Intervention, policy and responsibility

Economics as over-engineered expertise?

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Introduction: the lack of silence is deafening

It is widely agreed that economists disagree, but it is also acknowledged that they do so according to common commitments. Perhaps the most peculiar, and thus uncommon, commonality is that economists take it as a given that the role of the economist extends to intervention in public discourse and public policy. If socialised as an economist, it is easy to miss how odd this is. A sense of mission and entitlement is built into economics, and this contrasts with sociology and political science. It has some superficial resemblance to fields found within business schools, but economics has a kind of secular zealotry they cannot match.[[1]](#endnote-1) This transcends other dividing lines. Methodologists and metaphysicians categorise economists in various contrastive ways: neoclassical and not, mainstream, orthodox, heterodox and so forth. These categories are ways to group the many and the few according to ontology, theory and methods.

Sociologists and critics currently single out mainstream economics as peculiarly disciplined, exhibiting a high degree of consensus regarding norms and practices, produced and reproduced through professional associations, department recruitment, PhD supervision, national research monitoring exercises and journal publication rankings.[[2]](#endnote-3) This mainstream exhibits a kind of diffident diversity, impatient of pluralism. Positioned in this way, the mainstream is the mainstream by virtue of the material consequences of recognition, that is power, though power is not a mainstream concept of the world it inhabits. Yet the interventionist drive is not restricted to the mainstream; it is shared by the rest. Where policy is concerned, there is no discourse of economic deferment, no economics of silence. Intervention is, tacitly at least, considered intrinsic to economics, a right and a duty. Whether counselling humility or inadvertently extolling hubris, whether invoking Keynes’s dentist or Lucas’s vanquishing of the business cycle, economists differ only about who and what to speak on behalf of: universal economic man, woman, labour, capital, the entrepreneur, the demos or the planet. Economists’ policy credo might well aptly be phrased as “put up *and* don’t shut up”.

Having nothing to say is no crime in economics, but saying nothing is. Economists can be accomplished arrogationists but also willing recruits.[[3]](#endnote-5) Being an economist, and especially an economist of note, provides a platform that bundles status, authority and legitimacy without quite testing the ties that bind these three together. Economists are enthusiastic commentators, and the media, government, corporations and NGOs are keen to translate this predilection into organisational form and content: op-eds, regular columns, ad hoc and formal board advisory roles, panel chairs for inquiries and reports and revolving door employment between academia and the rest. The full range is open to few but aspired to by the many. Paul Krugman and Joseph Stiglitz are perhaps the most famous of the omnipresent and, thanks to *Inside Job*, Frederic Mishkin the most infamous of those who have previously been so.

There are many others. This matters, and does so in various ways. For example, when the UK government commissioned a report on climate change in 2005, its primary concern was economic, and its choice of chair was Nicholas Stern, a prominent former World Bank economist well known to then Chancellor of the Exchequer Gordon Brown. As an economist, Stern was not at that time a longstanding expert in environmental issues. It was not necessary that the report was headed by an economist, and that positioning carried consequences over and above the subsequent interminable debates regarding discount rates. The report would have been differently framed had it been headed by climate scientists or social policy experts. The economy would have been a subordinate issue rather than the priority through which all else was filtered, caveats and concerns notwithstanding.

Stern has subsequently been critical of the role of economists in creating complacency regarding climate change and broader ecological problems, but that is not the point. Economists have become first port of call consultants, professional privateers and the preferred public intellectual. They are society’s go-to voice, never shy in putting themselves forward, and the inclination and invitation to do so often spread far beyond the confines of the original substantive expertise of the particular economist. Yet this is ambiguous because what determines the contemporary value of the economist as a policy animal is often the amorphous understanding that what they offer is a skill set, a toolkit and a frame of mind. Of course, one might reasonably ask would “we” (society in some abstract thought experiment sense) want economists to shut up. This is not a simple question to answer because societies crave answers: opinion, evidence, explanations, ideas and solutions. Yet one can imagine a sociologist or political scientist saying, “I have nothing to say about that”, “don’t ask me” or “ask someone else”. However, one can far more readily imagine an economist pausing long enough to flick some internal switch and then beginning a reply with “speaking as an economist”.

