CHAPTER 1

Economics in the human conversation

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Exordium

"As civilized human beings," wrote Michael Oakeshott in 1933, "we are the inheritors, neither of an inquiry about ourselves and the world, nor of an accumulating body of information, but of a conversation begun in the primeval forest and extended and made more articulate in the course of centuries." In economics a few years ago a conversation about the conversation began.

Why it began is not clear. It might be interpreted as just carrying on an old conversation about how economists know (if they do), a methodological conversation started a century and more ago by John Stuart Mill. The new remark in the early 1980s was simply that economists use arguments beyond syllogism and measurement. The point of making it was not to undercut the mathematics in economics, as nonmathematicians sometimes wish they could. The point was merely to note that all economists, mathematical or not, use analogies, appeals to authority, and other rhetorical devices, using them as thoroughly as poets and preachers, though with less understanding of why they do so. So the recent conversation about conversation can be interpreted as more of the old stuff, an inward and philosophical affair (Klant 1985).

The new conversation might also be interpreted as arising from the battle of schools. This would be additional looking inward. Disagreements among economists are commonly exaggerated, even by economists themselves, yet it is true that the field had become by 1980 more warlike than fifteen years before. Everyone knows about the battle between Keynesians and monetarists (the tags mean something different now to politicians than they once meant to economists). The other battles – Marxist versus neoclassical, classical versus Bayesian, Austrian versus statist, Chicago versus the rest of the world – have been more academic though no less vicious. By 1980 no economist could announce with a straight face that the business cycle was dead, science regnant, justice done. His pinstripe was ripped in the struggle, his tie blood spattered. The gore makes him wonder: What's going on here? The new conversation about the conversation noted merely that the weapons wielded were figures of speech, not strict logics alone; it noted that the older alliance had

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required stories to keep it together and that other alliances would require stories of their own.

These interpretations are fine. They go some way towards explaining why economists have begun a conversation about their conversation.

Narratio

But another interpretation is that they have started overhearing other conversations, becoming at last aware of the din outside. After a long and useful isolation, economists have begun to recivilize themselves.

Outsiders are surprised at how far economics has wandered away, since the 1940s, from the human conversation. The main, neoclassical conversation will listen to what is said among a few statisticians and a few electrical engineers; it listens intently to mathematicians, when it can catch their drift, hoping to achieve the Parisian accents of Bourbaki; it listens to the blare of the newspapers, or at least to the financial page. But beyond these there is not much listening going on. Economists are deaf on the job to history or philosophy; most of them yawn at talk of geography or psychology; they do not take seriously the incantations of anthropology or sociology; although they want to speak to law and political science, they do not want to listen. They ignore remoter conversations, as well as their own past. The suggestion that the study of literature or communication or even the nonliterary arts might speak to them would be regarded by many economists as absurd.

This deaf isolation is a shame. Economics is such a sweet discipline, such a beautiful model for social thinking, that it is a shame that most thoughtful people, irritated by the cultural barbarism of its practitioners, write it off as nonsense. They lose a chance to think clearly about economic growth or social justice. Yet it is also true that the conversations outside economics are so varied, so close to life as lived, that an economist who writes them off as emotion or nonscience or pictures at an exhibition irrelevant to the real thinking at hand will lose a lot, too. He will lose in fact the same thing the outsiders lose: a chance to think clearly about economic growth or social justice. A lot can be gained on both sides from breaking the isolation.

The conversation about conversation has helped break it. Economists have begun to see that their talk is rhetorical – in the ancient sense of honest argument directed at an audience. Realizing at last that economics uses arguments besides axiom-and-theorem and data-and-regress, they have begun to listen more intently to arguments elsewhere.

Reasons to participate in the new conversation are varied. We recognize some of them in the ruminations of the following characters.

FRUSTRATED SCIENTIST: I came to economics thinking it would be a science, like my high school chemistry. My teachers said it would be. I always liked chemistry – so much more conclusive than the discussions in history or English. As I moved beyond textbook verities in economics, though, I grew discouraged. Seldom is a result replicated (Dewald et al. 1985). The classical statistical procedures are violated daily (Tullock 1959; Griliches 1976; Denton 1985; McCloskey 1985). Empirical tests in economics are indecisive, predictions uncertain. I find now that economic seminars have as much inconclusive discussion as history or English ever did. Controversies in economics seem never to be decided; they just stop, at mutual exhaustion, or move on to some new fashion: rational expectations this year, game theory next. What, then, is the economic conversation really about? What sort of "knowledge" does it produce? It doesn't look a bit like the science I signed up for (Mayer, 1980).

