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John Rogers Commons on Power

John Rogers Commons's social thinking was developed as a result of sixty years of observation and active participation in American economic life. Commons participated in social life as a worker, printer, researcher, teacher/professor, social scientist, economist, author, unionist, inventor, investigator, administrator of government, and adviser to a host of public officials. He attended to the American people in their numerous struggles as citizens to achieve a tolerable degree of power, stability, and security. By experiment and trial and error, he gradually derived a comprehensive point of view that the assumptions and conclusions of neoclassical economics were inadequate (Parsons 1942: 245–46; Taft 1952: 631). As a result, "an economist brought up in the tradition of Marshall and Knight will no doubt find Commons's terminology baffling, his formulation of problems perverse, and his doctrines obscure, containing little that can be assimilated to the corpus of orthodox theory" (Harris 1951: 61). Commons did not show any tolerance for a theory of value based on individual marginal utilities and marginal cost. Moreover, he did not show any patience for economic doctrines that attempted to isolate individuals from the society in which they lived or from the social institutions that had

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evolved. Commons teaches us that the understanding of knowledge did not originate exclusively in books and offices of universities but is to be found in the study of the activities of people.

As the twentieth century (and the twenty-first century) "is an age of collective action" (Commons 1950: 23), we are confronted with the challenge of understanding and controlling what appears to be unmanageable collective pressures and activities as a result of the exercise of power. The study of collective action is made urgent by the fact that individualism has dominated so strongly economic thought by ignoring power (Parsons 1942: 253). Economic analysis that did not place power and collective action in the well-deserved place in economic theory was inadequate and unrealistic. The purpose of this paper is to determine the role of power as expressed through collective action based on Commons's social economic thought. Although Commons's contribution to social and economic thinking has been analyzed extensively, to my knowledge his contribution regarding in particular the conceptualization of power has not been explored adequately. Students of economics and predominantly students of history of economic thought would benefit from such analysis, as the paper develops Commons's ideas regarding power, collective action, working rules, custom, and institutions. As Commons stated: "the problem now is not to create a different kind of economics—institutional economics—divorced from preceding schools, but how to give to collective action, in all its varieties, its due place throughout economic theory" (2005 [1934]: 5) He was just as persistent as Keynes in proclaiming that laissez-faire must be abandoned if capitalism was to be saved. In fact, Commons's criticism of orthodox economics was even more fundamental than Keynes (Carlin 1952: 380–81).

The Nature of Economics: The Science of Activity

Commons committed his life to developing and using methods of comprehensive investigation and understanding the social framework of the economy, the former of which explicitly recognized that human activity is volitional (Parsons 1950b: 13). Commons differed from other institutionalists, such as Veblen, in that he understood the centrality of choice in economic behavior: All people have the power of will of their own; every person's mind is a creative interaction in the ordering and reconstruction of human affairs. According to Commons, economic activities are carried out in an essentially volitional manner, as he contends that "economic life must be viewed behavioristically, not subjectively" (Harris 1951: 62). Moreover, Commons insisted that "no method of investigation, however scientific, can have the answers to the puzzles of human progress. Ultimately progress rests with the human will" (1950: 114). His goal was to formulate a theory based on a philosophic method of volitional economics (Parsons 1950a: x). Hence, economics is a science of activity: the activity of the human will in conflict and in cooperation, in competition and in regulation. Economics is a science of the ideas and methods of investigation by which human beings construct their plans of action and carry on the negotiations that determine their activity. Under these conditions economics is a science based more on matters of argument and dialectics than a science proper based on measurement and equations (Commons 1950: 203). Essentially, Commons was endeavoring to launch a theory of economics, particularly (for better or for worse) a theory of political economy that would be adequate both for analyzing economic problems and guiding social action in resolving the everyday complexities of economic progress. His theory "may amply be called a system of political economy" (Parsons 1942: 246). He attempted to transect economics from the dogmatic economics of the nineteenth century to the statistical, investigational, administrative political economy of the twentieth century. This was and still may appear to be an odd account of economics in our time, but Commons's (2005 [1934]) most comprehensive effort is titled *Institutional Economics*, with the notable subtitle *Its Place in Political Economy*.

