

REVIEWS

JAMES M. BUCHANAN (1992) *Better Than Plowing and Other Personal Essays*. Chicago: University of Chicago Press. vix + 184 pp.

We have here a collection of autobiographical pieces, personal essays as the label says, with a selection of quotations from other writers which shed light on Buchanan's thinking. The whole is organized as a rough chronology, with backtracks, from Middle Tennessee State Teachers College (BA 1940), through the war in the Pacific, the University of Chicago (1946-1948), a crucial year in the 1950s learning Italian and reading the clearminded classics of Italian public finance (no Italian imagines the government to be a neat bunch of fellows from Yale), Virginia (1956-68), VPI, and George Mason. The character of the pieces is apparent from their titles: "Early Times," "An Easy War," "Born-again Economist," "Italian Retrospective," "Virginia Political Economy: Some Personal Reflections," "Nobility," "Threescore Years and Ten."

Naturally, Buchanan tells his story in an economic way. Even his country lyric, to be expected from a Tennessee boy, stresses opportunity cost: "There are too many forks in the road/ There are too many forks in the road/ And I never could learn/ Not to take the wrong turn./ There are too many forks in the road" (37). We ought to get together. I have a tune, an agent in Nashville, and another verse: "There are too many forks in the road./ There are too many books in a load./ If I heed all their lies/ There'll be no Nobel Prize./ There are too many forks in the road."

The first thing an economist wants to know about another one is, "Is he smart?" (We ought to rethink the question, which overvalues intellectual abilities that peak at age nineteen; economists put too little value on being wise or civilized or factual).

Is Buchanan smart? He says he's not, and in one sense I believe him. As he has noted elsewhere, few people are Nature's economists, like Gordon Tullock or, from my own experience, Steven Cheung or Joseph Reid. Most of us sweat it out, learning to be "worldly philosophers" in Bob Heilbroner's phrase only after experiencing the world.

Buchanan experienced it early, before graduate school at Chicago. He was for one thing a non-shooting aid to admirals Nimitz and Spruance through Midway and the island-hopping. Spruance described his work in the Navy as "mighty fast and fairly accurate" (54), a description Buchanan relishes.

For another thing, Buchanan farmed, at which he was also mighty fast and fairly accurate. The phrase "Better than plowing" is what his mentor Frank Knight said about his own career at Iowa and Chicago, but it expresses literally Buchanan's opportunity foregone by going to college. A lively sense of scarcity implanted by work as a boy on a hard-scrabble dairy farm makes it easier to grasp economics. Other farm people in economics (there are lots of them; Theodore Schultz, Margaret Reid, and D. Gale Johnson are three I've known

pretty well) would have had a notion of economics from childhood. Buchanan remarks, "I do not envy the youngsters in modern suburbia, who lack a sense of scarcity along any dimension" (23). Yes: and that's why economics is so hard to teach to them. At age twenty-six, he notes, as a veteran of war and the milk shed, "I was, somehow, ready for the understanding of the economic process" (5).

So Buchanan isn't smart; he is educated. Like most of us he has had to work at it, and unlike most of us he has kept at it (his only deviation from the keep-at-it theory is his notion that if you didn't study Latin and Greek as a boy you can't do anything about it as a man: get to it, Jim). He has always read books, which puts him in a small minority of economists. Most economists reckon they have completed their philosophical or literary or scientific educations by their mid-twenties, which was when Buchanan got going. Think of the bookshelves in the average economist's home. A handful of economists keep reading. Every sentence from Leland Yeager, for example, expresses a lifetime of reading books. Bob Solow reads a lot, too. I hear that Armen Alchian read the entire two volumes of Maitland's *A History of English Law Before the Time of Edward the First*, and liked it so much that he read it again. I know for a fact that he, like Buchanan (142), has read Boswell's *The Journal of a Tour to the Hebrides with Samuel Johnson*. Frank Knight, another book reader, shared with Buchanan a passion for Thomas Hardy's poetry. Not smart; educated. Maybe we ought to educate our young economists better, in the world and in the library.

