ONCE A MAN, ALWAYS BRILLIANT

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Why did northwestern Europe begin growing rich in the 17th century, a process that continues to this moment? Why did various countries elsewhere in Europe have similar success, along with countries created by Europeans, including the United States and Canada?
McCloskey sets aside most of the reasons for prosperity that her academic peers identify. Scientific innovation, natural resources, education, Protestant theology, trade agreements -- these can be important but they do not explain global patterns. Often, they are present in societies that have failed.

The West's success, McCloskey believes, turns out to be a question of imagination, attitude and sensibility. It depends on how we talk and write about business-- in fact, how people in the West feel about it.

Over three centuries, prosperity has been created by a belief that arose, first of all, in the 17th century in the Netherlands. Two Dutch businessmen from the age of Rembrandt appear on the cover of McCloskey's latest book, Bourgeois Dignity: Why Economics Can't Explain the Modern World, published this week by the University of Chicago Press. They symbolize the idea that the Netherlands developed, Britain expanded, much of Europe adopted and the British colonies endorsed: the once-radical notion that business is an admirable occupation.

The wealth of nations expanded because rhetoric about markets and free enterprise became enthusiastic and encouraged the bourgeoisie. It was a shift in opinion that eventually affected everyone on Earth. "During this time, talk of private property, commerce, and even the bourgeoisie itself radically altered, becoming far more approving and flying in the face of prejudices several

millennia old."

Imagination created and released the energies of society. "The leading ideas were two: that the liberty to hope was a good idea and that a faithful economic life should give dignity and even honour." For the first time in history, economic innovation led by the bourgeoisie became respectable. In the countries of northwestern Europe, businessmen even became "gentlemen."

McCloskey argues that a civilization fails "when bourgeois virtues do not thrive, and especially when they are not admired by other classes and by their governments and by the bourgeoisie itself." As a developing civilization, China led the West in 1500 but fell dramatically behind. It lacked a bourgeoisie to propel it forward through competition and innovation.

She says that if the Ottoman Empire or the Japanese Shogunate had "admired trade and innovation sufficiently to overcome their worries about the maintenance of state power," then they, and not the Europeans, would have come first. They chose conformity to traditional hierarchies. Today, China and India prosper to the extent that they embrace bourgeois values.

There's a message here for the present, and not only for undeveloped economies. As a free-market economist, McCloskey believes we should struggle to regain ..." respect for the system that made us. In her view, capitalism (and only capitalism) creates the time and resources that enable intellectual and moral growth.

It's not possible to write about McCloskey without noting the most remarkable aspect of her life, which she described eleven years ago in Crossing: A Memoir. In 1995, Donald McCloskey, a 52-year-old professor, married for 30 years, a father of two, realized that his real identity was as a woman. He began a program of hormone treatment, multiple surgeries and electrolysis, emerging as Deirdre.

As a scholar, she noted that this physical change involved a cultural transformation as well. Having been both a man and a woman, she drew up a long list of changes she's discovered in herself. Here are a few of them. She cries, she likes cooking, she's more easily startled by loud noises, she listens intently to stories people tell of their lives and craves detail. She can't remain angry for long. She's less impatient, drives less aggressively, has more friends. She's stopped paying attention to cars and sports. And she feels duty-bound to wash the dishes.

She now calls herself a post-modern free-market quantitative rhetorical Episcopalian feminist Aristotelian woman who was once a man. And, she could add, a most interesting thinker.

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