

The Economics of Writing Detective Fiction

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There are a several definitions of economics. One of the shortest is: “economics is the science of choice.” How consumers make choices; how business firms choose; how bureaucracies choose; even how nations choose along a production possibility frontier.

The mystery novel is the one type of fiction that involves choice. The hero must choose among alternative suspects. And the reader is asked to do the same. So it seems appropriate to link economics with detective fiction.

My venture into detective fiction began while vacationing with my wife and Professor William Breit. Breit explained to me that there never had been a central figure in mystery fiction who used economic analysis to solve the crime.

There have been other approaches used in mystery novels for making the choice of whodunit: for example, among two of Agatha Christie's characters, Hercule Poirot used psychology; and Miss Marple used women's intuition. In the mystery novels of Harry Kemmelman, Kemmelman's central figure, Rabbi Small, used Talmudic logic to solve crimes. G. K. Chesterton, who knew the importance of paradox in the Christian faith, created a detective priest called Father Brown whose insight into paradoxes helped him find the criminal. But nobody had used economic theory.

Professor Breit and I decided to try our hand at creating a character who would use economic analysis to solve crimes and from that a book emerged: *Murder at the Margin*. Then a second, *The Fatal Equilibrium*. Then a third: *A Deadly Indifference*. Recently a fourth was published by Princeton University Press: *The Mystery of the Invisible Hand*.¹

¹ These books have been translated into seven languages and are used in many schools as supplemental texts to teach economics. Professor Breit became ill and

There is a second link between economics and mystery writing besides making choices. If the books one writes sell, publishers send money in the form of royalties. So mystery writing can expand a mystery author's budget constraint.

And there is a third, more subtle, connection between economics and mystery writing. Authors must pay income taxes on royalties they receive from their novels. But the IRS permits authors to deduct all expenses incurred in writing their novels.

This has economic implications for the *setting* of one's novel. An author could decide to create a mystery novel that takes place in his or her home town. But the location of the novel is the author's choice.

Our first mystery, *Murder at the Margin*, takes place at a posh Caribbean resort, Caneel Bay Plantation, on the island of St. John in the U.S. Virgin Islands. This locale had more appeal to Professor Breit and me than spending time at home.

Our second mystery, *The Fatal Equilibrium*, takes place largely in first class passage on the Cunard ocean liner, the Queen Elizabeth 2. Our third, *A Deadly Indifference*, takes place in London and Cambridge England.

For Professor Breit and me to write these mysteries, we had to engage in extensive field research. We visited the island of St. John several times. We needed three transatlantic crossings on the QE2 before we felt confident we could describe the ship. Because our fictional hero was traveling first class, we had no choice but to travel that way. To research our third book, we spent weeks in London and Cambridge.

If you are an author, you can take your royalties in taxable income. Or if you prefer, you can consume some of your royalties as in-kind income that is not taxable.

passed away just as *The Mystery of the Invisible Hand* was getting begun. I completed this book after his death.

Professor Breit and I chose Marshall Jevons as our pen name, the surnames of Alfred Marshall and William Stanley Jevons. Every economist recognizes the first name as drawn from the Cambridge professor Alfred Marshall. But only a few know William Stanley Jevons, who pioneered the use of marginal analysis. Jevons was a brilliant logician, scientist, and professor of political economy.

Professor Breit and I knew we wanted an economist for our hero. Aspiring fiction writers are told to write about what they already know best. Being a professor of economics is what we knew best.

Our central character, Henry Spearman, is modeled after the real world professor of economics, Milton Friedman, a leader of the Chicago School of Economics and a Nobel Prize winner in economics.

[We picked Friedman as the image of our hero for several reasons: Breit knew him personally through the Mont Pelerin Society; I was once a visiting scholar at the University of Chicago and got to know Milton somewhat, but not as well as Breit. We both admired Friedman's contributions to economics; Friedman's physical appearance was memorable; and like our fictional hero, Friedman lived and breathed economics. In addition, Friedman was one of the twentieth century's best known advocates of free enterprise. His book, *Capitalism and Freedom*, is a masterpiece.]