POST-POSITIVIST PHILOSOPHER: My interest in economics is mainly philosophical. I expected it to be a fulfillment for the social sciences of the positivist program: objective, operational, quantitative, hypothetico-deductive, a chapter in a scientific philosophy, an entry in the international encyclopedia of unified science. This expectation, formed in graduate school, has been painfully disappointed. I share in part the disappointments of my friend here, Frustrated Scientist. But after late Popper, Toulmin, Kuhn, Lakatos, and Feyerabend (not to speak of Rorty and the wild French and Germans) I'm less sure that the science/nonscience dichotomy is worth much. The search for a demarcation criterion seems to have run out steam. I grow cynical: adherence to "knowledge" in economics, then, must be a matter of sheer taste or sheer power, right? Or are there other ways of reestablishing standards, once the old rules, which did not provide standards, go by the board?

POLITICAL ECONOMIST: All of you miss the point, which is not to understand history but to change it. In this, too, there's something wrong with the conversation. It seemed to me in my youth that economics was a tool for social engineering and social betterment. I came to Washington in 1968 filled with enthusiasm for cost-benefit analysis in the department of defense and fine tuning in the Federal Reserve System; but I left ten years later depressed. I saw the social engineers propose a dozen different designs for the same bridge. After a while there was a finished bridge, but it didn't go where it was supposed to go. At last the whole thing fell to pieces in a light wind out of Saudi Arabia. I get no credit here for quick insight, by now at least I know what the question is: Why doesn't social policy work? Sure, sure: The politicians and bureaucrats don't carry it out. But there's

something wrong, too, with our conversation as economist that we can't advise them – and each other – in more persuasive ways.

SOPHISTICATED ACADEMIC RESEARCHER: Don't give yourself airs. I myself know, roughly, how to write a paper that will persuade my academic colleagues on a certain point of logic or fact. That's all you know. You've been listening to social and scientific visionaries. What is important is the change in the way economists argue. I see changes coming in statistical procedures, for example, that will alter the conversation radically. Microcomputers have made simulations possible for the masses. The cheapening of computation has made algorithms more respectable relative to existence theorems. The academic philosophy or public policy never did matter: What matters is the next turn in the argument. The old, Hilbertian way of arguing will have to move over.

ECONOMIC JOURNALIST: The Ivory Tower speaks. And no one listens. Look, what matters to most people is what comes down from the tower as newsworthy ideas. I once viewed economists either as social weather forecasters or as spokespeople for special interests. So my stories had one of two lines: either this is Herr Doctor Professor delivering the genuine scientific Word or this is just another lobbyist. But I have become uneasily aware that such categories are not good ways to get the story. Like everybody else, economists try to manipulate the press, but to what end is seldom clear (Solow 1981: 17). Economists seem to be passionately attached to ideas that can't predict, that can't be proved, that they can't be made understandable, and that don't always serve their self-interests. What is the talk among economists for? Is it just "communicating results," as the rhetoric of science would imply? I ask again the journalist's question: What's going on here?

There are plenty of others: Sophomore Student, a wise fool ("Why does economics have to be so far from common sense?"), Worried Forecaster ("A noncommonsensical science should be able to predict better"), Rational Expector ("It's common sense that economic science *can't* predict the future"), Irritated Eleemosynary Executive ("If this stuff isn't predictive science, beyond common sense, what am I giving all this dough for?"). All of these have contributed to the unease, or have constituted it. It is the unease that comes before people change the subject of conversation.

Explicatio

The knowledge these unhappy people seek presents certain puzzles, which account for their unhappiness.

Presumably economic knowledge is manufactured in the 10,000 or so articles catalogued annually in the *Index of Economics Articles*. Economics is a field of articles rather than one of books, although less so than physics, its model beloved from afar. Most of the articles present a fact or two, advise the prince, suggest an easy tool. Probably most of the articles, as is said to be the case in the physical and biological sciences, are wrong or irrelevant. Only a few have influence.

The articles pose the puzzle of what constitutes economic knowledge, the puzzle of publication. Even the most influential articles are puzzling. Consider Robert Lucas's famous article, "Some International Evidence on Output-Inflation Trade-offs" (1973), or Gary Becker's even more famous article, "A Theory of the Allocation of Time" (1965). Is their knowledge a set of hypotheses, exactly? What is the hypothesis in either case? Or is it a method of analysis, perhaps a way of talking? Or a pleasing story?

