

Knowledge and Persuasion in Economics

by Donald N. McCloskey

Cambridge University Press, 1994. ISBN: 0-521-43603-6 (pbk), \$17.95.

Buy this book. It's only \$17.95 in the paperback edition, a modest price these days for 400 pages of superb text and 38 pages of rich bibliography. You should definitely read it, because McCloskey writes engagingly about so many matters on which all economists ought to reflect. And you shouldn't read the library copy or a copy borrowed from a friend, because you'll want to underline phrases, bracket paragraphs, and mark items in the bibliography for future consultation.

Donald McCloskey, for anyone who doesn't yet know, published a provocative essay titled "The Rhetoric of Economics" in *The Journal of Economic Literature* in 1983. He followed this up in 1985 with a book bearing the same title, which unfortunately prompted many potential readers to assume altogether mistakenly that the book was merely a puffed-out version of the article and therefore did not have to be read by anyone who already knew the 1983 essay. Since 1985 McCloskey has continued to argue, on many occasions and in many ways, that every scientist who wants to communicate employs rhetoric and that the refusal of economists to recognize this does not make them more scientific but only less honest and effective. *Knowledge and Persuasion in Economics* will bring the reader who has followed McCloskey's career as an economist-rhetorician up-to-date.

What about the economist who has not yet read McCloskey? Is the present book the place to start? McCloskey writes so well and so informatively that I would urge such readers to begin with *The Rhetoric of Economics* (the book) and predict that they will then eagerly launch into *Knowledge and Persuasion*. But almost everything in the latter can be appreciated by someone coming to it with no prior knowledge of McCloskey's work.

The book has six parts. Part I introduces the reader to the issues by recounting the author's own, often painful, encounter with them. Part II

REVIEWER

Paul Heyne is
Professor of Econom-
ics at the University
of Washington,
Seattle.

explains why rhetoric cannot be avoided. Part III introduces the reader to the debate about rhetoric in science and especially in economics. In Part IV McCloskey analyzes from a rhetorician's perspective some of the major research programs that economists advocate and practice. In Part V he takes on those who have opposed his arguments, largely, he tries to show, by misinterpreting them. This was the only part of the book in which my interest sometimes flagged; in responding to additional critics making much the same arguments, McCloskey almost unavoidably repeats much the same rejoinders. The final part summarizes the case for a "rhetorically self-conscious economics."

I can think of no better way to persuade readers of this review to follow the advice given in its first sentence than to present an array of quotations, with page numbers in parentheses, much like a waiter parading the dessert cart before a restaurant patron. Since everything that follows is a quotation from *Knowledge and Persuasion in Economics*, I dispense with quotation marks. The ones you see will be McCloskey's own. (The ordering is mine.)

Plato defined rhetoric as mere ornament and Aristotle defined it as the available means of nonviolent persuasion. I have defined the word to include all means to unforced agreement, from mathematical induction to appeals to sympathy (p. 287).

Rhetoric is man's project; Epistemology is God's (p. 194).

Effective persuasion is what makes for free communities, from the Institute for Advanced Study at Princeton to the Ocean Waves Square Dancing Club at Iowa City. It seems good enough to me. It had better be good enough, because it's all we've got (p. 188).

Historians and sociologists of science have long known that what counts as evidence depends on human decisions about what is persuasive (p. 241).

The hard core of the rationalist philosophy, and the thinnest of theories, is: the

Truth Will Out. It is a commitment necessary for working scientists if they are not to become as cynical as many economic scientists have become. But it is non-operational, because it can be tested only at the Second Coming (p. 87).

It is not the case empirically, as philosophical and political conservatives have always feared, that adults will descend into a war of all against all if they lose their faith in God or the divine right of kings or the synthetic *a priori* or some other principle of transcendence. The engineering standard for the height of road crowns is nowhere inscribed by the finger of God, and yet a contractor who fails to abide by it will accept that he needs to rebuild the road (p. 311).

No relativist of repute says that all positions are equally valid; none says anything that could be reasonably construed as saying so. The conservatives must get this point straight if they wish to stop ranting and start conversing (p. 243).

The word for it is *Sprachethik*, speech morality, the ethics of conversation. That the word comes from a hive of Marxist fuzzies in Frankfurt-am-Main should not be alarming, for it is liberalism incarnate: Don't lie; pay attention; don't sneer; cooperate; don't shout; let other people talk; be open-minded; explain yourself when asked; don't resort to violence or conspiracy in aid of your ideas. These are the rules adopted by the act of joining a good conversation (p. 99).

The rational choice model is the master metaphor of mainstream economics, 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 don't use it, I won't listen—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 (p. 48).

Name the economic argument in two centuries of the discipline that has been rejected by deducing the observable

[D]efinitely read [this book], because McCloskey writes engagingly about so many matters on which all economists ought to reflect.

**McCloskey
argues that
every scientist
who wants to
communicate
employs
rhetoric.**

implications from higher-order hypotheses and proceeding to test. Something else must be going on (p. 184).

[T]he standards of "consistent theory" or "good prediction" presently in use are low to the point of scientific fraud.... They are six-inch hurdles over which the economist leaps with a show of athletic effort. A non-rhetorical economics has low argumentative standards. The standard of a rhetorical economics would be higher, fully forty inches of hurdle: the standard, namely, of persuading readers, honestly (p. 392).

The instructions on recommendation forms tell us to mention weaknesses as well as strengths, because unqualified praise will be discounted. So I shall conclude by saying that McCloskey ought not to blame Karl Popper so often for the sins of his disciples and by appending my favorite Popper quotation (from the end of the first essay in his *Conjectures and Refutations*).

What we should do, I suggest, is to give up the idea of ultimate sources of knowledge, and admit that all knowledge is human; that it is mixed with our errors, our prejudices, our dreams, and our hopes; that all we can do is to grope for truth even though it be beyond our reach. We may admit that our groping is often inspired, but we must be on our guard against the belief, however deeply felt, that our inspiration carries any authority, divine or otherwise. If we thus admit that there is no authority beyond the reach of criticism to be found within the whole province of our knowledge, however far it may have penetrated into the unknown, then we can retain, without danger, the idea that truth is beyond human authority. And we must retain it. For without this idea there can be no objective standards of inquiry; no criticism of our conjectures; no groping for the unknown; no quest for knowledge.

That strikes me as quite in the spirit of McCloskey. I also think it's a fitting motto for a Christian scholar. ■