The implication is that the economist speaks in a way that transcends all other boundaries. The economist is universally relevant. Again, economists will see nothing odd about this. The difference is as much a matter of socialisation for the psychology and anthropology of economics as it is a matter of epistemological difference between disciplines. This is not least because the differences have been developed rather than discovered. Economists *feel* competent to speak and *expect* to be heard, and this in turn cannot be unrelated to what economics has become in terms of the comprehension of what it means to be an economist and the competencies she embodies.

None of this is neutral, yet most of it is normalised (see, for example, Campbell-Verduyn, 2017: Chapter 4). From “speaking as an economist” flows framing analytics, constraining theoretical formulations and a seal of approval. Economists’ expertise saturates social inquiry, and this in turn is saturated by small “p” politics through the way values are treated in knowledge formation. This is as significant as large “P” political ideas. It percolates into policy from the ways economics is situated. This is *one* important way in which responsibility becomes an issue, and it is this I address in what follows.

Responsibility, aresponsibility and irresponsibility

A society of subjects is a society of conscious activity and can no more operate efficaciously without responsibility than it can without trust (see Colledge et al, 2014; Reiersen, 2017). Consciousness without this facet of conscientiousness is alien to how we reflect upon the world in which we live, and it is through reflexivity as a basic human capacity that we have (through materially consequential practice) created societies in which it is a key constituent (so there is some circularity here). Responsibility is both a condition of and contingent content within society. It is intrinsic to the reliability and durability of relations in general and relations in particular. It is a quality, not a thing; one does not hold it in one’s hands, but builds it into conduct and works to make it a condition of conduct. However, it is because contexts and conduct vary that responsibility is not an unambiguous universal term. At the same time, since operative in ordinary language use, it has some signposts, a vague intuitive sense that it involves an acknowledgement of and subsequent due attention paid; a sensitivity to, a cognisance of. . . . But responsibility is given more meaning by how it is synonymised, situated, used, associated with other terms and internalised into practices, and this is revealed through the way question forms applied to responsibility direct our attention (see later section; for background range, see Fingarette, 2004; Ricoeur, 1992; McKeon, 1957).[[4]](#endnote-7)

Recognition of responsibility starts to shift from vague intuitive phenomenological resonance to something more nuanced when we start to consider matters of lack of responsibility. A society without a concept and practice of responsibility would be one unconcerned by failure and reckless of harms. It would be undermined in its capacity to contest intentional forms of both of these, and it would be unable to coherently make sense of how these attach to conditions and activity (whether intentional or not). Yet it is not in general considered illegitimate to deny responsibility for some *given* action, outcome or consequence.

To deny responsibility is to contest the grounds of, and specific direction of, an attribution, most often in terms of fault or blame. But to contest the grounds, one does not reject the concept, but rather the terms in that instance. This is instructive. There is no similar licence granted to irresponsibility as a facet of character or action. “It is not *my* responsibility” is not an issue of the same order as “I *am* irresponsible”. One may expect and accept irresponsibility in certain circumstances from particular categories of person (the young, the impaired or the mentally ill), but it is not an attribute that is in general deemed desirable or condoned or cultivated in a socially competent adult (it is, rather, one of the competencies that causes us to categorise an adult as socially competent).[[5]](#endnote-9) Moreover, responsibility does not seem to be a concept that is conducive to a mediated term equivalent to the range moral, amoral and immoral. Arguments are made that in some spheres morality does not apply, but it is not clear one can readily try to construct a similar case for “aresponsibility”, although care is required to explain why this might be so.