In Becker's article the knowledge is presented in the rhetoric of the hypothetico-deductive model of science ("little systematic testing of the theory has been attempted. . . . The theory has many interesting . . . implications about, empirical phenomena. . . ."), but it looks more like a charming metaphor, an analogy between budgets of income and budgets of hours. In Lucas's article the knowledge is presented in the rhetoric of the empirical finding, but looks more like a reading of history, one of many possible readings permitted by the data. One wonders whether economists could agree on what constituted the remarkableness of these remarks in the scientific conversation. And for more routine articles the puzzle is more puzzling. T. F. Cooley and S. F. LeRoy (1981) have showed that prior convictions about monetarism as against Keynesian have large effects on the *econometric* results of the normal science they studied. What would be the point of publishing one's prior convictions dressed up as "findings"?

Or consider another literature of economics, the textbook, and another forum, the classroom. These pose the puzzle of teaching. The textbooks are usually written in the same fiercely scientific rhetoric as the articles. But the professor facing the class must compromise with human speech. An economist cannot teach successfully with axiom and finding. Those who try receive low ratings, except from the math majors, who miss the main point anyway. And the students do not learn how to reason economically.

But if axiom and finding constitute economic knowledge, why is it so disastrously dull and ineffective to use them in the classroom? Real knowledge is interesting. What then is to be taught in a class beyond the number of Federal Reserve Banks and the definition of elasticity of demand? Something more than unconnected bits of fact and logic must be involved. The puzzle is that the bigger bits of analogy and attitude are not mentioned in the texts. Such is the puzzle of teaching.

Or consider what happens in academic seminars or in the hallway, away from the students: the puzzle of scientific doubt. Economists will often express doubt that a properly scientific finding in economics is true: "Sure, his *t*-statistics are fine, but I just don't believe it." Such doubt plays a role in other sciences, too. It is not scandalously unscientific, though economists think so, and mope around the faculty club depressed by the unscientific character of their field. Economists have no rhetoric beyond the grunt of disbelief for articulating most doubts. The rhetorical situation is demoralizing. An economist asked why he goes on writing such dubious stuff will say with lame cynicism, "I don't really *believe* it: I do it just for fun."

There is an opposite puzzle to that of doubt: It is the puzzle of scientific dogma. Economists march to and fro under different banners, raising huzzahs for different candidates for the Nobel Prize. Party loyalty provides a career. The young upwardly mobile economist always votes at his party's call. And never thinks of thinking for himself at all. Yet the existence of schools fits poorly with the received theory of science. The theory most economists espouse (although unlike their physicist heroes, they seldom carry it out) says that "findings" will falsify the "hypothesis," and then of course everyone will change his mind. But nobody changes his mind.

Partitio

Economists, we would suggest, may be looking in the wrong direction altogether, or to put it better, listening to the wrong words. The notion of knowledge has long been influenced by a metaphor of seeing. Since Descartes and the New Scientists of the seventeenth century we have spoken habitually of the known as "seen" (Rorty 1979): "I see what you mean"; "Seeing is believing." Scientific reflection is to be a mirror of nature, as Bacon wrote in 1620: ". . . the minds of men are strangely possessed and beset, so that there is no true or even surface left to reflect the genuine ray of things" (Bacon 1965; 317).

This seeing or reflecting, however, is a lonely, pallid sort of event, and does not look especially promising as a foundation for thought. The seeing metaphor is specific to a culture and language, not written in the heavens. Contrast the "seeing" = "knowing" = "loving" in the Hebrew of the Bible. The lonely and antisocial character of "seeing" is apparent in the Greek grammatical distinction between verbs of seeing (or honest-to-goodness, dignified, God-given knowing) and verbs of saying (or mere social, human, temporary believing). The grammatical distinction in Greek between the mind's eye and the society's ear has blindly and silently influenced later thinking.

A student can by himself *see* with his mind's eye the proof of the irrationality of the square root of two. But if another person is to believe, there must be communication, saying. There must be a sender/encoder sending a message to a receiver/decoder. It is not enough to point wordlessly at the sheer message, mirrored from nature. The positivist model of scholarship cuts out the sender and the receiver as irrelevant to knowledge. Knowledge without human speech is merely an ideal type in the mind of God, or of the godlike mathematician inarticulate at his desk. Science entails communication. And the better metaphors for communication are speaking and listening, not seeing.

