‘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, shall become ignorant of illocutionary acts and explicit performative, but happy yet. The high talk will at least not bore us, and the air will clear.

DONALD N. McCLOSKEY.

Department of Economics and of History, University of Iowa, Iowa City, Iowa 52242.

“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 bunging out his results regardless, is not free of any philosophical theory of rationality, but is tacitly espousing an acknowledged 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.

ELIZABETH FRICKER.

Magdalen College, Oxford.
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 their 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 philosophising because that would remove a distortion of the price system?

There are sociologists 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 people 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 macroeconomy. 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.

Causal and evidentialist resolutions of the Newcomb dilemma respectively refute and support the Neuton 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 causal for intrusiveness. 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 embroiler 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.

MICHAEL BACHARACH.
Christ Church, Oxford.

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) 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 widespread conversation on the point with narrow Method off it. The result is Marxist economics which 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 unaided 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?

DONALD N. MCCLOSKEY.
Department of Economics, University of Iowa, Iowa City, Iowa 52242.

968: TLS SEPTEMBER 9 1983

‘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.

DUNCAN MCGUFFIE.
46 St Luke’s Road, Bournemouth, Dorset.

TLS SEPTEMBER 30 1983

‘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