Commons dared to differ from the mechanistic analysis of economics that treats the social framework as a datum; in this fashion, "the science of economics thus became mechanistic, as it had been theological, and this materialistic fundamentalism extends from Ricardo to Marx and to the present day" (1950: 190). Thus, economics becomes a rather superficial science (ibid., p. 193). Accordingly, the study of collective action, the nature of property rights, and the structure of power cannot be included in what has become known as orthodox economics. Meanwhile, "the formula of collective action in control of individual action, which is the 'institution,' gives us a mental tool of investigation, application of which brings together similarities and differences in the varied and innumerable modern economics activities" (ibid., p. 34). In this way, the difference between "individualistic economics" and "institutional economics" is converted into a difference between "static economics" and "dynamic economics." Although the individual is important, economics science should investigate in a dynamic sense the everlasting conditions with which the individual is confronted and the never-ending effort the individual exerts in productive activity (ibid., p. 52). Commons consistently perceives economics not as the study of mental states, commodities, or market situations but rather the study of economic organization based on collective action, transactions, economic power, negotiated values, and economic control with the goal of formulating an overall perception of the present economic order (Gruchy 1952: 142). The unique feature of institutional economics, according to Commons, is the fact that although orthodox economics is first and foremost interested in the relation between the individual and nature, institutional economics is primarily interested in the relations among individuals in the form of transactions (Carlin 1952: 382). "Our subject-matter is the transactions of human beings in producing, acquiring, and rationing wealth by cooperation, conflict, and the rules of the game" (Commons 2005 [1934]: 121). Thus, for Commons, institutional economics marked a transition from individualistic economics of the eighteenth and nineteenth centuries to the examination of the institutions of corporations, unions, political parties, and money. Therefore, he attempted a critical abstract of the development of the mechanistic science of economics by noting the practical change from a physical exchange of commodities to the negotiational transactions of the credit economy, represented in the transition from laissez-faire economics to control economics. In this context, "'opportunity cost' is, in fact, the legal theory of value" (Commons 1950: 139).

Orthodox mainstream economics deems economics to be a logical, universal, deductive science built on the one and only presumption of rational self-interested individuals and therefore excluding history. Actually "economics forgot history" (Hodgson 2001) as a part of the science because history is unmanageable and a multivariable unity of events. History evolves in a multitude of conditions and causes and thereby would supposedly have reduced the subject of economics to a mere description, or narrative, that could not claim to be a science. By neglecting history, orthodox economics not only simplifies the science of economics; it makes economics inapplicable. While the incorporation of history makes the science of economics more complex and unmanageable, it simultaneously makes economic science less dogmatic and less irrelevant; economics becomes more investigational, more workable, and, very likely, as Commons (1950: 237–38) points out, more conciliatory. Commons agreed that, indeed, history is not logical and as such cannot fit in a simplified framework postulated by orthodox economics. In spite of this, the history of economic conditions and the ever-changing alternatives open to individuals are necessary for an understanding of contemporary economics and the relative importance of different factors that make up the facts, as well as the different proposals for the future. For Commons, history was a sequence of continuous human actions and reactions because human beings exist by acting and reacting, as existence precedes essence. History is made as humans act on their going concerns in pursuit of their own interests. He explained "History gives an understanding of how to cope with various situations" (ibid., 143).

By incorporating history into economic analysis, Commons accepts conflicts rather than harmony as the natural and necessary ingredient of social change. Concurrently, there is individual action and collective action, namely, individual action within collective action. While within action there are conflicts of interest, it is more than just static conflict; there is mutual dependency and the eventual achievement of order, not equilibrium. Hence, if social processes intrinsically encapsulate the elements of conflict, mutual dependency, and order, it follows that these social phenomena cannot reach a static "equilibrium" in the orthodox sense. Commons argued "there was no ultimate goal . . . and little that could satisfy an intellectual who idealizes order and logic, but there was liberty through the control of power" (1926: 284). Social phenomena cannot be settled once and for all somewhere in the past and never reappear; as a matter of fact, social phenomena are continuously and eternally recurring with old and new problems that constantly require solutions. From this perspective, transactions are not only individual actions but also interpreted as conjointly social actions (Commons 1950: 46). As a consequence, policy and social control requires analysis of social organization and socially based individual action. To concentrate on equilibrium eventuates in not only depriving any reference to what is distinctly social but also concentrates on the outcomes and residues of social action rather than its basic structure (ibid., p. 372). These essential elements of Commons's economic thought support the position that the modern economy cannot move toward a natural general equilibrium. According to Commons, the basic forces of the modern economy do not bring about stabilization at high levels of employment and output (Gruchy 1952: 143). In place of the automatic equilibrium of his contemporaries, Commons proposes an "administrative equilibrium."