We believe we captured Friedman in our protagonist, Henry Spearman. Our fictional character looks like Milton Friedman and speaks like Milton Friedman. Milton's long-time personal secretary once told us, to our delight, "you really captured my boss."

Breit and I needed a fictional person to whom the economics could be explained. This literary device is a standard fixture in mystery novels. Perhaps to say the obvious, Sherlock Holmes couldn't exist as a fictional character without Watson. Holmes needed someone to explain his reasoning to -- so we, the reader can know why it is "Elementary, my dear Watson."

Spearman's fictional wife, however, is very different from Milton Friedman's wife -- and has to be. Friedman's wife, Rose, was trained in economics. That would not work in our novel.

[This we had to explain to Rose, who was at one point annoyed by our portrayal of a woman named Pidge, who is Henry Spearman's wife in all the books in our series. Pidge by no means thinks like an economist.]

Murder mysteries are to fiction what sonnets are to poetry. Both have structure; both have rules.

A sonnet is a 14 line poem in iambic pentameter.

Here are the basic rules a mystery author is to follow:

(a) All necessary clues must be in the book - though it is fair to mix them up with red herrings and false leads;

(b) Everything that is a fact must be fact - so in *The Fatal Equilibrium* when Professor Breit and I describe the first class reading room on the Queen Elizabeth 2, it is to be done accurately.

(c) Finally, everything must be possible, if not plausible. This is a key difference between the mystery novel and science fiction or ghost stories. Sherlock Holmes was a man of science. He told Watson, "No ghosts need apply" in his world of detection.

Mystery novels also have rules for readers. Number one: readers aren't to peek at the last chapter to see whodunit. The second rule is readers aren't supposed to guess. Even if readers guess correctly, they've broken the rule. Readers of mystery fiction are to reason out, from the text, who did it before the solution is revealed to them. That's one of the reasons Americans love mysteries -- because Americans like games and challenges.

Raymond Chandler, the creator of Christopher Marlowe, is one of the originators of the hard-boiled detective story [along with Dashielle Hammett]. Chandler described the detective story this way:

The text [of the story] requires a person who is uniquely able to decode the puzzle through varying means: rationality, forensic science, re-enactment, intuition, a moment of revelation in which the enigma is explained (to the reader), who has been unable to solve the puzzle, and to the other characters of the story: a sense of denouement or adjustment in which the moral order resumes its correct functioning."

But Chandler went on to add that in detective fiction, for the detective hero “each admirable trait is mirrored by a flaw . . . [such as] . . . pomposity, bad temper, recklessness, antagonism to authority . . . sarcasm . . . (Holmes took cocaine to alleviate the boredom engendered by his superior intelligence) . . . The existence of a character flaw is crucial to the narratives.”²

Raymond Chandler describes Christopher Marlowe as a man who lost his job as a cop because he was insubordinate. Early on, in *The Big Sleep*, Marlowe says of himself:

“I test high for insubordination.”

That’s one of the best lines in mystery fiction: “I test high for insubordination.”

Henry Spearman’s character flaw, the imbalance in his life, is that he cannot see the world apart from the lens of economics.

Let me read a passage from Chapter 18 in *The Mystery of the Invisible Hand*. Henry Spearman, a visitor at the fictional Monte Vista University, is walking with three members of the faculty, an assistant professor of economics named Battles, the chairman of the economics department, Professor Abraham, and a humanities professor named Cavanaugh. They walk past the Andrew Crampton Library on campus.

[KGE: read what follows]

“So, I wonder who Andrew Crampton was,” Battles asked. *There was no immediate reply to his question. As the faculty member with the longest tenure, Abraham felt obliged to at least respond to Battles, even though he was mildly embarrassed by the only thing he could offer. “I’m not sure,” he said. . . . Turning again to Battles and the others he admitted, “I don’t know, even though I’ve been at Monte Vista for years and been in that building hundreds of times.”*

“I think I can answer that question,” Spearman volunteered. *The group looked at him in surprise . . . “I realize I’m a newcomer to campus, but I believe Crampton was a writer.”*

² Raymond Chandler, “The Simple Art of Murder” in *Pearls Are a Nuisance* (London: 1964), p. 103, quoted in Alison Young, *Imagining Crime: Textual Outlaws and Criminal Conversations* (London 1996), p. 103, and pp. 81-82)

"A writer, you say?" Cavanaugh queried. "I don't pretend to know all of the English canon, but I've never heard of a writer named Crampton. What on earth did he write?"

