



Mary Paley Marshall (1850–1944) and Rose Director Friedman (1910–2009)

By Lynne Kiesling

[Author's note: in this essay I will refer to both women using their non-married names for clarity to distinguish them from references to their husbands.]

Partners, assistants, and collaborators

With fewer academic and career opportunities than in the present, women in the past often found outlets for their scholarly and intellectual pursuits by collaborating with their husbands, sometimes while also raising families. That reality is reflected in the economics profession as well. This chapter highlights the intellectual contributions of two women who were economists in their

own rights but who also married well-known and influential economists with whom they collaborated: Mary Paley Marshall and Rose Director Friedman. The nature of the collaborative intellectual relationships differed in the two cases in ways that reflect both the personal and cultural characteristics of each.

Mary Paley Marshall (1850-1944)

Mary Paley was the daughter of a clergyman and the great-granddaughter of the philosopher William Paley. In an unusual decision for a Victorian family in Britain, her father continued her education into her adolescence without limiting her to “ladylike subjects,” teaching her divinity and mathematics while she and her sister learned German, French, and science from a German governess. Her keen intellect thrived and she seized the then new opportunity for women to take the entrance exams for Cambridge University, which had established two new women’s colleges, Newnham College and Girton College. While women could attend these colleges and be present at university lectures and could complete coursework and exams, they could not be awarded an official Cambridge degree. Paley received a scholarship and began attending Newnham College in 1871 in a pathbreaking class of the first five women to attend Cambridge.

While a student at Newnham College, Paley attended political economy lectures given by Alfred Marshall, a young lecturer and Fellow of St. John’s College who also served as Paley’s tutor. Marshall had been a gifted mathematics student at Cambridge and in his scholarship he had already started applying his mathematical thinking to systematizing political economy into a well-articulated body of theory, work that continued throughout his career and would make him one of history’s most influential economists.

After completing her coursework in 1874, Paley took the same Cambridge final exams in Moral Sciences as did the men. While she passed with honours, she was not awarded a degree due to Cambridge’s restrictions. Paley was one of the first two women to sit for exams, and in 1875 she joined Newnham College as a lecturer, teaching political economy to growing classes of women students.

Paley and Alfred Marshall married in 1877 and moved to Bristol where Marshall had accepted a position as Principal at University College–Bristol.

Paley also worked there as a lecturer, but her salary was paid out of Marshall's salary. After five years in Bristol they then moved briefly to Oxford before Marshall was elected to a chair in political economy at Cambridge in 1885. Paley resumed her lecturer position at Newnham College, a position she retained until 1916.

Their only co-authored collaboration was the 1879 book *The Economics of Industry*. A Professor Stuart had asked Paley to write an economics textbook for the women's lectures and extension courses at Cambridge (Keynes, 1944: 274), and this volume was an original and accessible introduction to the new and growing field of economics. It reflects Paley and Marshall's work to synthesize older, classical economics theories of value and markets with new theories of value that were developing in the early 1870s. It provides a clearly written introduction to "economic science" (1879: 2) as a means for understanding the production, consumption, and distribution of wealth in society. Underneath the clear exposition were fundamentally new ideas—demand and supply as separate relationships describing the connection between price and quantity, the law of diminishing returns, and applications of these fundamental ideas to markets for goods, for land, and for labour. Throughout the work is an analytical focus on understanding competition and markets. Disentangling Mary's and Alfred's shared contribution to developing and articulating these new ideas is nearly impossible. The book, which John Maynard Keynes argued was "originally hers" (1944: 274), was extremely successful as a textbook and was reprinted through nine editions.

Much of *The Economics of Industry* was subsumed into Marshall's path breaking book *Principles of Economics* (1890). This book defined neoclassical economics by synthesizing the study of production, labour, capital, and costs in the tradition of Adam Smith, David Ricardo, and John Stuart Mill with the relatively new emphasis on marginal analysis and subjective utility in the post-1871 marginal revolution. *Principles of Economics* is famous for its originality, its systematic approach to defining this new field of economics, and its clarity of exposition. It remained the predominant economics textbook in the English-speaking world for over 50 years. While Paley was not credited as a co-author of the *Principles*, her influence as collaborator and editor certainly contributed to its all-encompassing analysis (Keynes 1944).

Her contribution to their shared intellectual endeavors took the form of assistant to her husband, rather than a more equal partnership and co-authorship (Gouveneur, 2018: 78). Marshall had a nervous temperament, and it's likely that Paley's combination of emotional support and intellectual companionship enabled him to be the productive and influential a scholar that he became. She worked as editor and proofreader on *Principles of Economics* rather than on developing the content and structure of the work, work for which Marshall gave her extensive credit in the acknowledgements in multiple editions of the book.

Paley continued to work as a lecturer and to support her husband's scholarly work as he mentored undergraduate and graduate students, some of whom would go on to become professional economists who transformed the field with their own original research. The most influential of these students were John Maynard Keynes and A.C. Pigou. Paley's influence, in addition to her contributions to her husband's work, was to educate generations of curious young women for over three decades.

After her retirement from her lecturer position, she influenced student education by developing the economics library at Cambridge. Starting in 1885, Alfred Marshall and Henry Sidgwick had contributed books from their own collection to create a student library, first known as the Moral Sciences Library and later the Departmental Library of Economics. After Marshall died in 1924 at the age of 82, Mary Paley Marshall contributed financially to the library and served as chief librarian of the newly-named Marshall Library, stopping shortly before her own death in 1944 at the age of 94.