The way things are communicated matters in economics. The mere idea that people are paid "what they are worth," for example, can be uttered in various languages, resulting in different economics. Uttered in the language of historical relations and moral indignation it is a statement in classical Marxism. Uttered in the language of evolution and competition it is a statement in social Darwinism, a comfort to the country club. Uttered in the language of continuous mathematics it becomes the "marginal productivity" of economics since 1900, carrying with it a rich set of images about "production functions" and "amounts" of labor. Uttered again in the language of discrete mathematics it becomes a branch of a new Marxist economics in the 1960s, or the linear programming of an oil refinery. These all contain, one might say, "the same basic idea" (all ideas are "basic" when this point is being made). And so it may be "the same," crudely speaking. But the way of speaking modifies the idea, reversing, for instance, its political uses. "Marginal productivity" can justify a stony laissez-faire; "to each according to his need" can justify a revolutionary slaughter.

A disorder in communication, we are suggesting, explains the unhappy mood of economics. The analogy of "sender" and "receiver," however, which is what springs to mind when people start talking about "communication problems," oversimplifies the situation, making it sound like a job for the repairman. In most communication the message is not a preformed slug, a mere telephone number to be read out by a computer at Directory Inquiries (once named "Information"). Commonly the demands of the communication – which is to say, the presence and character of the audience, the attitudes of audience and speaker to each other, the language spoken in common, the history of earlier talk, the practical purpose to be achieved from the communication – change the message. They do not "distort" it always (the metaphor of distortion assumes again that the preformed slug sits there ready to be found); the demands of communication merely change the message. Commonly, in other words, there is no "it" to be communicated without communication.

The issue is the rhetoric of economics. This is not its "rhetoric" in a merely ornamental sense. The sender–receiver metaphor, though an improve-

ment on the metaphor of merely "seeing" the message without transmission, suggests that anything aside from the message slug is noise. But the use of a certain kind of mathematical language in expressing, say, the reward for labor sends along its own substantive message. What is sent is not mere prettiness (although prettiness has its place, too). Rhetoric is not ornament added on after the substance has been written. It is not rhetoric in the sense usual nowadays, the "mere rhetoric" we all wish to avoid. On the contrary, it is the whole art and science of argument, the honest persuasion that is good conversation.

The point of talking about "rhetoric" is to make available to economists again another river of our civilization, running as most do down from the mountains of Greece. It is the river of discourse, the thought sprung from the sophist Protagoras of Abdera concerning orations, persuasion, poetry, symbolism, storytelling, and literature in general. It is the thinking of literary intellectuals and of lawyers.

If economists were to consider the matter they would probably view themselves as paddlers on the rivers sprung from the mathematician Pythagoras or the philosopher Plato or the scientist Aristotle (although while we are on the subject, it might be noted that they are in fact more deeply immersed than they realize in the history of Thucydides). The task is get them to listen to more Greeks. Greek and Latin resound again in the halls of the intellectuals (Keynes and Edgeworth and Mill among economic intellectuals had the advantage that they could read the classical languages with ease). The tags invented by Plato and refined by Descartes, Kant, and Russell were once dominant in the conversation but have recently seemed unpersuasive, to be replaced by rhetorical appeals from Aristotle, Cicero, and Quintilian. The new rhetoric has been attended to by an audience of philosophers (Toulmin 1958; Rosen 1980; Rorty 1983; Walton 1985), rhetoricians (Scott 1967; Lyne and McGee 1987), lawyers (Perelman and Olbrechts-Tyteca 1958; White 1984, Ch. 9; White 1985), anthropologists (Geertz 1988; Rosaldo 1987), theologians (Ball 1985; Klemm 1987), literary critics (Fish 1980; Booth 1974; Burke 1950; Richards 1925), political scientists (Nelson 1983), psychologists (Carlston 1987), historians (White 1973; Megill and McCloskey 1987), and even mathematicians (Davis and Hersh 1981). These people have noticed in their works on philosophy or anthropology or mathematics that they use analogies, tell stories, adopt a persona. Economists should join the crowd.