"Thus the sciences have a field of dogmatism where only the word of a high mathematical authority must be accepted by the unlearned masses of the people—something like the priestcraft of the Middle Ages" (Commons 1950: 184). In this context a question arises: When does mathematics apply to social sciences? Commons reasons that mathematics has applicability to social activities as soon as they have grown to be regularized and made precise by units of measurements imposed by order and justice. In much the same way, this line of thought advises that mathematical procedures are not sufficient for determining social and economic policy. Policy and stability require analysis of social organization, valuation, and action, which mathematical methods cannot inadequately incorporate into their analysis (Parsons 1942: 264).

Ultimately, Commons found the artificial separation of social sciences into isolated disciplines an obstacle to economic investigation (Levitan 1951: 461). Commons asserted, "consequently I have never been able to think of the various social sciences as separate fields of history, political science, law, economics, ethics and administration. What we need is some way of working through the whole complex of problems that grow of this fundamental struggle" (1950: 118). His goal was to reformulate economic analysis by establishing a foundation for the coordination of the social sciences, especially law, ethics, economics, sociology, and political science (Parsons 1942: 247).

Power and Working Rules

The deductive method characteristic of orthodox economics is seated on the isolated assumption of harmonious self-interest, while ignoring power. Power is eliminated because this single assumption is isolated and antisocial. This approach locates the single cause of economics as the achievement of equilibrium, independent of time and therefore ignoring history. But "conflicts and economic power are real" (Commons 1950: 15) and by definition social. Conflicts and economic power do not arise merely because people misinterpret their own self-interests in relation to a hypothetical harmonious totality of interests. The economics forces of human activity and the power of individuals, largely through collective action, have the goal of controlling the activity of other people, governments, courts, unions, or cartels to protect against the degree of competition. This perception of collective action finds similarities with Polanyi's (1975 [1944]) concepts of "double movement" and "protective response" to social structures of accumulation, of which Commons was likely not aware.

Commons's notion of power is grounded in his conception of social relationships. He proceeds from a postulate of the economy as a social organization rather than as a mechanism. Society is not the sum of isolated individuals; it is a multiple of cooperating individuals each far more powerful for both the public interest and the interest of participating individuals when organized than when added together as separate units (ibid., 132). As a social organization the economy consists of participants that act, persons with legally recognized wills of their own. As a consequence, order, not equilibrium, is achieved through the stabilization and regulation of activity. Activity is regularized in a society by establishing working rules, which define the limits under which individuals may exercise their own wills or their own power (ibid., 14). Social activities are appraised according to their contribution to justice, order, security, liberty, equality, or any other public purpose. These public purposes are in turn embodied in the expected collective action of people and are thereby available to each individual. Such public purposes can only be realized through rules that place reasonable limits on the exercise of power (Parsons 1950a: viii). Commons's economics inquires about building an economic theory of relations among organized pressure groups (Harris 1951: 63). For Commons, the New Deal legislation, for example, gave increased power to labor and farmers and was a consequence of balancing power in society, which corporations attained with the support of the law (Hoover 1951: 342).

Needless to say, Commons rejected the conventional "natural law" concept of markets established from the nineteenth century. He was absorbed with the concept of "the transaction" as the basic unit of investigation. The transaction, he determined, was more important than the feelings of individuals or the commodities associated with such feelings (Carlin 1952: 382). Transactions are not only individual behavioral actions; they are also social actions (Parsons 1942: 248). That is to say, for Commons, the market is an instituted social process in which rationale is derived entirely from working rules guiding transactions, both formal and informal. These working rules are volitionally adopted over time, primarily by means of the authoritative resolution of disputes.

> The principle of working rules relates to the repetition of activities in which collective action creates order and stabilizes the wills of the participants by defining the rights and duties of each. It is the similarity of activity in custom, precedent, and statute law by which expectations are made secure. It is the ultimate principle which makes living in society possible by stabilizing the wills of those having superior bargaining power or authority. (Ibid., pp. 249–50)

Consequently there is no "natural" purpose to market behavior, only the reason conveyed or permitted by the prevailing working rules. Moreover, Commons perceived that individual minds accommodate themselves to working rules and institutions, and thus it is quite common that collectively mandated or authorized behaviors are mostly individually voluntarily exercised (McIntyre and Ramstad 2002: 294–25).