Rose Director Friedman (1910-2009)

Rose Director was born in what was then Russia and is now Ukraine. Fleeing anti-Semitism there, her family emigrated to the United States in 1913 and settled in Portland, Oregon. She had an intellectual upbringing; her older brother, Aaron, was also a scholar. Aaron entered graduate school in economics at the University of Chicago in 1927, staying on in a lecturer position thereafter before being appointed to the Law School faculty. He encouraged his younger sister, then an undergraduate at Reed College, to transfer to the University of Chicago.

Director continued her studies at Chicago, entering the Ph.D. program in economics. She completed Ph.D. coursework but left without completing

her dissertation on capital theory, with Frank Knight as her advisor. After graduate school she researched poverty and income distribution, sometimes in collaboration with another pioneering woman economist, Dorothy Brady. Brady and Friedman (1947) examined how differences in income levels and, at a macroeconomic level, the income distribution, affected household savings patterns. They used data on household expenditures and income to compare income and savings patterns across urban and rural households. Their analysis was an original contribution to the development of empirical economics. Rose Friedman (1965) looked specifically at definitions of poverty and criteria for determining who counted as poor. She then used that analysis to re-evaluate the data and reassess the policy proposals in the 1964 Council of Economic Advisors report that would establish Lyndon Johnson's "War on Poverty." Even after five decades, this work remains relevant for those interested in poverty and income issues.

While attending a graduate student event in 1932, she met Milton Friedman, a fellow graduate student, who was seated next to her. They married in 1938. Their marriage lasted 68 years until his death in 2006. This partnership was famously collaborative. Milton and Rose Friedman were consummate scholars, teachers, and public intellectuals. While Milton's career was more public and higher profile, Rose served as his interlocutor, engaging and challenging his ideas and thus enabling him to develop and improve them, in addition to developing her own ideas.

Their intellectual companionship was strong. So, too, was their shared commitment to classical liberalism, economic and political freedom, and the importance of the rule of law. As public intellectuals they combined analysis and communication to advocate for institutional arrangements and public policies that enabled individual decision-making and wealth creation as paths to human flourishing.

While not co-authored, Milton Friedman's book *Capitalism and Freedom* (1962) was nevertheless a collaborative effort. *Capitalism and Freedom* outlined fundamental economic principles and applied them to challenging policy issues: military conscription, exchange rates, substituting a negative income tax for welfare payments, medical and other occupational licensing as an entry barrier into those professions, school vouchers and educational

choice, and drug legalization. In all cases Friedman made analytical arguments supporting the beneficial outcomes arising from greater economic freedom. The book built on lectures Milton gave at Wabash College in 1956, and in the preface to the 1982 edition, Friedman refers to them as “lectures that my wife helped shape into this book,” acknowledging her role in this influential work.

Their most famous collaboration was the combined book and PBS TV series *Free to Choose* (1980). While Milton was the speaker and public face of the television show, Rose co-wrote both the book and the TV show with Milton and was one of the show’s producers.

Free to Choose articulated a strong classical liberal understanding of economic principles applied to current policy issues, building on the essays in *Capitalism and Freedom* and extending these principles to even broader audiences. The 10-episode series showcased their passion for communicating the beneficial effects of personal, political, and economic freedom. With subjects such as “The power of the market,” “What’s wrong with our schools?” and “Who protects the worker?” the series was filmed in domestic and international locations and highlighted both fundamental economic concepts and how freedom benefits people.

The impact of the series and book on public understanding cannot be overstated. The late 1970s was a time of economic and political challenges that ranged from wage and price controls, inflation, low economic growth, other forms of government intervention and stifling regulation, the Cold War and conflict between the different visions of the Soviet Union and the open, liberal West. Even in the open, liberal West, government policies grounded in a belief that governments could “fine-tune” the economy through policy interventions were dominant. *Free to Choose* challenged those preconceptions, and did so in a warm, accessible, engaging way that combined analysis and compassion and was the hallmark of the public intellectualism of Milton and Rose Friedman. The book became a bestseller, and the TV episodes are still available (Free to Choose Network).

Education as a foundation of flourishing, and of an open, liberal social order, was an important value for both Milton and Rose. For that reason, they advocated strongly against monopoly schools and in favour of parental choice, competition in schools, and instruments including student vouchers as ways to

improve educational quality for low-income students. Later in life they established the Milton and Rose Friedman Foundation (renamed EdChoice in 2106) to advance this mission. Rose served as its director.

Rose Director Friedman passed away in 2009 at age 98, three years after her husband. While she made the choice to be a wife and mother first and an economist second, their partnership was an intellectual one as well as a personal one, and her skills and passions as an economist interested in the consequences of personal, political, and economic freedom influenced their shared work. In their joint memoir, *Two Lucky People*, she noted that “I have never had the desire to compete with Milton professionally (perhaps because I was smart enough to recognize that I couldn’t). On the other hand, he has always made me feel that his achievement is my achievement” (1999: 87).

Conclusion

Mary Paley Marshall and Rose Director Friedman were both pathbreaking economists who pursued valuable collaborations with their husbands, although these collaborations took different forms. By pursuing their scholarship, even within cultural constraints that made it difficult for women to work as equals with male economists, both women broke down some of those constraints and made it easier for future women to pursue independent and fulfilling careers as professional economists.

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