The new conversation replaces the logic of inquiry with a rhetoric of inquiry. "Replaces" is perhaps too strong a word: Rhetoric, the art of argument, already includes what is presently called "logic" as a part. The logic is usually a routine and minor part, even in regions of the conversation supposedly dominated by it. A. E. Housman noted of textual criticism that "accuracy is a duty, not a virtue"; in mathematics, too, logic is a duty, not a virtue. The mathematical idea is the virtue. But anyway the old talk about the logic of appraisal, the criteria for truth, the logic of explanation, and the rational reconstruction of research programs is to be expanded into talk about genres, arguments, metaphors, implied authors, and domains of discourse. The point is to figure out why some arguments work in economics and others don't. Figuring it out in literary ways will resolve some of the puzzles.

Amplificatio

When economists look at a phenomenon like "child care" they think of markets. "Child care" – which to other people looks like a piece of social control or a set of buildings or a problem in social work – looks to economists like a stock certificate traded on the New York exchange. By this choice of metaphor they are driven to identify a demand curve, a supply curve, and a price. If the economists are of the regular, neoclassical kind, they will see "rational" behavior in such a market; if they are Marxists or institutionalists or Austrians, they will see somewhat different things. But in any case the seeing will seem to them to make ordinary sense, to be the way things really truly are.

A rhetorician notes that the "market" is "just" a figure of speech. It is a commonplace, a *locus communis*, a *topos* – a place where economists hunt for their game. In the way of talking here the metaphor of a "conversation" is a *topos* for the language game of economics.

The conversational figure of speech implies the Similarity Argument: that the economic conversation shares many features with other conversations, so differently placed. The economic conversation has much in common with, say, poetic conversation, as is demonstrable in a detail beyond rational patience. Solomon Marcus (1974) listed fully fifty-two alleged differences between scientific and poetic communication (rational versus emotional, explicable versus ineffable, and so forth), and after much thought rejected the majority as crudities. He notes that there is as much variation within scientific and poetic communication as between them.

Logic, for example, is not the preserve of economists and calculators. The Metaphysical poets were addicted to logical forms, forms viewed as figures of speech by writers still educated in rhetoric. John Donne's "Song" begins with a *reductio ad absurdum* ("Go and catch a falling star,/ Get with child a mandrake's root/ . . . And find/ What wind/ Serves to advance an honest mind"), turns then to an inferential argument ("Ride ten thousand days and nights . . . And swear/ No where/ Lives a woman true and fair"), and finishes with what an economist would call an assessment of a low prior probability ("If thou find'st one, let me know;/ . . . Yet do not; I would not go,/ Though

at next door we might meet./ . . . Yet she/ Will be/ False, ere I come, to two or three'').

Marvell's ''To His Coy Mistress'' is the type of an argumentative poem. The argument is, of course, economic: Had we but world enough and time I could court you, Lady, as your value warrants, to satiation, but time is scarce, and life especially so; the rate of time discount is therefore positive, and the optimal consumption plan is therefore *carpe diem.* Marvell makes his appeal relentlessly but smirkingly: He plays with a convention and mocks it, as language games have a tendency to do. The economist plays no less within a convention when drawing on inference (N = ten thousand days and nights) or time discount (t = Deserts of vast Eternity), or when making little jokes about islands in the labor market or how the data have been massaged. The flatfooted among economists and poets lack this sense of irony about arguments. They pen lines like ''The coefficient is significant at the 0.00000001 level'' or ''I think that I shall never see/ A poem lovely as a tree.'' But Keynes or Yeats, Stigler or Stevens sing on.

Similarity is not identity. Economics may be *like* poetry, but it is plainly not the same, unhappily. The likenesses between stocks and child care will allow the *topos* of the Market to work, but there are differences, too, that will figure sometimes. Academic poets have different conversations sometimes from greeting card poets, and different in other ways from economists, however poetic the economists may be.

It is illuminating therefore to look at more obviously similar conversations, such as economic journalism. It is sometimes written by journalists with no academic pretentions, but it is also written at times by academic economists gifted in this way, such as Milton Friedman, J. K. Galbraith, and Lester Thurow. The audience commonly thinks that such writings are academic economics ''translated'' into plain English. Without prejudice, they are not (Which is not to say that economic journalism is easy, or inferior to seminar talk: Anyone who can replicate Adam Smith would be justly rich; few academic economists are rich.)