In economics, Milton Friedman’s amorality of markets and of business in particular has had many adherents. Amorality is the claim that the moral dynamic of conditions, conduct and consequences is not the concern of some party, that is, persons, agents occupying roles and named collectives that create and contain such roles. Nor is it a relevant concern to some practice, activity, situation or circumstance circumscribed for the multiplicity of those parties. However, it does not seem plausible to state as a general characteristic of some domain that “the way in which I/we conduct myself/ourselves and the consequences of my/our conduct are not and should not be my/our concern”, that is, I/we am/are “aresponsible”. Any attempt to do so seems tacitly to degenerate to a claim that we are not or should not be held responsible, and so this is, in effect, a denial of responsibility, rather than a claim that responsibility does not apply to the domain. This is a matter where pronouns sit uncomfortably with propositions. Moreover, it seems likely to be a denial of some specific form of responsibility, and it is this that Friedman’s argument invokes: amorality is the repudiation of moral responsibility as a relevant form of responsibility.

I am by no means suggesting Freidman’s and similar claims are well justified. The denial of moral responsibility is not a refutation that a situation has a moral form and ramifications, but rather of the relevance of these for some or all participants under some description of participation. Furthermore, it remains the case that the argument has an implicit and explicit moral form, encapsulated in value claims regarding capitalism: society is served by the activity for which moral responsibility is repudiated, and in consequentialist terms, there is some assessable good, so the argumentation form is tacitly a subset of moral theory and provides also a moral legitimation to the claim that morality is not a concern in market practice *for the parties*.[[6]](#endnote-11) Many discourses are set up to counter this (notably in recent years, though highly problematically) corporate social responsibility. In any case, amoral markets, etc. typically delegate responsibility to government as the appropriate locus for moral deliberation (albeit one often already shaped by the idea of implicit justice in markets and where freedom is augmented because of markets, which informs the claim that minimal government serves democracy best, which then forms an imperative that restricts the scope for the state and society to intervene in markets and capitalism; that is, to take or exercise moral responsibility through legal and regulatory construction and action). So, Friedman’s claims are contestable based on alternatives, tensions in his argument and the implied continued relevance of moral reasoning, insofar as one can counter that norms are ineluctable and should not be neglected in their significance, not least because this itself has consequences (see, for example, Wilber, 2004; Sandel, 2013).

The above may seem convoluted, but the point is simple. It illustrates that the denial of moral responsibility is a denial that parties can be held responsible under particular claims regarding the context. Amorality is unstable as an argument but, even if allowable, does not seem to licence the claim that parties can be aresponsible in some more basic way. To state that parties can be aresponsible amounts to the claim that responsibility need not be a concern under *all* possible descriptions rather than any given possible description. This seems to violate the sociality which is basic to human society.[[7]](#endnote-13) More prosaically, we do not expect, articulate or defend aresponsibility or irresponsibility in the ordinary course of human affairs.

Why is this worth stating?

Economics, responsibility and the socially competent adult

Reflecting upon irresponsibility in order to develop an appropriate awareness and practice of responsibility has become a significant issue in economics in recent years. The role of economists in the global financial crisis has made this an issue of contemporary concern, though the claims made about different aspects of that role highlight that the issue has enduring aspects and relevance. Individualised scandal and recrimination have played a prominent role, but whilst there may be column inches in accusations of ill-advised, venal, mendacious, avaricious or unscrupulous behaviour, of greater concern has been the critique that problems may not be isolatable to egregious instances of individuals only, but involve collective conditions and persistent potential because of the way the profession and its approach to knowledge formation and intervention in the world have developed. Though the American Economic Association has been prompted to respond (for example, AEA, 2018), it is other organisations, such as the Association for Social Economics, that have done the most to progress this and a few academics, most notably George DeMartino, who have thought deeply about this (see, for example, DeMartino and McCloskey, 2016; Davis and Dolfsma, 2015; DeMartino, 2013, 2011; Blok, 2013).[[8]](#endnote-15)