The seemingly "unorganized" collective action is based on custom, habits, and traditions (Commons 1950: 129). Collective bargaining, with its differences in degree of power based on the control of resources, is the subject studied by economics through corporations, unions, and politics (ibid., p. 172). If economic analysis had originated with corporations and unions instead of individuals, it might have started with the rules of action. These rules of action assign to each of the associated individuals the type and limits of transactions on which each individual should enter and the shares of the joint product to be appropriated. These appropriations are made possible by the working rules (ibid., pp. 125–26). As individual interests conflict, they devise working rules—eventually laws—that resolve their conflicts so they can continue acting. In addition, working rules are the processes whereby the management or administration of collective action guides the acts of subordinate individuals. In whatever occupations the individuals are employed, they find themselves the subject of some form of the rules of collective action (ibid., p. 128). On the basis of his comprehension of labor history, Commons called attention to the inevitability of the embodiment in the Common Law of the practices of labor unions and working rules, just as the practices of merchants, industrialists, and corporations were embedded in the Common Law forced upon the practices and codes of feudal barons

(Hoover 1951: 342). Even "the state in reality is the officials in action; their action is the organization of violence according to due process of law is the working rules of officials" (Commons 1995 [1924]: 367). As a result, history and economic analysis is the cumulative product of action, conflict, and changing working rules:

> Divine plan was absent; human action, not divine design, created social order. Equilibrium was temporary; change was permanent. Essence is ephemeral; existence is real. Questions of essence are pseudoquestions; mere riddles or word puzzles, games to divert boredom—not worthy of serious attention. Questions of human actions, conflicts, and social problems are real questions. (Dugger 1989: 13)

It is through knowledge of working rules that economics examines the mechanism of control by collective action (Commons 1950: 130). Taking into account the historical and changing economic conditions, a working rule is valid only for the time being or for the changing circumstances to which it was established; correspondingly, equilibrium emerges as irrelevant. As a result, working rules are accepted as what is interpreted in legal science as "reasonable," instead of what economists have reduced economic analysis to: the use of statistical weighted averages. In other words, there has always been the doctrine of "reason" or "reasonable value" and "reasonable practice" (ibid., 235–26). This is the economic meaning for the legal "rule of reason" depending on good judgment of the time, place, quantity, kind, and degree of power (ibid., p. 237). The issue of reasonableness in the theory of valuations arises in relation to the bargaining power associated with the participants to a transaction. Reasonableness relates essentially to the question of how much disparity of economic power is endured in market transactions agreements. The parties in a transaction, although equal before the law, have greatly unequal economic power, inasmuch as economic power is embedded in the power of ownership (Parsons 1942: 258).

The tools that Commons found particularly useful in analyzing the American economy were the judicial concepts of "due process" and "reasonable value" (Carlin 1952: 387). Actually, what is reasonable value is determined by the courts in their review of collective action and administrative procedures (Harris 1951: 63). Most of Commons's analysis of reasonable evaluation consequently has been devoted to a study of court decisions (Parsons 1942: 259). Given the importance Commons attached to "reasonable value," it appears that the impersonal determination of values by the market mechanism had no great significance either as a model of theoretical analysis or as a criterion to determine public policy.

> While Commons accepted the idea that value constituted the core of a systematic treatment of economic phenomena, he rejected the idea that it could be measured with a unit based upon some "intrinsic" utility of the commodity or upon a simple individual choice. Instead he made value dependent upon the power of "will in action" and placed volition of the individual under the control of collective action. (Carlin 1952: 385)

In sum, "This control over human behavior depends on *doing* the 'right' thing at the right *time*, the right *place*, with the right *degree of power*, and *always in advance*" (Commons 1950: 178; emphasis in original). By means of using a volitional, as opposed to mechanist, theory of economics, Commons effectively restructures economics on the basis of what can be named the Theory of Reasonable Value (McIntyre and Ramstad 2002: 293). "Value became for him a 'process of valuing' rather than some absolute quantity dependent upon individual psychology or intrinsic use" (Carlin 1952: 384).

