

Of course not all elements of their existing culture are worthy of preservation. Most of these organisations harbour, within their volunteer membership and staff, pockets of self-seeking behaviour and resistance to beneficial change that are wholly at odds with the usually high minded purposes for which the organisations were established. Insensitive change management or attempts to impose inappropriate management models on these organisations serve to entrench such resistance and give the change process a bad name.

Echoes of this problem are observed in the conflicts between health professionals and managers in hospitals, and between academics and administrators in universities. In both cases there are numerous examples of insensitive change management or the imposition of ill-fitting organisational models derived from the government or business sectors. The professionals then deride 'managerialism', failing to understand that sound and sensitive management is essential for good professional outcomes.

One might think that a thorough examination of non-profits would make for a dry read, but even those familiar with the sector will find all sorts of fascinating bits of history or behaviour in Lyons's book. The influence of religion in the development of the third sector in a number of fields is particularly interesting, intruding into education, health, community services, and of course, politics.

Although the work concludes with a section on challenges, it is primarily a book of description, and that is its great strength. Anyone working in the third sector either as a volunteer or manager, or anyone having to deal with the sector, will find this an invaluable reference tool. We might perhaps ask Professor Lyons to provide a separate volume to probe more deeply into the challenges faced by the sector, and by those who interact with it.

Reviewed by Jim Carlton

Friedrich Hayek: A Biography

Alan Ebenstein

New York: Palgrave, 2001, 403pp,
\$US 29.95, ISBN 0-312-23344-2

Alan Ebenstein has written an interesting and accessible biography of Hayek. He has drawn on a wide range of sources, notably on Hayek's published work and (usefully) on unpublished writings, including archives and materials held by Hayek's former secretary, Charlotte Cubitt. Ebenstein provides a lot of useful information about Hayek's background and intellectual interests. This is a must for institutional libraries and for specialists. But it will also be of real interest to the non-specialist reader who would like to know more about Hayek and his work.

One of the strengths of Ebenstein's biography is that he makes use of Hayek's own words, and that he also quotes extensively from other writers. He has drawn assiduously upon, and has reproduced, a wide range of useful material (for example, accounts of Hayek at the LSE written by former students).



But this, at the same time, is also a weakness of the book. For Ebenstein frequently quotes Hayek, rather than himself explaining what was going on. Sometimes we gain by being given Hayek's own accounts. Sometimes, however, they are simply the comments of an elderly man, made in passing when discussing other things, and may not be very illuminating. What we lose is the kind of detailed analysis and exercise of critical judgement that we might hope for from a biographer. Sometimes—especially on the Viennese background—it would have been useful if Ebenstein had been able to do more primary research.

All told, while this book is useful, and it is especially interesting when it draws upon inaccessible material, it has too much the air of what R. G. Collingwood called 'scissors and paste' history. It might be contrasted with what Hacoen has done for Karl Popper in his remarkable *Karl Popper—The Formative Years*, where all

kinds of questions are raised which go beyond Popper's own work, and in which Popper's own accounts are sometimes questioned.

Ebenstein's biography is divided into numerous short chapters, 42 in all, which often combine brief accounts by Ebenstein of Hayek's work, quotations from Hayek and other writers, and biographical detail. The treatment is chronological, although occasionally, material from one period (e.g. about Hayek's time in Chicago) also turns up in a later chapter. Ebenstein's comments about Hayek's work are useful enough, but workmanlike rather than inspired, and in some cases—for example, on Hayek's difficult *Sensory Order*—they are not very illuminating.

Ebenstein does, sometimes, offer more by way of interpretation and commentary. Let me comment on two examples.

First, Ebenstein discusses Hayek's view of the more usual approaches to capital as being 'studied under the assumptions of a stationary state' (*Pure Theory of Capital*, p. 14). Ebenstein goes on to explain this in terms of J. S. Mill's ideas about a stationary state—that is, a situation in which there is no further economic growth. But this is a misunderstanding: Hayek was not, here, concerned with Mill's notion of a stationary state, but, rather, was contrasting his own approach with the more usual assumptions of equilibrium analysis.

Second, Ebenstein makes a point that seems to me very interesting; namely, that Hayek, a specialist in the study of J. S. Mill, attributes views to him, in *Law, Legislation and Liberty*, which are not only incorrect, but which he had explicitly warned against in *The Constitution of Liberty*. This, I suggest, is significant, for it may put us on our guard when reading the work of Hayek's later years. While Hayek was amazingly productive into his old age, there was, understandably enough, also a falling off in certain of his abilities. Ebenstein also confirms the idea that Bill Bartley must have put a very great deal of work into getting Hayek's final work, *The Fatal Conceit*, into a publishable form.