Responsibility is a problematic concept for economists. Insofar as economists have become society’s go-to voice, its first port of call consultants, professional privateers and preferred public intellectuals, they have arguably *accepted* responsibility, and yet economists do not clearly *take* responsibility. This seems an odd conjoining of meanings. However, tacit acceptance need have no conscious current recognition by relevant parties, but requires only the claim that those parties have put themselves in a position of acceptance (an order of argument akin to and subject to the same weaknesses as – but without being identical to – Locke’s classic social contract case for consent in his *Second Treatise*). At the same time as putting themselves in this position of acceptance, much of the development of economics, and most notably mainstream economics, has created blindspots and practices that operate to limit the degree to which economists hold themselves responsible, creating a, for all intents and purposes, background denial of responsibility. There are many mutually reinforcing ways in which this operates.

For example, training as a mainstream economist involves a set of knowledge production practices that emphasise clarity of and quantification in expression, from which the implication flows that the construction of knowledge as a product is open to contestation and replication based on that clarity and quantification, and this is considered a hallmark of scientific method, something intrinsically objective because of the process. Concomitantly, economists develop theory that has a set of stated assumptions and a basic mathematical-symbolic expression (or is able to refer back to this through reference as authority – a set of theorems that act as “proofs” located somewhere); they then also construct models and use statistical analysis in combination with datasets, where the dataset tests the model and the model extracts information from the dataset. The whole may then (but need not if it is purely econometric) be formally interpreted in accordance with theory (but in any case presupposes an operation of an economy that is theory by any other name). Conclusions and findings rarely amount to more than descriptions of the tests and of the extracted information, with some discussion of the technical limitations and methods present for the model as well as how these challenges were managed through modifications of the model or methods. Read any mainstream economics journal, and one will recognise this archetype.

Importantly, innovation in economics tends to involve diversity that is still recognisable in terms of the archetype. For example, randomised controlled trials have become popular in recent years. More generally, experiment has become a common approach. This can take the form of laboratory condition testing of human subjects to confirm some atomised relation or trait conceived as a deviation from the economically rational agent and the efficient market (e.g. loss aversion), or it can be multiple simulations run on a constructed dataset to find some fit for claims about the effect of a given feature (e.g. replication for tasks by robots for job displacement). The point, however, is that these are approaches that conform to the prior narrative of clarity and quantification. They are diversity subject to assimilation that takes the archetype as a point of departure, creating deviation as variation on a theme.[[9]](#endnote-17)

Clearly, the knowledge production practices are open to contestation and have been both contested and defended (for the range, see Cartwright and Davis, 2016; Lawson, 2015; Rodrik, 2015; Syll, 2016; Mary Morgan, 2012; Caballero, 2010; Milonakis, 2017). It may well be that the whole mis-specifies the argumentation structures economists actually construct and how they persuade (see McCloskey, 1998), but the point I want to emphasise is that the whole (modernist or not, in McCloskey’s terms) affects the identity of economists and how they are socialised with respect to responsibility. Most mainstream economists will self-identify as social scientists, with reference to their field of inquiry, e.g. behavioural finance, but with a heavy emphasis on the science in social science.[[10]](#endnote-19) The concept of science economists have in mind is a claim of objectivity as clarity reinforced by method, and this in turn is conditioned by the skill set that forms the basis of their expertise. The whole is hazy because economists are rarely required to reflect upon this. This, too, is important because clarity and objectivity are not necessarily negatives if appropriately pursued and justified (the terms of contestation hinge on whether they are or can be justified, e.g. the problems of ontology, realism, realisticness, and the sacrifices involved in tractability that reduce to the metaphor of using a hammer to cut hair).[[11]](#endnote-21) But consider that academic economists rarely explicitly invoke the positive-normative divide and in debate are apt to be more sophisticated in their definition of economics than Robbin’s study of the allocation of scarce resources. However, the influence of both of these is still built into mainstream economics.[[12]](#endnote-23) They remain shibboleths.

