

The Dissent of Economists

A Response to Courvisanos and Jones

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We are extremely pleased that the *History of Economics Review (HER)* considered our book, *Economics and Its Discontents* (Holt & Pressman, 1998), worthy enough to warrant a lengthy discussion. We also appreciate the thoughtful and extensive comments by Jerry Courvisanos and Evan Jones. Because these review essays raise a number of important points, we would like to respond to some of them.

First, Courvisanos (1999) and Jones (1999) both raise a key issue - the influence of various dissenters. Many dissenters have had a great impact. Some, like Kalecki, Sraffa, Robinson, Hayek, Veblen and Bergmann were largely responsible for starting up alternative schools of thought. Others, like Friedman, Buchanan and Keynes (for a while) were accepted by the mainstream and became part of standard economic thinking. Yet other figures, such as Kaldor, Means, Hobson, Lange, Knight and Schelling have had a much smaller impact.

In this regard, Jones is certainly right to point out that dissenters have had an increasingly more difficult time as the twentieth century has progressed. Cambridge welcomed Keynes, Robinson and Kaldor (as well as Sraffa, although Jones neglects to mention him) because it was a unique place in the early part of the twentieth century. Now Cambridge is eminently mainstream and does not treat dissidents so well. Likewise, it is unlikely that the Harvard of today would hire Galbraith or that Lange would be welcomed at the University of Chicago.

This point should have been emphasized in the introduction to our book. Or, perhaps it could have been done in a concluding chapter that Courvisanos points out would have strengthened the volume. Such a chapter would have let us pull together various views on dissent, and would have enabled us to draw some conclusions about the nature of the economics profession and dissent from mainstream economics in the twentieth century.

Second, Courvisanos takes us to task for organizing the chapters alphabetically rather than thematically. One problem we faced in organizing this volume was how to actually think about the various strands of dissent and make sense of it. In addition, one point we wanted to make was that dissent was broad and multi-faceted. As a result, any attempt to organize dissent around a particular theme or approach would work against what we were driving at. Also, as Jones (1999, p. 127) makes clear, attempts to organize the different ways one can dissent (such as the Courvisanos attempt on page 117) will likely miss something. By default we were left with either an alphabetical or a chronological ordering; we decided on the former.

Third, Courvisanos points out that many key dissenters are missing from our volume. This point is well taken. There are many obvious people - Schumpeter, Myrdal, North, Galbraith and Sen whom we would have liked to include. There are also less obvious people we might have included such as Coase and Vernon Smith (who has done stimulating work in experimental economics), and even less obvious dissenters such as

Robert Lucas. However, our goal was to have the greatest possible scope rather than the greatest possible comprehensiveness. A volume that includes every possible dissenter would have led to a book that was far too long. Perhaps we should do a second volume. But for a first volume, our goal was to point out the breadth and depth of dissent in economics, and to demonstrate that there is some overlap between the dissenters and the mainstream.

Nonetheless, deciding who should be included in a volume of dissenting economists does raise the issue of how dissent should be defined. Courvisanos (1999, p. 112) brings this up when he claims that we have ignored or blurred the distinction between disagreement and dissent. This claim raises two important questions. First, is there a prevailing orthodoxy in economics to dissent from? Second, if so, how should we define dissent from orthodoxy? Let's take these questions in order.

As Jones (1999, p. 121) points out, "the discussion of dissent presumes that there is something to dissent against". We believe this is correct. Twentieth century economics has developed an abstract methodological approach which assumes that maximizing and rational behavior from individual agents gets brought into equilibrium through market forces. The defense of this approach has been fierce, and it has been fueled by powerful mathematical tools that dissuade the faint of heart from entering into the battleground of discussion. Paralleling the development of this methodological approach has been the professionalization of economics through the establishment of associations, journals and university departments. This has helped solidify mainstream economics by creating a social and political order of leading practitioners who claim to give scientific sanction to the assumptions, techniques and policy conclusions accepted by the profession.