The journalistic conversation runs on a particular psychology, depending on individuality, evil, and suspense. In the talk that market people use to dignify their work a market is ''excited'' or ''depressed,'' overrun with bulls or bears, slit with cutthroat competition. Entrepreneurs are portrayed as pioneers whose courage and creativity extends the frontiers of what is economically possible, or they are portrayed in a story from Lincoln Steffens or Ralph Nader as the devils who oppress the powerless and drive up prices. The ''story'' is just that: a piece in a newspaper. The black hat appears in it as a foreign country underselling ''our'' products or ''beating us'' in productivity. Us/them is the order of day, expressed in pervasive sporting and military metaphors. Personalizing images are common, as in the talk of the street.

A masterful example is Lester Thurow's recent book, *The Zero-Sum Solution* (1985). The book is sporting. ''To play a competitive game is not to be a winner – every competitive game has its losers – it is only to be given a chance to win. . . . Free market battles can be lost as well as won, and the United States is losing them on world markets'' (p. 59). One chapter is entitled ''Constructing an Efficient Team.'' Throughout there is talk about America ''competing'' and ''beating'' the rest of the world with a ''world-class economy.'' Thurow complains that many people do not appreciate his favorite metaphor and calls it a ''reality'': ''For a society which loves team sports . . . it is surprising that Americans won't recognize the same reality in the far more important international economic game'' (p. 107). In more aggressive moods he slips into a military uniform: ''American firms will occasionally be defeated at home and will have no compensating foreign victories'' (p. 105). Foreign trade is viewed as the economic equivalent of war.

Three metaphors govern Thurow's story: (1) the metaphor of the international zero-sum game, (2) a metaphor of the domestic ''problem,'' and (3) a metaphor of ''we.'' *We* have a domestic *problem* of productivity that leads to a *loss* in the international *game.* Thurow has spent a long time interpreting the world with these linked metaphors.

The metaphors are not the usual ones in economics. The metaphor of exchange as a zero-sum game, in fact, has been the favorite of antieconomics since the eighteenth century. The subject in Thurow as (on the other side) in Adam Smith the Elder is the exchange of goods and services. If exchange is a game, it might be seen as one in which everyone wins, like aerobic dancing. Trade in this view is *not* zero sum. To be sure, from the factory floor it looks like zero sum, which gives Thurow's metaphor an air of common sense. To a business person ''fighting'' Japanese competition in making automobiles, her loss is indeed Toyota's gain. But the competitive metaphor looks at only one side of the trade, the selling side. Economists more usually claim to see around and underneath the economy. Underneath it all (as the economists say, in their favorite metaphor) Jim Bourbon of Iowa trades with Tatsuro Saki of Tokyo. A Toyota sold pays for 2,000 tons of soybeans bought. The economic metaphor suggests a different attitude towards trade than that of Friedrich List, the German theorist of the *zollverein,* or Henry Carey, the American theorist of protection in the nineteenth century, or Lester Thurow.

Talking in such a rhetorically self-conscious way about a piece of economic journalism is not just a rhetorical trick for attacking it. The point is that all conversations are rhetorical, that none can claim to be the Archimedean point from which others can be levered. The neoclassical economists use metaphors, too, of humans as calculating machines and rational choosers. The human situation is said to be a situation of rational choice, the maximization of an objective function subject to environmental constraints. The metaphor

is less warm than one that portrays economics as a struggle between good and evil or as the final rounds of the NBA playoffs, but it is no less metaphorical on that count.

The rational-choice model is the master metaphor, enticing one to think "as if" people really made decisions in this way. The metaphor has disciplined the conversation among neoclassical economists – the discipline is: If you do not use it, out you go – and has produced much good. To it we owe insights into subjects ranging from the consumption function in the twentieth century to the enclosure movement in the eighteenth. Yet, to repeat, it is a metaphor.

Neoclassicals are very fond of it, and regard it as the fundament of their being, the part on which the body of their knowledge rests. What is problematical is the "positive" and "objective" status they ascribe to it. It was not always so. Ambiguity and contention surrounded the triumph of choice logic as the definition of economics, and it was by no means always regarded as an innocent analytic technique. Jevons found it persuasive on the nonmodern grounds that it fitted with Bentham's calculus of pleasure and pain; Pareto, too, credited it with psychological significance. Like most of the inventors of economics, Pareto was no isolated talker: a sociologist as much as an economist, he declared, "Clearly, psychology is fundamental to political economy and all the social sciences in general" (1971; 129), a suggestion that has only recently been revived.