And, second, we always ask about another economist, "Is he a nice guy?" It's another question that warrants rethinking, because as usually phrased, it overvalues social abilities that peak at age nineteen, that is, the uncritical amiability that most adolescents show to each other. What we should be asking about, and sometimes are, is the moral standing of the person as an adult in scholarship. That George Stigler and on Buchanan's testimony Jacob Viner were emphatically *not* "nice guys," and equally emphatically Milton Friedman and Theodore Schultz (as Buchanan and I agree) *were* nice guys, reflects on their work. We want moral goodness and scholarly excellence to correlate. They may not, but anyway we want them to.

Is Buchanan a nice guy? He doesn't claim much in the way of 19-year-old amiability, though a person who has organized as many research groups as he has must have some gifts of social dealing. He claims no interest in academic politics and admits exercising instead the exit option with certain brio. In a courteous Southern way he says that he doesn't think people campaign for the Nobel Prize. (His hypothesis makes it a little hard to account for the number of late middle aged American economists who summer in Sweden, but maybe they just like saunas and birch forests.) He noticed in his first teaching experience that he carries "a natural aura or sense of authority" (44), a trait I have observed also in Robert Lucas, Gary Becker, Alexander Gersckenkron, Robert Fogel, and Robert Mundell. What comes through in original scholars and successful teachers like these is not niceness, quite, in the usual amiable sense, although sometimes they have that, too, but the moral quality of courage.

The San Francisco dock worker and sage Erich Hoffer made a distinction between hope and courage (German *Hoffnung* and *Mut* was what Hoffer was talking about). It applies to Buchanan. Hoffer wrote: "There is no hope without self-delusion, while courage is sober and sees things as they are. Hope is perishable, while courage is long-lived. It is easy in an outburst of hope to start a difficult undertaking, but it takes courage to bring it to conclusion" (1983: 28). A tough, poor, intelligent boy from Middle Tennessee would have courage rather than hope.

Buchanan's main personal trait seems to be this stubborn courage. The word "courage" figures heavily in his tributes to scholars he admires (e.g. pp. 75f.). In our life it means being something other than a first-derivative economist. A first derivative economist follows the scholarly trend line to a close approximation, like a Taylor's series. If evolutionary game theory is in, he's on to it a split second after the original thinkers. The question always on the lips of the first-derivative economist is, "What news on the Rialto?"

To hell with the news, says Buchanan; read, think, and gird thyself. "What is critically important for all those who may enter the game at some apparent disadvantage . . . is the attainment of the ability to resist discouragement and despair. This ability . . . depends on the achievement, early on, of a constrained and realistic, but finally unshakable, self-confidence" (47). He quotes Nietzsche—Buchanan is the only economist I know who quotes Nietzsche—as regarding the phrase "having the courage of one's convictions" as "a very popular error"; "rather it is a matter of having the courage of an *attack* on one's convictions" (140).

Buchanan has fended off his share of attacks on his convictions. Academic attacks usually depend on sneering, which has the advantage of requiring no attention to the position attacked. The establishment economists, as long as they could get away with it, merely sneered at Friedman, Buchanan, Hayek. Buchanan sees a connection between intellectual and regional sneering. In the Navy he ran into "blatant discrimination . . . against southerners, midwesterners, and westerners" which "served to reinforce in concrete my populist preconceptions" (40). Buchanan's pleasure in his Nobel Prize is in part and sincerely on behalf of the other hicks outside the BoWash corridor. (At one of the main barns for the herd of independent minds I overheard recently two people in two separate conversations use within a few seconds of each other that talismanic phrase among the coasties, "A front-page story in *The New York Times*.") Buchanan never was a member, say, of the National Bureau of Economic Research, and he would not fit in at Harvard.

So Buchanan isn't nice; he's courageous. Maybe we ought to be giving our young economists lessons in courage, the courage to live away from the Charles River and the first derivative.

