

tic thinking which have supposedly left the activities and motivations of women outside "masculine," mainstream economics. Of course, any kind of hierarchical dualism fails to capture the complexity of real life, not only across gender, but across culture and time. A feminist critique by itself would appear to fall prey to the same oversimplification as would a non-Western critique. It is not clear that women as a group have more in common than do Africans, the poor, or the elderly for the

purposes of redefining and remodeling economics.

As a survey, *Beyond Economic Man* does help identify the points at which feminist thinking can enlarge economists' sense of the scope of their discipline and the analytical methods they employ. Furthermore, because it includes representatives of neoclassical, socialist, institutionalist, and post-modern economic schools, it has something to teach a wide spectrum of economists. ■

## *Telecommunication Policy for the Information Age: From Monopoly to Competition*

Gerald W. Brock

Cambridge: Harvard University Press, 1994. ISBN: 0-674-87277-0, \$45.00.

**I**n this volume, Brock provides a detailed and painstaking history of telecommunication policy in the United States during the long and uncertain transformation from near-monopoly to today's quasi-competitive structure. Drawing on his six years of experience on the Federal Communications Commission staff, Brock guides the reader through the key regulatory, congressional and judicial decisions that shaped the industry during this critical time.

The most memorable feature of the book is a metaphor: the "Swimmers and the Boat" model. Brock believes policies that seem chaotic and decentralized can be quite desirable in an environment of highly limited information. He likens the state of current policy to the location of a large floating boat. Swimmers surround the boat in the water, each with a different idea of where the boat should be. In a random fashion, first one swimmer and then another has an opportunity to push the boat in a favored direction.

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As those familiar with the dynamics of even fairly small boats can attest, the boat does not move very far with any one push. Still, over time the boat will end up close to the average swimmer's preference. "If the average preferences change," Brock writes, "then participants will push in a single direction and the boat will eventually be relocated to the center of the new preferences" (p. 29).

As AT&T's monopoly over telecommunications began to crumble, the boat was given some pushes by interested parties at irregular intervals. Both those who wanted continued AT&T monopoly and those who wanted full deregulation were to be disappointed, but the boat moved toward greater reliance on market forces and lesser reliance on conventional regulation. There were imperfectly perceived trade-offs all along the way, such as the assumed tradeoff between greater network reliability (obtained by continuing AT&T's monopoly) and greater efficiency (from allowing competition).

Brock's book clearly illustrates how seemingly innocuous decisions resulted, over time, in major changes in policy. The Hush-A-Phone decision, for example, concerned a small device that snapped onto a telephone receiver to provide speaking privacy, much as a cupped hand could. It was a nonelectrical device that was utterly innocuous to the telephone network. When a federal appeals court overruled the Federal Communications Commission and thereby allowed use of the device, it established a precedent with an unexpectedly large impact. The decision pointed the way toward full competition, though much later, in all kinds of devices which attach to telephone lines.

On another occasion, a minority view within the Reagan administration became the law of the land because of unusual circumstances surrounding antitrust action against AT&T in the 1970s and 1980s. William Baxter, the administration's top antitrust official, held a minority view in favor of divestiture: breakup of parts of AT&T into competitive enterprises, while

allowing divested local telephone affiliates to continue as regulated monopolies.

Unique circumstances at the time, including the Reagan administration's reluctance to be seen intervening against enforcement of antitrust law, gave Baxter's Department of Justice the opportunity to implement a sweeping structural change. However, as Brock documents, the AT&T divestiture negotiated under Baxter turned out to be just one more push on the boat in the water. Other legal and regulatory pushes soon undid many provisions of the divestiture.

Brock's narrative guides the reader through a long series of policy decisions ending with price caps as a partial replacement for rate-of-return regulation in the 1990s. Despite the book's title, however, it does not spend much time on "the information age" as that term is understood today, because of the author's choice not to explore such technologies as cable TV and online computer services. The focus is on conventional telephone and data communications.

The only part of this book which holds particular interest for Christian economists is a brief preliminary discussion of the foundations of law. Quoting Richard Posner, Brock applies the comparison of "...the impaired reasoning power of fallen man with the perfect reason of the angels" (p. 12). Should we try to deduce optimal institutions and impose them or promote a system of checks and balances, with no one party having the power to implement a rational and rationalized solution? In other words, should we deliberately seek out a swimmers-and-the-boat solution or should we appoint a captain and make the swimmers get out of the water? Brock makes it clear that in telecommunications policy a decentralized, even chaotic, policy process may be the best. However, the theological approach was not pursued by Brock, leaving to others the task of exploring the full implications of humanity's fallen state on the design of policy institutions.

***Brock makes it clear that in telecommunications policy a decentralized, even chaotic, policy process may be the best.***

This book is at its best in carefully documenting the history of telecommunications policy and explaining the decentralized, and occasionally random, nature of the process. This process had led to good results under imperfect information

in telecommunications. It is easy to be sympathetic with Brock's conclusions. However, such an assessment must remain tentative because we cannot know what the results of a more centralized process would have been. ■

## *Profits, Priests, and Princes: Adam Smith's Emancipation of Economics from Politics and Religion*

**Peter Minowitz**

Stanford: Stanford University Press, 1993. ISBN: 0-8047-2166-1, \$45.00.

**P**eter Minowitz, from the University of Santa Clara, has written a powerful and controversial book. Minowitz is a political philosopher with a Straussian twist. Perhaps I should digress a moment to explain the Straussian influence for those of our readers who are not political philosophers. Leo Strauss was a political philosopher at the University of Chicago who reinvigorated a serious concern for the classic texts by reading them with a rigor usually reserved for sacred texts. Every detail, every seeming slip is noted for what it might imply about the teaching. Mistakes and logical contradictions are part of the great jigsaw puzzle to be assembled by the careful reader. You are also wise to assume that the writer you are examining is wiser than you are.

There is no simple teaching which comes out of Strauss' approach and there are bitter battles among his students and non-students as to who carries the mantle. There are atheist Straussians, epicurean Straussians (not necessarily the same thing), Jewish Straussians, and, yes, even Christian Straussians; there are conservative Straussians, liberal Straussians, radical Straussians, and yes, even East Coast Straussians and West Coast Straussians.

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