Spearman paused before answering and then said: "He wrote a check."

Cavanaugh looked puzzled. "Crampton wrote a check, you say?" . . .

"Yes. I suspect he wrote a check to Monte Vista University – and I imagine that what Crampton wrote got great reviews here."

Cavanaugh had walked several paces when a smile replaced his puzzled frown. "Oh, yes, yes. I see. The man wrote a check, you say. You mean Crampton gave money to the school!" Cavanaugh beamed, seemingly pleased to have made the deduction.

"A large amount, I predict," Spearman said. "I can't speak for Monte Vista, but at Harvard, if you can write a large check the administration will consider you a great writer."

Economics occupies center stage in the Marshall Jevons novels. While I haven't done a systematic study of when economists appear in mystery novels, apart from the Jevons series, I can report that economists appear rarely in detective fiction.

Raymond Chandler's *The Big Sleep* has this line:

"Ohls [the detective] was there and a slim gray scholarly man from the Sheriff's office who looked and talked more like a professor of economics than a cop."

In Earl Stanley Gardner's *The Leg Man* one comes across this line, which has a Marshallian ring to it.

[When it comes to women] They'll get you in the long run, Wennick," he said.

"I'm not interested in long-runs," I told him. "I like the sprints."

In Bret Harte's famous satire of mystery fiction, *The Stolen Cigar Case*:

"I found him standing before the fire with that look . . . which I may call an absolute concatenation of indirective and deductive ratiocination - from which all that was human, tender, or sympathetic was absolutely discharged. He was simply an icy algebraic symbol."

Do you know what that piece of satire reminds me of? Thorstein Veblen, when he wrote his famous parody of economic man as:

“a lightening calculator of pleasures and pains, who oscillates like a homogeneous globule of desire of happiness under the impulse of stimuli that shift about the area, but leave him intact.”

[In Edgar Allen Poe's *The Purloined Letter* there appears this line, which I think connects to the reason many economists are drawn to the dismal science:

“The first is we have all been a good deal puzzled because the affair *is* so simple, and yet baffles us altogether.”

“Perhaps it is the very simplicity of the thing which puts you at fault,” said my friend.]

The most frequently an economist appears in a mystery novel is in the Travis McGee novels by John D. MacDonald. The hero, Travis McGee, lives on a houseboat in the Bahia Mar marina in Fort Lauderdale. He has a best friend, named Meyer: Ludweg (with an e) Meyer.

Meyer has a Ph.D. in economics, he lived on a cabin cruiser named John Maynard Keynes; when that boat was blown up, he moved into another one named Thorstein Veblen. Travis McGee often relies on Meyer's intellect, but Meyer does not solve the crimes using his skills in economics. That's what Henry Spearman does.

Mystery writing has not been the domain of economics and economists. What Breit and I created is a fictional character who solves crimes using only economic logic and in the process gives the reader an appreciation for the liberty and prosperity associated with free markets.

How is economics taught in the Jevons' novels? In large part, by Spearman's explanations of events, as he observes them. The novels do not consist of Spearman doing much teaching, in a classroom – though that does take place in *The Mystery of the Invisible Hand*. It is in this last book that Spearman is most often in a classroom or a lecture hall.

How do teachers of economics make use of the Jevons' novels? My understanding is that they are assigned as supplementary reading in college and university principles courses and in high school Advanced Placement courses – as a “fun” way to come upon the dismal science. When exam questions are drawn from the Jevons' novels, they are based on the economic principles that appear in the books. When students are asked to write short papers about the Jevons' novels, typically they are asked to write about economic principles they encountered in the books.