Early training and attitude formation matter since any future recognition of problems deriving from ingrained positions rarely transcends them. There is not the space to go into any detail here, but I would note that mainstream economics has in some ways improved its recognition of issues of values. Most textbooks now have some equivalent of “thinking like an economist” in Mankiw and Taylor’s *Economics* (2014: Chapter 2), which clearly sets out how economists pursue a “positive” agenda of explanation (which claims to conform to scientific method), whilst also operating as normative advocates, as policy advisors who disagree amongst themselves. This is ostensibly quite sophisticated. However, problems are not transcended if issues are juxtaposed, rather than reconciled and effectively integrated, since some aspect of the non-integrated whole is liable to overwhelm the rest. This affects how and whether economists are socialised to take responsibility. The point I want to emphasise is that this feeds into the concatenation of economics as ontology, methodology, theory and practice that frames responsibility, and this in turn has fundamental consequences for how economists are positioned in relation to intervention and policy.

Though economists would resist being labelled as technocratic, by virtue of expertise, the economist is offering something technical, and by virtue of conditioning, responsibility for that is separated, not least because norms are in some ways separated out (others are responsible for discussing them – a Pontius Pilate abnegation), and in other ways norms are reformulated in a different language that disguises what they are. Norms or values become predicates or postulates and testable hypotheses within theory and models. Responsibility for what is done is then ultimately *placed* with a recipient; this is especially so if economics is broadly conceived as a “decision set science” that analyses how choices are made, whilst presupposing this is prior to any advocacy of particular ways of choosing (muddying the longstanding problem that economists’ primary claim is that they describe a world but have ultimately sought to shape it in the name of those “descriptions” – a profound tension in what it means to be a science). So, the form of economics and the language by which it is expressed tend to socialise economists in ways that insulate them from taking responsibility, insofar as, in the last instance, responsibility is shifted (“here are our theories and models and findings based on the data; this is clear; do with it what you will; however, any rational person might . . .”). At the same time, the absences that accompany that form do not encourage economists to *think about* responsibility, including the way it is, for all intents and purposes, separated and placed through the development of a skill set and frame of mind that attaches to that skill set.

The elimination of philosophy, methodology, history of economic thought and ethics from the education of the economist is a longstanding concern among critics for many reasons. An important one is that the absence is both indicative of and influential for a more instrumental and narrowed curriculum that harms the reflexive capacities that pedagogy could inculcate. This narrows the skill set of many economists by denying other skills the potential to be part of their socialisation whilst at the same time relegating the issues that arise based on these subjects to sub-disciplinary groups. The more a core skill set denuded of these subjects dominates the education of the economist, the less familiar and comfortable they become reflecting upon the values and consequences of the field later. At the same time, it is this narrowed skill set that becomes the primary source of authority for economists to become intervenors and, more specifically, policy participants. This is, for example, intrinsic to Rodrik’s core argument in *Economics Rules.* It is implicit in Krugman’s frequent “what we all are as economists” arguments. For example,

as you probably know, I am not exactly an evolutionary economist. I like to think that I am more open-minded about alternative approaches to economics than most, but I am basically a maximization-and-equilibrium kind of guy. Indeed, I am quite fanatical about defending the relevance of standard economic models in many situations. . . . In economics we often use the term “neoclassical” either as a way to praise or to damn our opponents. Personally, I consider myself a proud neoclassicist. By this I clearly don’t mean that I believe in perfect competition all the way. What I mean is that I prefer, when I can, to make sense of the world using models in which individuals maximize and the interaction of these individuals can be summarized by some concept of equilibrium. The reason I like that kind of model is not that I believe it to be literally true, but that I am intensely aware of the power of maximization-and-equilibrium to organize one’s thinking – and I have seen the propensity of those who try to do economics without those organizing devices to produce sheer nonsense when they imagine they are freeing themselves from some confining orthodoxy. (Krugman, 1996)[[13]](#endnote-25)

In conjunction with the narrowed skill set, it is the corollary positioning and neglect that (arguably, obviously) ground and create the drive we might describe as attitudinal in economics, leading to “speaking as an economist”.