This brings us to the question of how we should define dissent. As our book points out, the nature and scope of dissent is much broader than most economists believe. When does disagreement with some of the tenets of neoclassical thought become outright dissent? Courvisanos seems to think that there should be a nice, sharp distinction between these two notions. But on our view the difference between dissent and disagreement must be a gradual one. There are many ways to express dissatisfaction with economic orthodoxy. And there are many degrees of dissatisfaction. Whether disagreement is viewed as dissent also depends on the degree of openness within the economics profession, and on how individual economists present their own views in relationship to the mainstream. Trying to find exactly the point at which sharp and profound differences blossom into outright dissent tries to draw too fine a distinction. When disagreement becomes dissent is a complex question, whose answer must always be "it depends".

Both Hayek and Lowe criticized the narrow and limited assumptions of mainstream economics, but each held completely different ideological visions. Friedman and Buchanan dissented from the deductive methodological approach of orthodox economics, but for different reasons. Each decided to work in a constructive way within the existing neoclassical framework. Drawing a sharp line between disagreement and dissent does not allow us to understand the complex nature of such dissent. Nor does it allow us to understand how dissenters may be more accepted at certain times and in certain places. Our goal was to demonstrate this complexity by showing the varied and diverse ways economists have actually dissented from orthodoxy. It appears we have succeeded in at least one case. As Courvisanos (1999, p. 113) himself recognizes, "By reading these chapters the reader becomes aware of the wide dimensions of dissent in economic sciences. It is by studying these various types of dissent that we understand the nature of dissent".

This brings us to the major criticism raised by Jones (1999, p. 122f.) - identifying certain mainstream figures, in particular Hayek and Buchanan, as dissenters. Jones regards Hayek's vision as weak. And he ridicules the views of Buchanan rather than taking them seriously. Jones writes (1999, p. 123) : "these utterings are not the product of a great mind. The qualities that stand out are offensiveness ..., inaccuracy..., ideologically-driven simplicity..., and banality...".

Such remarks seem to miss the challenge Buchanan has thrown down to Keynes and his followers, a challenge which, as far as we know, has not successfully been answered (for more on this see Pressman, 1999). Buchanan questioned why politicians would adopt the correct economic policies to remedy economic problems. Keynes thought that policy makers would be intelligent and altruistic, and that they would do the reasonable and right thing. Buchanan pointed out that most people are not like Keynes, and so we can not expect them to sublimate their own desires to national economic well-being. In brief, this is the dissent of Buchanan. Keynesians and Post Keynesians, alas, have not successfully answered this challenge. That does not mean we agree with Buchanan about policy issues or think that politicians will *always* be self-interested and fail to employ appropriate policies; what it does mean is that we need to work harder to define the conditions under which good policy can be made and put into place. Knee-jerk reactions against Buchanan fail to move the arguments forward. Quickly dismissing the ideas that one does not agree with is one of the hallmarks of mainstream economics in the late twentieth century. Jones, unfortunately, succumbs to this neoclassical sin.

Orthodox economics presents one view of the economic world we live in. But there are other views. Problems arise when orthodoxy becomes less tolerant, when it stifles all forms of dissent rather than allowing new ideas to surface. In this case, those who dispute orthodox analysis face the problem of how to be heard. Neoclassical theorists believe that the best ideas always win out and that neoclassical ideas have won out. An equally plausible view is that neoclassical ideas have won out *not* because truth has prevailed in the marketplace of ideas, but because they have forced out the competition and established monopoly power for themselves.

A similar complaint was raised by Sigmund Freud in *Civilization and Its Discontents*, which inspired the title to our volume. Freud thought that civilization was killing individual instincts - to the detriment of both individuals and civilization. Our book attempted to raise consciousness about a similar problem within the economics profession. To some extent our message has been heard. Readers of the *History of Economics Review*, at least, have taken note. It would nice if the mainstream also took note of this message and were willing to embrace a broader view of economics - one that allows for more differences of opinion. The same can be said for many heterodox economists.

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References

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