Commons discovered through historical research that "reasonableness" was the dominant purpose of market outcomes, as the prevailing working rules were instituted over time by means of a slow process of authoritative dispute resolution. The goal of these rules is to structure transactions to promote orderly and fair behavior. Strictly speaking, Commons concluded that market outcomes such as prices, wages, and rents were intended to be "reasonable values," not equilibrium values. For example, wage outcomes, which cannot adequately be explained in terms of marginal productivity theory, may be explained in terms of the customs contained within a particular labor market that give rise to bargaining power irrespective of the cost of training, risk, difficulty of task, disutility, and leisure, as stipulated by orthodox economics (Carlin 1952: 387). The goal is the establishment of as fair as possible values under the constraints of maintaining orderly provisioning agreed to without coercion by all affected parties (McIntyre and Ramstad 2002: 295). Commons, following Veblen's initiation, was acutely aware that the matter of who controls the working rules and the power they confer originates from the basic institutional foundation of capitalism: the exercise of private property and ownership rights (Gimble 1991: 628), thus recognizing that both liberty and economic power are aspects of private property (Parsons 1942: 255).

Collective Action, Custom, and Institutions

Reacting against economic theories in which individuals are treated as mere atoms, Commons maintained that groups, not individuals, were the basic unit of the economy and society. Human beings are born into the process of collective action and become individualized by the rules of collective action. Commons explained:

> Individuals begin as babies. They learn the custom of language, of cooperation with other individuals, of working towards common ends, of negotiations to eliminate conflicts of interest of subordination to the working rules of the many concerns of which they are members. . . . Instead of individuals the participants are citizens of a going concern. Instead of forces of nature they are forces of human nature. Instead of the mechanical uniformities of desire of the hedonistic economists, they are highly variable personalities. Instead of isolated individuals in a state of nature they are always participants in transactions, members of a concern in which they come and go, citizens of an institution that lived before them and will live after them. (2005 [1934]: 73–74)

Accordingly, collective action is the general and dominating fact of social life. "The fundamental phenomena are social activities—individual action and collective action" (Parsons 1942: 248). The expectations of individual freedom, dignity, and security are achieved, Commons maintained, through collective action by groups. Economic progress is based on the individual and collective decisions, judgments, and actions of people. The common element of democratic control is the procedures by which the wills of participants, including those with conflicting interests, are brought together into a creative collective will. Commons named this process of two-sided collective action "collective democracy" (1950: 31). Like both Smith and Veblen, Commons opposed one-sided collective action, contending, "it is monopoly and getting something for nothing" (ibid., p. 31).

Commons recognized that a multiple of conflicts based on the scarcity of opportunity dominate economic life. Given societal conflict, control is imposed by collective action over individual action. Such control is mutually beneficial for the conflicting groups and necessary to avoid anarchy (Levitan 1951: 461). Conversely, orthodox economics perceive all collective action as ensuing from some form of coercion. However, in reality collective action is conducive to greater and equal individual freedom. Collectivism and individualism are not incompatible except in the case of reasoning from extremes, that is, when individuals or groups cannot agree and will not submit to a majority vote. However, between the contradictory extremes of reasoning there are at a particular time and place the actual transactions of individuals regulated by collective action of corporations, unions, and governments. Hence, for Commons, collective action means more than mere coercion of individual choice; rather it is interpreted as liberation and expansion of action. He contends, "collective action is literally the means to liberty" (1950: 111). The only way in which "liberty" can be obtained is by imposing duties on others to avoid interference with the activity of the "liberated" individual (ibid., p. 35). In all cases, individuals may differ in other respects, but they must adjust themselves to the working rules, regardless of logic, reason, or self-interest.

The collective will and hence action is the result of a process of reasoning based on the ancient Greek concept of dialectics (arguments back and forth) rather than logic. Through the dialectic process participants reach an agreement to cooperate (Commons 1950: 29–30). Therefore, the economic system is a cultural product

(Gruchy 1952: 142). Commons referred to "negotiational psychology" (1950: 29), the psychology of the give-and-take process of compromising, conciliation, and agreement, which is very different from the "pleasure–pain psychology," the psychology of orthodox economics (Harris 1951: 62; Parsons 1942: 251).