Of course, economists are limited, not lobotomised. It would be absurd to baldly assert that economists have no sense of responsibility, nor that they are unwilling to think about it. However, responsibility has become elusive. Much of the way in which economics has developed over recent decades, especially the mainstream, has shifted and placed responsibility elsewhere whilst hindering the capacity of economists as economists to reflect upon responsibility. This is not in addition to what economics currently is. It is a consequence of what economics has become – hence the genuine value in this set of essays and in longstanding work by DeMartino and others and hence the slow changes and recognition that economics as a profession is beginning to experience (including the AEA code of conduct, bromide though it may ultimately be). Still, given the societal pervasiveness of “speaking as an economist”, it is ironic that the socialisation of the economist has hindered her, when occupying the role of an economist, in conforming to an expectation and standard we have of any socially competent adult.

Responsibility and expertise as the conditioning feature of intervention

At the end of the introduction, I suggested that economists’ expertise saturates social inquiry and this in turn is saturated by small “p” politics through the way values are treated in knowledge formation. I also suggested that this is as significant as large “P” political ideas, and that it percolates into policy from the ways economics is situated. There are, of course, many things one might say about policy, but there is also a point one can make that shapes how we think about the possible gaps between what economists have become and the roles they can play in terms of policy. The key term here is *expertise*.

Economics, particularly the mainstream, has become a social science that is uncomfortable with its own sociality. This is built into knowledge production, and so affects attempts to address this and confront the underlying commitments and general tendencies that shape knowledge production. The small “p” politics of economics involves the shedding of value discussion (and the suppression of value influence) in the way economics constructs and presents knowledge. To be clear, this does not mean economists do not discuss or think about values. They do so in conceiving work and when informally arguing about it. Economists disagree and will argue values using ordinary language between themselves and in the press, etc. but will also argue in a discourse-specific common language (assumptions, axioms, etc.). And economists *do* write works explicitly informed by values. Seminal or founding works that become the basis of new schools, theories, etc. often involve trenchant methodological critique that has a value dynamic (often brought forth regarding some contemporary problem – for example, Keynes and involuntary unemployment, where neoclassical economics was a special case and Say’s law incoherent). Economists of all walks write commentaries on the state of economics and books on contemporary issues.

However, sophistication, nuance and openness based on the above are closed down when the economist is required to *be* an economist. There is some circularity here.[[14]](#endnote-27) It is the asociality and form and features of the archetype I noted, as well as the characteristics, that lead to issues over responsibility (which I invite you to recognise as evidenced by experience, if you are an economist, since I can offer no definitive smoking gun or buried bodies), which define being an economist, and this results in an externalisation of the rest. This is, of course, unstable. The current role of the economist draws them back to theory, models and methods within the archetype. This has become economic expertise, and expertise then becomes the transition term that situates economists’ policy influence. It is what the economist offers, and it is this that is sought out and creates authority (including the authority to transgress the boundaries of that expertise). The point I want to make here is that one primary and ongoing policy issue is that economics has become society’s engineer, and this creates problems based on the nature of expertise as “engineering”.

