

TLS AUGUST 26 1983: 907

## 'Consequences of Pragmatism'

Sir, - It is as ironic as it is unsurprising that a piece of ignorant and unargued boo-ing against philosophy should come from an economist. Donald McCloskey (Letters, August 19). I shall not attempt here to discuss Richard Rorty's conception of philosophy, which McCloskey cites approvingly, though I doubt that Rorty's conception of the "End of Philosophy" is quite what McCloskey takes it to be, or that it lends support to his view that all philosophy departments should be shut down, the sooner the better. But I feel that - despite the absence of any arguments by McCloskey to support his prejudices - it is important that someone should explain why his opinion that the activity of philosophers cannot aid the sciences in any way, but is merely a "nuisance" which prevents them getting on with their proper pursuits, is wrong.

The proper objective of the sciences is, I take it, to increase our understanding of the natural or social world. Thus scientists are concerned with the construction of *true* theories - ones which describe the world as it really is. But the bearers of truth are the sentences of which the scientist's theory is composed; and their truth is a product of two factors - the way the world is, and the meaning possessed by the terms which enter into the sentences in question. Thus truth, in any science, is a function both of its "data" and of its "grammar" - the nature of its basic concepts. For this reason progress in any science requires not only the production and testing of hypotheses, but also that its basic concepts be well understood. And this is a matter in which philosophers are by their training peculiarly suited to help. In its early days, the main problem for a science may be simply to determine what *kind* of thing its subject-matter is, and what is the best way to study it. Methodological problems are still prominent in anthropology; and a central issue in linguistics is: what kind of thing is a linguistic theory? A description of an abstract object? A model of what goes on inside speakers' heads? At this stage in the development of a science there is an urgent need for scientists and philosophers to collaborate. An example of the fruitfulness of such cooperation is in cognitive psychology, where for some years now philosophers have been working alongside psychologists to harness together our best understanding of what kind of thing a mind is (the grammar of mental concepts) with increased knowledge of what human mental processes are actually like, and how they are "realized" in the hardware of the brain.

But of course the pursuit of truth may not be the sole objective of every individual professionally employed as a scientist. If there exists a flourishing

"normal science" based upon a certain set of postulates, then to one whose loyalty is to his profession rather than to truth, an individual who points out that some of its basic concepts are deeply confused is indeed a great nuisance.

Much of economics involves modelling the behaviour of human agents; and, since the prevailing methodology is to generate models on the assumption that agents act rationally, assumptions are needed about what actions are rational in various types of situation. But the notion of rationality is deeply problematic, and, especially where there is interdependence between the actions of agents of a sort common in economic situations, it is unclear what, if anything, is the rational thing to do. An economist who attempts to brush such "philosophical" difficulties aside, and just carry on banging out his results regardless, is not free of any philosophical theory of rationality, but is tacitly espousing an unacknowledged and thus probably inadequate one. Some economists appreciate these difficulties; and only a few, surely, share the ignorant prejudice which McCloskey exposes in his letter. But economics is, par excellence, a discipline which has need of philosophical skills to conduct a clarification of one of its founding concepts; yet there is a body of economists who resist the pressure to re-think the foundations of their discipline. Hence the irony, and the lack of surprise.

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## 'Consequences of Pragmatism'

Sir, - It was to be expected, I suppose, that Simon Blackburn's elegant review (July 15) of Richard Rorty's *Consequences of Pragmatism* should end in a plea for continued employment of Philosophers. But we have a useful piece of jargon in economics that argues against it, "negative externalities" - like smoke from the local mill. The activities of Philosophers are no trouble at home perhaps, but spill over into neighbouring places. The claim of Philosophy to be a meta-science is a public nuisance, and Richard Rorty is to be commended for doing something about it. The neighbours have suffered quite enough from the impulse to Philosophize about good reasons in politics or economics or law.

Blackburn writes, "there is no option of abandoning the use of some concept of truth, of the good, of space and time, or persons and their knowledge and agency". One wonders that he did not realize, to use Rorty's useful notation, that his sentence reads in effect: "... some concept of Truth, of the Good, of Space and Time" and so to Agency. Rorty's point is that the sensible appeal to have talk - even the much despised High Talk - about truth in models of the grain market or of knowledge in histories of medieval villages is commonly used by Philosophers, as here by Blackburn, to justify talk about Truth and Knowledge. Once these furnaces get fired the neighbours commence blinking and coughing, and are unable to keep up with their proper trades.

If the philosophical mill closes after all and we are left with mere High Talk (or, better, high talk) we shall become ignorant of illocutionary acts and explicit performatives, but happy yet. The high talk will at least not bore us, and the air will clear.

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Sir. - Donald McCloskey (Letters, August 19) is right about the most trifling of his points. Certainly it is a nuisance to hear of the publication of a report to the effect that you are handling every day a dangerous material whose use calls for the utmost care. The nuisance is a detrimental effect of the activity of chemists on the activity of consumers. It is not clear that it is an "external" effect of the activity of chemists if part of this activity is to restrain consumers from doing themselves injuries. And it is not clear that it is negative for all consumers. But let these points pass and allow that McCloskey is right that philosophers' going on about law and economics constitutes a negative external effect on practitioners of those professions.