There are also some other real strengths to this volume. Some discussions—for

example, Ebenstein's treatment of Hayek's time at the Committee on Social Thought—seemed to me particularly useful. Ebenstein has been exceptionally diligent in tracking down and making good use of a range of sources. The volume concludes with a useful guide to some of the literature on Hayek's work.

While the biography is in general readable, it could have done with some editing. At times Ebenstein's extensive citation of primary sources becomes annoying. Occasionally, Ebenstein's text reads awkwardly as a consequence of putting too much information about his sources into the text. For example, when commenting on the background to Hayek's first marriage, Ebenstein writes:

Bill Letwin, a student of Hayek's in London and Chicago, recalls that he [Hayek] once mentioned something like, 'I didn't have the wit to say [to his childhood sweetheart], "Let's get married."' when both he and his cousin, Helene, were young in Vienna. He then departed to America for over a year, and when he returned, she was in another relationship. According to Stephen Kresge, general editor of Hayek's *Collected Works*, in words reviewed by Hayek's son, through "some misunderstanding of his intentions," Hayek's cousin married someone else' (pp. 32-3).

All told, however, while there are some awkwardnesses in the book, and a few points with which the specialist might quibble, this does not diminish from the worth of Ebenstein's volume. It would be excellent if someone were to do for Hayek what Hacohen has done for Popper, but until that occurs, the specialist student of Hayek's work, and the reader with a more casual interest, will happily have recourse to this volume, and it deserves to be a success.

One final note. This is a book that readers with an interest in Hayek will want not only to read, but also to keep on their shelves, and to consult on an ongoing basis. The publishers, however, have printed it on paper that calls to mind cheap paperbacks and telephone books.

I wonder how long it will last without turning brown and brittle, and why it was not produced on decent acid-free paper that would give the physical volume a lasting character that would match the value of its contents.

Reviewed by Jeremy Shearmur

***Damned Lies and Statistics:
Untangling Numbers from
the Media, Politicians,
and Activists***

By Joel Best

University of California Press,
2001, 190pp, \$US19.95,
ISBN 0520219783

The main contention of this book is that statistics 'are products of social activity' and as such are susceptible to errors. Instead of assuming that statistics are facts that simply exist, readers are cautioned to be vigilant in their acceptance of their use. 'To sort out the good statistics from the bad', Best counsels his readers to think about three things every time they encounter a new statistic: who created it, why was it created, and how was it created? The purpose of this book is to help readers make sense of their answers to those questions in order to develop a more critical approach to the interpretation of statistics.

The book begins with a brief introduction to the rise of social statistics and their uses in the construction of social problems. The book then turns to a discussion of 'the most common problems' concerning the creation and interpretation of statistical data. These concern the creation of spurious numbers based on poor definitions (for example, false negatives and

false positives), erroneous and sometimes fraudulent estimates, the context and wording of questions in public opinion polls, and sampling error.

Of course, even accurate statistics can be made erroneous as people interpret and relay information incorrectly, often unintentionally. To that end, in one of the more interesting passages of the book, Best deals with the topic of mutant statistics and describes the ways in which these numbers are created. These occur by drawing inappropriate generalisations from a statistic; 'taking a number that means one thing and interpreting it to mean something different', confusing the meanings of more complicated statistics, and compounding errors in subsequent mutations.

The problem of mutant statistics is neatly illustrated in the book by the following example. An article published in a scholarly journal claimed that 'every year since 1950, the number of American children gunned down has doubled'. According to this statistic, even if one child had been 'gunned down' in 1950 the number killed in the year the article was published would have been 35 trillion. The origin of this mutant statistics was the much less spurious claim that 'the number of American children killed each year by guns has doubled since 1950'. Simply by trying to repeat the original figure, the anonymous author had fundamentally transformed its meaning.

Chapter five looks at some debates over statistics—including a timely review of US debates on the collection of the Census. The book closes by making a case for a more critical approach to the

review and interpretation of numbers based on an appreciation of 'the inevitable limitations that affect all statistics'.

For a book that argues against the use of spurious evidence to advance arguments, *Damned Lies and Statistics* seems to wage a few arguments without evidence of any kind. From the outset, Joel Best implies that the use of numbers as

