

In Memory of Paul Samuelson

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Remarks at MIT Memorial Service for Paul A. Samuelson

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April 10, 2010

For 55 years it was my privilege to be Paul Samuelson's nephew. I'm going to do what he would do on an occasion like this: tell some stories.

In about 1997 I commented at a meeting at the Treasury, at a tense moment, that my Uncle Paul felt there were some important bubbles in the stock market. An impatient Bob Rubin said that his Cousin Bert had opinions, too. I didn't get many good moments, but I did continue by asking how many textbooks Cousin Bert had sold. Perhaps I had missed it some October when it was announced that Cousin Bert would be going to Stockholm. And I didn't know about Cousin Bert's success as an investor, but I'd be happy to compare it with Uncle Paul's.

Since I work in Washington I'm going to comment on that aspect of life first.

Paul took considerable pride in saying that he had never spent more than three nights in a row in Washington during his lifetime. But his record of influence was unmatched. I am confident that President Roosevelt was led to consider his views on avoiding a post-war depression. I know that we all took some pride when President Nixon placed him on his enemies list. And I was there when President Obama participated in the discussion of his views on globalization and the benefits to industrial countries of the trade opportunities created or destroyed as developing countries grew. Never a week in Washington.

Thirteen presidents and their economic teams engaged with his views. Quite a remarkable record. And that's not to mention what he felt was his greatest influence, remarking often that others could whisper in the ear of kings if he could just write the textbook that everybody read.

I wish more than anything that the world didn't have to be reminded of many of the truths of Keynes about economies not being self-equilibrating systems, about their proneness to instability, about the necessity for strong government actions. But if it had to happen, I'm glad that Paul, whose textbook did more than any other single document to bring Keynes to the United States and the world, lived to see the vindication of those ideas after some years in eclipse.

But anyone who knew Paul knew that he didn't live for his notoriety; he didn't live for his Newsweek columns; he didn't live for his influence on public policy. He lived professionally, for his scholarship. I'll leave it to others to talk about the significance of economics becoming an analytical science, of the vastness of the corpus that surely stands for the proposition that there are not always tradeoffs between quality and quantity.

But I'll just tell one story because it made a very deep impression on me when I was quite young.

In the fall of 1972, two years after Paul, Ken Arrow was awarded the Nobel Prize. At the time I was a sophomore at MIT, and I suppose because, along with my brothers Rick and John, I was one of the only three people a quarter genetically related to both Paul and Ken, I was invited to the party that the Samuelsons held the night of the announcement to honor the Arrows. Though I can't really remember it in detail, I suspect there are a reasonable number of people who are here today who were there that night.

What made an impression on me was the party went on, everybody was talking about their children, and they were looking at me as a kind of novelty because I was 20 years younger than anyone else in the room, and they were celebrating how wonderful it was, and they were talking about Ken's trip to Stockholm, and all the things you would expect them to talk about.

As 10 o'clock approached, people started leaving. Paul and Kenneth were in a room in the corner talking about turnpike theorems. People kept leaving. Paul and Kenneth kept talking about turnpike theorems. Eventually everyone had left. Marion was looking impatient. Selma put her coat on. Paul moved to telling stories about Frank Ramsey that connected with turnpike theorems. Kenneth mentioned the Maximum Principle. We discussed Pontryagin for 15 minutes. Impatience. My ride depended on all this, so I was watching it. I understood not a word at the time.

But I did understand this: there were two people in that room who had won Nobel Prizes. And there were two people who on and on and on into the evening were discussing the subject they loved, the subject they cared about, the subject they had a passion for. And it told me about them, and it told me about the importance of our field. And it was a real learning experience for a young man.

Paul was a bracing and yet generous uncle to have. I remember at about the age of 10 struggling halfway back to Philadelphia because Paul had heard that I was a clever kid and wanted to put the proposition to a test, and had inquired at what temperature Fahrenheit and centigrade scales converge. I at the time had no method for solving the problem other than trial and error, and it took several hours, but I did eventually figure it out.

Years later I remember driving with Paul to play tennis at the Belmont Hill Club. (By the way, it is not true that Paul did everything extraordinarily well.) As we drove, the radio remarked that the Dow Jones average had gone up that day, and I, in what I suppose would have been the reaction of about 99.9 percent of humanity, said (in response to the fact that the Dow Jones average had gone up), "That's good." And Paul looked at me, and he said, "Larry, going forward, do you expect to do more buying of stocks or selling of stocks from your current position?" It set me thinking for months.

Ricardo Caballero mentioned the MIT lunch table. I had my moments there. My first or second year at MIT, I was sitting at the lunch table. There was a discussion of some topic. I expressed an opinion, and it wasn't a very sensible opinion. Somebody corrected the opinion that I had offered, and I persisted in pushing my opinion. It was in retrospect not very sensible.

Paul looked at me and said – and I'll never forget these words – "Larry, I just wrote a eulogy for Art Okun. And in that eulogy I said that in all the years I had known Art Okun I had never heard him say a stupid thing." You all know what's coming next: "Well, Larry, I won't be able to say that about you."

I rushed off to the library. Believe me, if there was any data-mining technique known to man that would have vindicated my original conclusion, I would have found it. And believe me, there was none.

Paul could be tough, but he also knew the old thing about afflicting the comfortable, and he did. Nobody punctured pretense or pomposity better or more decisively than he did.

But he also knew about comforting the afflicted. I remember how much time and how concerned he was when I had cancer 25 years ago. I remember how he would take me to play tennis at a time when I could only play for three or four minutes without resting – it was the only time he beat me. I remember the letter he wrote me when I left Harvard's presidency in complicated circumstances.

He was there for people he cared about. He was there for MIT. He was there for his profession. He was there for his science. And he was there for all the difference that a scholar can make in this world.