Whether read by students or non-students, I want my readers to encounter a crime story, but where justice prevails. I also want my readers to better understand the *economic way of thinking* – as a way of encountering the world. This is what I was getting at in some dialogue I wrote between Spearman and the art historian, Cavanaugh. Spearman is teaching a course on the economics of art. Cavanaugh dislikes the perspective economists bring to the world. Let's pick up the conversation as the two men walk across campus. This is from Chapter 18 of *The Mystery of the Invisible Hand*.

[KGE: read what follows]

Cavanaugh's countenance was grave as he looked at Spearman. "To my mind, it isn't just the technical nature of your subject that is disconcerting. The economic perspective is deeply pernicious, perhaps especially in the field of art. And now I observe, at my own school, a course being offered on the economics of art. Can you imagine how troubling that is to those of us who feel called to 'guard' the arts?"

"In what way? I can't imagine that my course is a threat to the arts."

"Oh, but it is. It is," Cavanaugh repeated. "We might agree that it's harmless to put a price on things like wheat and steel. But economists don't stop there. You put a price on human endeavors like the arts."

"Where's the harm?" Spearman found himself starting to fall behind the taller man, and began walking faster.

*"You really don't see it, do you Professor Spearman? Let me put it to you in a way you might understand. People used to go to a museum to appreciate the art. But these days when they flock to see something like Picasso's *Garçon à la Pipe*, they gawk and exclaim, 'that cost 104 million dollars!' People talk more about the price tag these days than the art. I blame economics for that."*

“Don’t blame economics,” Spearman said. “Blame demand and supply, or blame the market -- that’s where the one hundred and four million dollars came from.”

“But don’t you see . . . ?” The professor’s pace increased. The discipline of economics has given a ratification to those prices. And the explanation, ever so subtly, soon becomes a justification. I don’t hold you personally responsible, of course. Although,” he lifted an eyebrow slightly, “lawyers might call it a case of ‘contributory negligence.’ But regardless . . . once the wheels of economics commodify something, in the public’s present state of mind its value has been set. You may have a price, I’ll grant you that. But you don’t have a value.”

As an economist, I find that dialogue about economics to be thought-provoking. I hope readers do too.

I mentioned earlier that there can be financial rewards from writing fiction.

But economists get a bad rap when people think that all economists are interested in is making money.

I am very grateful for the non-pecuniary benefits of mystery writing. Let me cite two letters Breit and I received. One came from a professor of economics in Pennsylvania. It seems her non-economist husband found it difficult to communicate with her because he was baffled by her way of thinking. She thought like an economist; he did not.

Their marriage was on the rocks. Then she happened to give her husband a copy of *Murder at the Margin*, Marshall Jevons’ first book. He read it.

Through reading *Murder at the Margin*, and getting inside Henry Spearman's head, who sees everything through the lens of economics, this man came to understand his wife so much better that their marriage was saved. And she wrote us a letter of gratitude. And as an economist, she appreciated the fact that buying a copy of *Murder at the Margin* for her husband cost less than marriage counseling.

The second was a communication from John Nash, the subject of the book and movie, *A Beautiful Mind*. John Nash said he found our novels to be a good way to learn economics. This, from a Nobel Prize winner in economics. Go figure.

Where do mysteries fit in the literary pantheon?

In my view, they are middle-brow culture, but mystery fiction has fans among some of the most intelligent and powerful people in the world.

And mysteries remain incredibly popular with readers. Most people no longer remember Edmund Wilson, the once-powerful literary critic who wrote an article in *The New Yorker* entitled: “Who Cares Who Killed Roger Akeroyd?” This article was a vicious attack on mystery fiction.

But Wilson was unable to slay the dragon.

Mystery novels have spread throughout the globe, many now coming out of Scandinavian countries, and Africa. Just about every historical period and just about every occupation has a fictional sleuth. Want a mystery set in the middle ages. There are dozens. Want one with a sleuth who is a lawyer? There are dozens. Priest, Rabbi, bookseller – you name it. Everyone is fair game to play a detective.

We have Agatha Christie to thank for this, when she made a very proper British woman, Miss Marple, into a brilliant detective.

My contribution to the genre is to add an economist to the list.