There is nothing wrong with negative external effects in themselves. They inhibit the activities they fall on, but this is a bad thing or a good thing according as those activities are good or bad. The trouble with external effects, in the received theory of which no doubt McCloskey is one of the recipients, is that they threaten the beneficial functioning of a competitive economy. Are we to suppose, then, that McCloskey is suggesting that philosophers should be taxed or otherwise discouraged from philosophizing because that would remove a distortion of the price system?

There are economists who welcome what philosophers do and say. It is, at the least, some protection against the spread of such distortions of the concept system as "Granger causality" or "rational expectations". It may, moreover, provide a positive and sorely needed help in questions that reach down to the foundations of economic theory. Consider the question of the alleged futility of governments' attempts to manage the macro-economy. Our lives are in the grip of a politico-economic doctrine which holds that traditional macro-economic policy should be abandoned. It is claimed that private economic agents are *rational*, that their rationality means that they will anticipate government's moves to manipulate the state of the economy, that anticipating them they will forestall them, and that a *rational* government will recognize its impotence and forswear discretionary policy. This doctrine raises, and begs, deep questions in epistemology and in the theory of rational decision-making by interdependent agents. What do rational people anticipate? what actions in non-cooperative games are supported by good reasons? McCloskey would prefer that his economics (let us call it Economics) was not bothered by the serious debates on these questions in which some non-economists engage. Yet the happiness

of tens of millions hangs on their answers.

Causalist and evidentialist resolutions of the Newcomb dilemma respectively refute and support the New Monetarist argument for laissez-faire that I have sketched. But McCloskey finds what philosophers have to say about rationality a distraction and a bore. He takes succour for intrusion. He would prefer, if not that philosophers be shut up, certainly that they shut up. He would like Economists to be left in peace to embroider theories predicated on what casual answers they please to the begged questions. The sophistry of Economics may shake the world to its foundations, but that is no business, we are told, of those inhabitants of it who do not belong to McCloskey's branch of McCloskey's profession.

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## 'Consequences of Pragmatism'

Sir, - To judge by Elizabeth Fricker (Letters, August 26), "arguments" are what are produced when unargued assertions are made lengthily by philosophers, and "ignorant prejudice" is what is exposed when unargued assertions are made briefly by anyone else.

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## 'Consequences of Pragmatism'

Sir, - Because argument is not properly to be stuck into separate holes labelled "mathematical" and "literary" and "political", the argument *ad hominem* so natural in the courts should not be excluded even from the study. Proving that Catiline or Clodia were bad sorts, mostly by sneering, was essential to Cicero's practice, and can find a proper place even in philosophy. But the lengthy Oxonian sneers from Elizabeth Fricker and Michael Bacharach (Letters, August 26) directed (I gather from the spelling) in my direction make the point that you've got to know your *hominem*. Cicero

dined with his. Fricker supposes that the beastly man from Iowa must wish to end philosophical conversation (as distinct from Philosophical Conversation issuing orders to bystanders) and is among those economists who "resist the pressure to re-think the foundations of their discipline". Bacharach supposes much the same, attributing these anti-intellectual opinions to some politics he thinks he sees and knows he doesn't like.

The main point of "The Rhetoric of Economics" (*Journal of Economic Literature*, June 1983) is that the impulse to Philosophize has been a bar in economics (and history and I imagine other places) to serious re-thinking of foundations and serious re-thinking of political economy. It stops real conversation, stopping for instance the high talk that the original review found so dreadful. It replaces wide conversation on the point with narrow Method off it. The result is Marxist economists who will not reply to market arguments because their Philosophy of History tells them they do not have to; or Chicago economists (appalling brutes) who will not reply to imperfect-market arguments because their Epistemology tells them they do not have to.

The problem is apparent in the letters. Fricker, a philosopher it would seem (I haven't dined with her), declares a state of scientific emergency, "an urgent need for scientists and philosophers to collaborate". I testify as a bruised victim of Methodology-crazed economists that her optimism about the harvest from having them "work in harness" is not very persuasive in economics. The example of Bacharach, an economist it would seem, is instructive: we hear mainly from him some very strong words about what is called in the trade "rational expectations". Whence the strong words? How has Bacharach achieved the confidence to deliver judgments on how economies of many millions of sentient souls behave? By, says he, Epistemology. My word. From true right reason unalloyed we will know the world.

It is this pursuit from the armchair of an epistemological perpetual motion machine that Richard Rorty, who does philosophy, criticized in Philosophy. In economics the imperatives of Epistemologies derived from this unfortunate activity liberate their devotees from the obligation to listen seriously to the reasonings of others. Consider: has Philosophy (as distinct from philosophy) encouraged the

conversations of Western civilization, except its own? One doubts that Fricker converses with Habermas (not to speak of Dewey) or Bacharach with Friedman (not to speak of von Mises). These people are so inconveniently *foreign* in their Epistemological rules. Whatever is the point of rules that stop conversation?

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