Buchanan's scholarly character is plain in his story. He says truthfully that he has done practically no empirical work; and claims also, less plausibly, that he does not engage in "ordered scholarship" (87). (If learning Italian to study economics is not ordered I do not know what is.) He is an Economist Thinking, though a persistent reader and a courageous arguer.

Buchanan views the subject of economics as exchange, not maximization (a view he has expressed most thoroughly in *What Should Economists Do?*). When he and Warren Nutter were students at Chicago in 1948, they decided in the foyer of the Social Science Building "that technique was replacing substance" in the field (94). The agent of the replacement was Paul Samuelson, who the year before had published *The Foundations of Economic Analysis*, the program for turning economics into the study of maximization under constraints. In 1944 von Neumann and Morgenstern had invented the theory of games. In 1951 Kenneth Arrow published the book that set the tone for high-brow theory, *Social Choice and Individual Values*. Buchanan would have none of it: as a young professor he published an attack on Arrow's notion that a society is best viewed as a problem in maximization.

The special character of Buchanan's kind of economics, though, is not its lack of math. That's not what Nutter and he meant by "technique." Buchanan's theorems could just as well be put in mathematical terms, and some have. He leans as much as the next economist does toward abstraction. Economists have always been in love with abstraction (Schumpeter called it the Ricardian Vice), and Buchanan is no exception. His recent interest in the Hobbes Problem (101)—will a random assortment of unsocialized SOBs produce in time a civil society?—is typical of blackboard economics down the ages. Strictly speaking, the answer to the Hobbes Problem will answer no concrete question about an economy made up of socialized people, French people, say.

What is special about Buchanan's approach is that it is coordinationist rather than maximizationist. The point will be familiar to readers of this journal. Markets coordinate a complex society, sometimes better than the state could. Who cares if they maximize exactly correctly by a standard of perfection? Here Buchanan declares himself a disciple of Knight and the Austrians, especially Hayek. The coordinationist coloring also shows through in the Good Old Chicago School, with which Buchanan has had like Frank Knight an uneasy relation. The questions Knight or Friedman or Stigler asked were not about a particular maximizing monad. Recall how Stigler made merry of the various mechanical, first-derivative models of oligopoly coming out of MIT, proposing instead to ask the question why the oligopolists did not set up as a monopoly. And recall how long it took to extract an explicit model of monetarism from Friedman, long after Tobin, say, had expressed himself in fixed metaphors of maximization. Friedman was on the lookout for principles of coordination—rules vs. authority, say, or the gold standard or letting speculators in foreign exchange put their money where their mouths were—not a model for maximization. In a manner of speaking, Buchanan and his ilk, may their tribe increase, are looking for stories rather than metaphors, tales rather than models.

Tales after all carry multiple meanings, without confusion. The computer age provides a metaphor of the mature mind: one "toggles" on a computer between this or that view of a word-processed document, moving from one perspective to another without confusion. The literary critic Richard Lanham describes toggling as a master skill, namely, the mature ability to hold on to two perspectives (*The Electronic Word: Democracy, Technology, and the Arts*, forthcoming, University of Chicago Press).

So does Buchanan, and it summarizes his method well. He speaks of the "relatively absolute absolute" (78, and in his earlier writing), by which he means toggling: while you are looking at the text in, say, Gothic letters, then that's how you look at it; but you bear in mind that another perspective is a toggle away. He quotes Scott Fitzgerald from a review in *The Times Literary Supplement* (Buchanan is the only American economist I know who reads *The Times Literary Supplement*): "The test of a first-rate intelligence is the ability to hold two opposed ideas at the same time, and still retain the ability to function."

Toggling between two opposing ideas, coordinationist and maximizationist, books and the blackboard, Tennessee and Italy, Buchanan has handled pretty well those too many forks in the road.

Donald McCloskey
University of Iowa

REFERENCE

E. Hoffer (1983) *Truth Imagined*. New York: Harper and Row.

suc
hol'