Nor was J. M. Keynes, our blessed inventor of macroeconomics, isolated in Gordon Square from the wider human conversation. Keynes probably did not get much support from Virginia or Lytton for using the logic of choice as a metaphor of human behavior, and G. E. Moore up in Cambridge surely would not have approved. Whatever little there is of it in *The General Theory of Employment, Interest and Money* is subordinated to talk of "animal spirits," "psychological laws," waves of optimism, crises of confidence, and other notions in business psychology.

But later modernists disciplined this expansive spirit of Keynes, rereading him as a Keynesian. Hicks and Hansen reduced him to a page and a diagram; Tobin, Modigliani, and their heirs fitted him into the corsets of choice theory. By such rhetorical moves the text was permanently transformed. Economists have known for some time how the book should be read (Leijonhufvud 1968) but do not want the old meanings back. They have made up their own text, and now the graduate student need not read the original. The conversationalists have forgotten what they were saying. As Axel Leijonhufvud said: "The impression of Keynes that one gains from [his interpreters] is that of a Delphic oracle . . . mouthing earth-shattering profundities whilst in a senseless trance – an oracle revered for his powers, to be sure, but not worthy of the same respect as that accorded the High Priests whose function it is to interpret the revelations. If this be how Economics develops – where will it all end?" (1968: 35). All the founders of modern economics have been reread this way, though an end may be near: Pareto's sociology was for a long time ignored, Marshall's economic history forgotten, Walras's similarity to linguistics overlooked, and Frank Knight's philosophy, matured in Iowa, has been rewritten as a step in the neoclassical synthesis circa 1960.

The neoclassical conversation about the logic of choice, despite the centripetal force of a mathematics teachable to all, has itself tended to break into smaller groups. The new classical macroeconomists have enchanted many young people with their fervor. The neo-Keynesians, once themselves fervent, hold back (Klamer 1983), finding solace in tales of Akerlof and sayings of Sen. The other heirs of David Ricardo diverge more sharply from the faith. Even when educated in neoclassical economics the Marxists object to its reduction of the social to the individual; the Austrians object to the aggregation of the individual in the social. The Marxists prefer a conversation about the class basis of work, the Austrians a conversation about the ineffable individuality of the entrepreneur. The mutual overlap of these conversations is large – you can get any economist to talk to you about the entry of new firms into ecological niches, for example, or the adequacies of a monetary theory of inflation – but the lack of overlap is large, too.

To speak of conversations being more or less similar yet having different notions of how to persuade makes a monist angry. Such speech is in fact a good monist-detection device. Say "Truth is plural" and watch the color of his nose. The device should be more widely applied. The monists have had their way for too long in the modern world, traveling about from conversation to conversation instructing people in the Monist Law. "Intelligence," they say, "must be measured in a single number and be used for social policy." "The writing of history is chiefly a matter of gathering preexisting facts from archives." "Economics must not use questionnaires, because any behaviorist knows that these might be falsely answered." "Economics will only be a real science when it uses experiments like those a withered branch of psychology once depended on."

The new pluralist and pragmatic and rhetorical conversation about the conversation "weaves a web of significance," in Clifford Geertz's phrase, around the talk of economists. The new conversation in economics is only imitating what the economists themselves actually do with their stories and metaphors when they talk about the Federal Reserve.

Economics, then, should step down from the pedestal on which, like the women of the 1950s, it fondly imagines it stands. A conversation in modern economics differs from economic journalism but is similar, differs from poetry but is similar, differs from mathematics but is similar. There is no hierarchy here, no monist philosopher king reaching into conversations to spoil

their tone. We recommend a rhetorically sophisticated culture for economists, following Richard Rorty (1982), "in which neither the priests nor the physicists nor the poets nor the Party were thought of as more 'rational,' or more 'scientific' or 'deeper' than one another. No particular portion of culture would be singled out as exemplifying (or signally failing to exemplify) the condition to which the rest aspired" (p. xxxviii). The present attitude, at least among those who have not yet felt the doubts of the Frustrated Scientist and the others, is ignorance about the variety of economics and of similar conversations, an ignorance breeding contempt. Economic scholars should oppose ignorance and contempt.

Being a good conversationalist asks for more than does following some method. Alarmingly, it asks for goodness. Cato the Elder said that an orator was no mere hired gun, ready with pen or computer to advise whatever power offered the most satisfactory career. He (in Rome not "she") was "*vir bonus dicendi peritus,*" the *good* man skilled at speaking. Plato, who detested a rhetoric without moral purpose, has Socrates announce towards the end of the *Gorgias* that "rhetoric is to be used for this one purpose always, of pointing to what is just, and so is every other activity" [527 C]. These Romans and Greeks were much inclined to moral talk.

