” (171). The paper’s conclusion suggested that “each country appears to have been pursuing the correct, though different from the other, course. But of all the numerous tentative conclusions reached in this paper, this last one, stemming from as yet an unfinished analytical problem and based on a shaky empirical foundation, is the most tentative” (175). The paper communicated strong doubts that the question of which country has the right recipe, and the stronger industrial capabilities could be answered authoritatively.

Domar applied a similar uncertainty to the question of comparative efficiency in a 1971 response article to economist Abram Bergson’s calculations deeming the Soviet economy inefficient. In this paper, Domar argued for the “homely truth” that the desirability of certain economic features over others “cannot be resolved on the basis of the behavior of one simple index” (Domar 1971: 231). Bergson’s index, Domar claimed, failed to capture complex moral and political considerations. “Is it more important to be efficient in the micro-sense and score well on the Bergson scale, or is macro-efficiency which is only partly registered on that scale more desirable? What about other economic criteria, such as income and wealth distribution or security of employment?” Domar interrogated (231). “The social welfare function of each country,” he explained, “is not composed of economic variables alone…We do not know where the influence of noneconomic factors ends and true inefficiency begins” (228). Whereas Bergson’s analysis concluded that (American) capitalism was more efficient than (Soviet) socialism, Domar resisted by saying that performance on one constructed economic index “is not sufficient to establish the inferiority of socialism as an economic system” (231). In other words, Domar here was criticizing Bergson’s argument on account of Bergson’s failure to think about the full complexity of the comparison being made, that is to think narratively.
This does not mean Domar was totally sympathetic to socialism; he illustrated later in the paper how socialism negatively affected consumers in ways economic analysis failed to capture:

“If a Soviet citizen buys a refrigerator, its production and sale are duly recorded. But if at a later date the refrigerator stands idle because of lack of repairmen or of parts, no method of social accounting known to me would record this fact. Nor would it be recorded that a portable ice box (to mention a report in the Krokodil), again duly included in the national product, turns out to be absolutely useless because its purchaser cannot buy any ice, or that air conditioning apparatus manufactured and installed, and thus again duly recorded, does not condition any air” (1971: 139).

The inability of economics to capture the “frustration and anger felt by buyers of poor consumer services and owners of useless consumer products” revealed the limits of theory (140).25 “Blind to what cannot be measured,” economists may put forward conclusions or recommendations that are dissonant with—even dangerous to—reality.26

An inability to weave imaginative and historical modes of thinking (modes that Domar often incorporated into his own works, often in the form of narratives), in his view, rendered American

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25 See also Domar 1989b: 46n43: “In an old story (or cartoon) Krokodil (The Soviet satirical magazine), a young couple wishes to buy a pram for their baby. ‘There are no prams,’ says the salesman, ‘why don't you take a suitcase instead?’ Suppose they did. In no statistics known to me would the true character of this transaction be recorded.”

26 See Ross 1991: 472: "Blind to what cannot be measured, [social scientists] are often blind to the human and social consequences of their use. The manipulators of social scientific technique, intent on instrumental rationality, cannot notice the qualitative human world their techniques are constructing and destroying.”
social science lacking. Domar’s attention towards this weakness was expressed perhaps most
strongly in one of his last published essays, his “The Blind Men and the Elephant: An Essay on –
isms.”

Domar (1989a: 29) began this essay with an epigraph quoting “an old Indian tale” which implies
that any account of a phenomenon can only be partially ‘true’: “A certain Prince commanded
several blind men to examine an elephant and to describe to him what the elephant was like.
Each blind man examined one part of the elephant’s body and reported accordingly. And the
blind men fell into quarreling among themselves, each insisting that only he was right.” This folk
tale could be likened to a parable, which imparts normative meaning through the use of idealized
characters. Domar’s use of this parable to introduce his argument, which he claimed was merely
the observation of “one blind man,” suggests that he was advocating for humility in the social
sciences; no one man’s account could describe the entire elephant (29). Domar’s prescription for
acknowledging the limits of knowledge became clear as the essay progressed to discuss the
relative welfare of consumers and producers under capitalism and under socialism. Whereas
some thinkers dismissed capitalism for producing excess supply and therefore leading to under-
consumption, Domar attempted to illustrate that the reverse condition—excess demand—created
much strife for consumers. Domar extolled the power of consumers over producers under
capitalism, a power that “requires no police, no compulsion, and no letters to the editor of The
New York Times” (26). In elegant prose, he challenged complaints about aggressive advertising,
which occurred in a society like the United States where consumers had abundant choices. “If
this endless pursuit of the consumer’s dollar can be most annoying, would the consumer prefer to
be met with indifference? Thus a Victorian maiden with a pretty face and an ample dowry might
complain that her numerous suitors never left her alone, but would she really prefer to be left
alone?” (35). Acknowledging the privileged position of a consumer under capitalism, Domar complicated the story by switching attention from consumers to producers. “Actually, we affirm our allegiance to consumer sovereignty only in the classroom. Outside of it we think of ourselves first of all as producers…If at a cocktail party you ask the host to identify the newly arrived guest, he will state his occupation…rather than describe him as the owner of a huge purple refrigerator” (38). What we do as work matters as much, if not more, than what we own. From a producer’s viewpoint, then, socialism had advantages, Domar seemed to suggest. “The knowledge…that his job is virtually guaranteed places the socialist worker in a superior position, unknown under capitalism” (41). Thus, the attractiveness of an economic system differed in degrees based on the point of view (a reader’s, or a citizen’s) from which it was judged.

