

Was Sraffa against Marshall?

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It is commonly believed that Piero Sraffa contributed much to the decline and oblivion of some of the most interesting aspects of the Marshallian approach to industrial organization. His critique of Marshall's supply curve in his 1926 article in the *Economic Journal*, which Keynes considered "destructive", paved the way for other contributions in the following years which demolished substantial parts of Marshall's approach. And indeed, the 1930 *Symposium* appears to have marked the defeat of the Marshallian "old guard" (Shove, Robertson) by the younger Cambridge generation who abandoned Marshall to pursue alternative routes. The most conspicuous result of their victory was the "orgy of analytical geometry" of the revolution of imperfect competition. As for Sraffa himself, if we base our judgment on his published writings alone, he would seem to have lost his interest in Marshall altogether after 1930, to concentrate on the publication of Ricardo's works and the development of his own theory of value and distribution.

However, the hundreds of pages of notes and manuscripts which are preserved in Sraffa's archive give us a rather different picture. On the one hand Sraffa worked to carry his critique of Marshall well beyond the spotting of inconsistencies in the partial equilibrium determination of prices and quantities in competitive markets. He meant to extend a similar critique, based on detecting logical faults, to the concept of marginal productivity of any factor of production and to the foundation of the Marshallian method itself, "marginism". To this project, which goes back to the 1920s, Sraffa devoted the last energies of his intellectual life. If he never accomplished it, this was partly because he never managed to find enough evidence in Marshall to support his contentions ("Marshall is always saved by instinct", as Sraffa once wrote). On the other hand Sraffa was interested in issues of industrial organization, and in this field he valued Marshall's insights. However he thought that investigation in the field of industrial organization should be grounded on realistic assumptions and kept rigorously separate from the theory of value. This is particularly clear in his *Lectures on industry* and in the project, never realized, of a second *Symposium* on external economies in the early 1940s.