Talking about goodness in this connection embarrasses modern sensibilities, like announcing loudly to a dinner party that one has been born again in Jesus Christ. But it is hard to see a relevant epistemology other than a moral one (and the usual epistemology is merely moral argument that does not recognize itself). It is not good method that makes an economist good or bad, but goodness, in the usual scout handbook sense: honesty, bravery, tolerance, consideration. Mere intelligence is not enough to sustain the conversation.

Refutatio

Such conversation about the conversation usually evokes affirmative nods. The main reaction is "Well, yes, I see what you mean, and, of course, it's true: We economists do employ a wider range of argument than we imagine. Perhaps we *had* better think through what sort of conversation we are having. And as for goodness, I've always favored that." But the philosophically committed – few in economics, it should be noted – will sometimes shake their heads vigorously, "No." They need here to be refuted; or, more considerately, reassured.

The Chaos Argument: "If we abandon all standards and deny the existence of any criterion of truth, anything goes. And everything will." For most important questions there is of course no universal, timeless, culture- and value-free standard of what a worthwhile coefficient in a regression is or what a serious divergence from competition is. But that does not mean that real conversations take place without standards. The conversations of a scholarly community such as that of economics are disciplined. We have argued that they are disciplined by a wider and more difficult set of standards than are provided by Marxism or Positive Economics. One learns to speak in the conversations by internalizing the standards. The least informative remarks are those that take their standards from a philosophy rather than from a practice of speech.

The Hitler-and-Other-Irrationalists Argument: "According to the rhetorical approach, everything is relative, so Hitler would be irrefutable." No, he would not: he was no *vir bonus,* however much a *dicendi peritus.* He was refutable by appeal to rhetorical standards and was indeed so refuted. He was *not* refutable by a *wertfrei* economics. It is sometimes claimed, as Terence Hutchison put it in 1938, that Hitler and all our woe came precisely from "psuedo-science," and that testability of the usual simpleminded sort is "the only principle or distinction practically adoptable which will keep science separate from pseudo-science" (p. 11). This is unpersuasive. Victorian – and even British and statistical and scientific – theories of race were testable and tested. They passed the tests, at least to the satisfaction of scientists in the grip of positivist metaphors of objectivity and measurement (Gould 1981). Probably the successes or failures of science had little to do with the rise of Hitler. But if anything, it is a narrow, amoral economics that leads to slave labor camps.

The Fallacy Argument: "These rhetorical methods are mere fallacies beside the certainty of syllogism and measurement." To repeat, what we assert is that there are no timeless claims for or against a particular discursive practice. We take no pleasure in reporting from the 2,500-year-old discussion of the matter that there are no foundations, but there you are: One must learn to live with it. Syllogism and measurement are fine but represent merely one among many rhetorical turns. The twenty-first century may revive the argument from design or begin again to make philosophical arguments in Latin hexameters. Now we use the arguments we find persuasive.

Such cultural relativism does not commit us to nihilism. No one could attack an economic argument nowadays by asserting that its advocates have red hair. The rhetorical approach makes it possible to understand why such an argument would fail in our speech community. The methodological approach, on the other hand, dumps the red-hair argument into a big box labeled "Fallacy." The dumping ignores the great relevance in some cases of the argument *ad hominem:* It would not be irrelevant that the advocates of an empirical finding were notoriously sloppy at econometrics or were employed by Hitler.

The Reactionary-Plot Argument: "Rhetoric is merely another justification

of neoclassical economics." No, it is not. Radical and Austrian economists have in fact seen it as a way to criticize neoclassical economics. They have also seen it as a way to criticize each other. Fine. Let a hundred flowers blossom.

Peroratio

The Antieconomics Argument: "Rhetoric is an attack on economics, undermining the claims of economics to be a scientific discipline." No, no. Economics is too successful to be undermined by mere self-consciousness. The archaic attachment to scientism is the real danger, narrowing the conversation and raising false hopes of certainty. Like doctors, sociologists, and others in love with scientific status but uncertain whether they are actually scientific, economists now seek to overawe the world, and overawe each other. As actually practiced, though, economics is more down-to-earth than this, but more complicated, too. It uses many arguments, difficult to devise – the good story as much as the good theorem, the good analogy as much as the good regression equation. A rhetoric of economics examines all the arguments, and encourages admirable goodness in argument all round.

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