Eventually, by establishing working rules, collective action results in the creation of new laws by the legislature. However, the legislature entrusts the administration of laws to courts or commissions, which continue to modify the statutes through decisions in the settlement of disputes. When these decisions are accepted generally, they become a further extension of custom and common law (Commons 1950: 112). Custom is similarity of behavior that is expected to continue almost unchanged in the future. Individuals must adjust themselves to that similarity, simply because it has become habitual and not because it is logical, rational, or intelligent. As collective action becomes habitual, it becomes a custom, hence any initiation to eliminate custom is likely to be unenforceable or result in a breakup of the societal bonds (ibid., 110). Even a sovereign dictatorship would hesitate to launch revolutionary changes in custom (ibid.). "Custom is a natural law of human beings, but the court selects *reasonable* customs to be followed in the future as against *obsolescent* customs that contradict the current practice" (ibid., 193). Because customs change, their evolution can be explained as the natural selection by the judiciary of those that will survive. Commons is one of the few to have pointed out how the Supreme Court has adapted itself to the realities of economic life (Hoover 1951: 342). Notwithstanding, custom cannot be ignored in any sensible study of economic activity (Levitan 1951: 461). Commons's introduction of custom as an operational assumption sets his work apart from most economic theorists, especially orthodox economists. It was a direct attack on the usual assumption that individuals are rational and therefore their actions can be explained as logically determined. Customs are habitual actions that may be either illogical or "stupid" (Carlin 1952: 384) but nevertheless consistent with the state of affairs; they cannot be ignored or replaced even by such action that is logical and intelligent. According to Commons, customs are a practice in society that the economist must examine rather than ignore or denounce (Carlin 1952: 384).

As the unintended consequence of collective action, "custom is the mere repetition, duplication, and variability of practices and transactions" (Commons 1950: 354). Customary behavior, once stabilized, influences social behavior in affording to the individual the expectation that the usual ways of doing things will continue in the future. The whole credit system, for instance, is administered on the accepted custom of bank checks to a point of compulsion (ibid., 111). Nevertheless, as customs vary, selections are made either consciously or habitually by the human will (ibid., p. 354), effectively establishing in this way an economic institution. At times, Commons refers to individuals as "institutionalized personalities" (Parsons 1942: 251). He established that an economic institution is "collective action in control of individual action" (Pelman 1950: 2). Thus an institution is collective action in control, liberation, and expansion of individual action (Commons 1950: 15, 21). However, considered institutionally, the present is limited by the dates of concluding the negotiations of the several transactions that commit participants and subordinates to a line of behavior in the future (ibid., p. 104). For example, the credit system is its institutional creation (ibid., p. 105).

Conclusion

Commons was strongly aware of the shortcomings of the nineteenth century (and, we can add, the twentieth and twenty-first centuries) of "pure" economics as the solution to problems of conflict among economic power groups. He referred to orthodox economic theory as mechanistic, individualistic, based on egoistic "pleasure–pain" psychology, and concerned with the logical deduction of perfect competition. As an alternative, he proposed the pragmatic economic analysis of volitional and collective economics based on the negotiational psychology and decisions by the courts of law and legislative bodies and concerned with the working rules of collective bargaining and the formation of reasonable values (Dehem 1951: 530). In this interpretation, "the former [orthodoxy] was the economics of the 'ought to be,' the latter [institutional] the economics of the 'is'" (Carlin 1952: 383).

By exploring Commons writings, economics students "will have the beneficial experience of coming into contact with one of those rare minds in the history of American economic thought that has done much to lift economics from the restrictive mold of inherited orthodoxy" (Gruchy 1951: 265). Commons tried to develop an economic theory that would enable us to understand the influence of power, conflict of interests, and collective action on economic outcomes. By the means of realizing that in the end, "no person is completely powerless" (Parsons 1950a: viii), Commons emphasized the centrality of power in economics. Thus the field of institutional economics is based on economics as a science of the power of will in action and on full investigation of issues among conflicting interests. Institutional economics, Commons holds, is founded by investigating the history of collective action, transactions, working rules, customs, and institutions (1950: 197). The consequences of power, conflict of interests, and collective action are economic instability and individual insecurity. Under these circumstances, the only solution is to establish not a "natural equilibrium" but a "managed or administrative equilibrium" through working rules, customs, and institutions (Gruchy 1952: 143). Commons's "writings report the reflection of an exploring mind in search of the fundamental relations in social life, not a mind expounding the implications of assumed basic propositions" (Parsons 1942: 266). He provides insight into the history of social thought, court decisions, due process of law, social conflicts, social efficiency, and the psychology of laborers and business executives (ibid.). Commons's method will "doubtlessly for a long time continue to describe his influence on those economists who realize that their science has once again become 'political economy'" (Gruchy 1952: 145).

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