Because the essence of economic inquiry, in Domar’s (1952: 454) words, “consists not in copying economic reality…but in extracting from it a few easily manageable key factors and constructing from them a model,” its direct applicability to real-world scenarios should be taken with a grain of salt (Domar 1952: 454). In one of his lesser-known pieces, “Were Russian Serfs Overcharged for their Land by the 1861 Emancipation,” Domar (1989c) challenged the blind faith placed by five economic historians in one empirical table, from which they concluded that serfs were undeniably overcharged. Skeptical of such consensus, Domar described the flaws in the data and constructed new calculations based on alternative assumptions. With new criterion for judgment, Domar told a new story, with a new conclusion that “perhaps [serfs] were overcharged much more than anyone has ever suggested. And perhaps much less, or not at all. The five historians with whom my story began could well afford to express six opinions. And even more than six” (288). In this instance, as in others, Domar resisted the notion that economists could easily make definitive judgments or prescriptions about reality—he
fundamentally denied scientific closure of the narrative of serf emancipation. There was always more than one ‘proper’ account or narrative depending on the nature of the evidence, just as—perhaps—there was always more than one ‘proper’ currency depending on what you were buying and from whom.

**IV. Conclusion**

As this paper has explored, Cold War themes attracted Evsey Domar’s attention later in his career and were subsumed into his research on Soviet economics, comparative systems, and economic history. His personal experiences in the Soviet Union, his reading of Russian history, and his familiarity with accounts presented in the Soviet press and literature were all resources that Domar drew upon for inspiration. His arguments were constructed in ways that were politically and culturally relevant in the Cold War context, but a reading of what he said rather than what he did reveals that he frequently challenged the simplistic and seemingly authoritative presumptions of his peers. Whether by using narratives to guide his audiences through tournaments between index numbers, the decision-making processes of imaginary cooperatives, the faculty lounges of professors, or early modern histories of serf-employing empires, Domar attempted to recreate the imaginative and historical narratives for his readers that were, presumably, also essential thinking devices for the way he came to his own economic ideas. Importantly, not all of his narratives achieved closure—scientific closure least of all. But to conclude in a sense of scattering rather than finality may very well have been Domar’s intention. In a retrospective, Domar (1992: 121) shared that “a teacher is much more effective if he leaves his students in a state of healthy confusion.” Indeed, this is the place Domar often left us.
Instead of using knowledge to make definitive conclusions about the world at a time when the obsession to control the contours of human life was rampant, Domar used the world, and the historical and economic narratives it offered, to make warnings about straightforward moral preferences and the limits of knowledge. As a write-up for his American Economic Association Distinguished Fellow profile recognized, his research illustrated “the value of a broad historical, geographical, and institutional imagination” (AER 1985). This imagination allowed Domar to approach established conclusions with doubt, and occasionally offer alternative narratives that captured complexity and contingency. As the literary critic Wayne Booth (1988: 237) has said, "powerful narrative provides our best criticism of other powerful narratives.”

In a 1992 reflective essay, Domar (1992: 123) wrote, “I should record that I have never had a long-term research plan. While public concern has undoubtedly affected my choice of topics, my main motivation has been curiosity, particularly about widely accepted opinions and conclusions. In economics (and probably in other social sciences as well) such acceptance is a sign of danger.” “Beware of unanimity in the social sciences!” Domar (1989b: xviii) warned us elsewhere. As historians of economics, perhaps we could honor Domar's legacy by resisting the temptation to tell stories that confirm dominant, simplistic narratives—to instead unearth sites of ambiguity or resistance not only from outside economics but from within the discipline as well. That such positions do not always gain due recognition, both in their time and in our telling of events, is a curious narrative in itself.
REFERENCES


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