Intervention and over-engineered economics

As Mirowski and many others have noted, in combination with physics as a reference point, engineering as a shaping metaphor and inspiration for the development of economics is not new. It begins with classical political economy, imbues Marshall’s neoclassical transition and has extended into the modern mainstream in various ways. Bernanke’s response to critique of economics’ role in the global financial crisis is illuminating here:

Some observers have suggested the need for an overhaul of economics as a discipline, arguing that much of the research in macroeconomics and finance in recent decades has been of little value or even counterproductive. Although economists have much to learn from this crisis, as I will discuss, I think that calls for a radical reworking of the field go too far. In particular, it seems to me that current critiques of economics sometimes conflate three overlapping yet separate enterprises, which, for the purposes of my remarks today, I will call economic science, economic engineering, and economic management. *Economic science* concerns itself primarily with theoretical and empirical generalizations about the behavior of individuals, institutions, markets, and national economies. Most academic research falls in this category. *Economic engineering* is about the design and analysis of frameworks for achieving specific economic objectives. . . . *Economic management* involves the operation of economic frameworks in real time. . . . The recent financial crisis was more a failure of economic engineering and economic management than of what I have called economic science. (2010)[[15]](#endnote-29)

Bernanke essentially provides a defence of contemporary mainstream economics that confirms some of its more problematic aspects. The science and engineering distinction reformulates the positive-normative divide whilst also separating out the consequences of engineering as a matter of specific failures, in effect separating out and displacing responsibility. At the same time, the authority of economics is confirmed, and the source of that authority is economics as science. But Bernanke’s concept of economic science is of one separable from values despite the fact that it is a social science. It is one of generalisations. But generalisations are of specific propositional forms that are in essence isolations of an x and y. This becomes a science that offers universally relevant insight based on theory and method, and so is universally applicable. Its point of reference is the archetype I have previously referred to. Importantly, when the whole is justified in this way, the capacity to engineer flows from (and so is not really distinct from) economics as a science (as described). It offers control, but here the engineering metaphor bleeds into management since in many instances control is to pull levers of one sort or another in a short-term world that can be mastered because the models of intervention are well understood in terms of the shape of an economy that can in turn *be shaped*.

Adherents of the type of control referred to in the previous paragraph might respond that they claim no precision and what they offer is steering, but the underlying principle remains the same. Moreover, as a defence, there is surely a contradiction here. The failure of mainstream economics is isolated as a matter of engineering specifics, but this is *not* a problem of the understanding of an economy if by this we mean its science, yet this understanding is presupposed in the way engineering has been pursued. To a critic, there is not a failure of economic engineering separate from economic science, but a failure of an over-engineered economic science, leading to a concept of how an economy is to be controlled. In practice, this is different than to suggest an economy can be advocated and one can seek to construct that economy since this involves an integrated social scientific economics, rather than a separation within economics, which creates authority and provides a dubious basis of expertise in society. To be clear, there is no clear entailment that follows from this critique, if by this one means what should be done. There is, however, a clear implication that for economics to be responsible it must first reconsider its expertise, and it is only then that it can also open up the issue of responsibility in regard to policy because this is required in order for economics to become a *social* science.

Put another way, the first step in taking responsibility is a transitional recognition that there are problems in common aspects that underpin what it means to be an economist, and it is only in accepting this that responsibility can genuinely be accepted. In some respects, this should not be a controversial claim. It has been made in other ways and also spans the political spectrum as an *a priori* to policy. For example, both Austrians who follow Hayek and structural and post-Keynesians question the basis of the mainstream concatenation (e.g. Morgan and Negru, 2012; Morgan and Sheehan, 2015). Both argue that mainstream economics fundamentally misunderstands the social world, which is one of cumulative causal processes. Colander, Davis and others, of course, add some nuance to this in terms of distinctions between neoclassical and mainstream, and also the degrees of innovation within the mainstream, but ultimately the dividing line remains ontology, methodology, methods and theory that are more than mere deviations as variations on a theme from the problematic aspects of economics as “science”, which has for critics become, following Hayek, “scientism”. Moreover, the point is catholic since it extends potentially to all economists; Lawson, for example, has argued both sides of this regarding what might unite heterodox economists and what equally unravels this unity based on mismatches (contrast Lawson, 2015: Chapter 3 and 4). This is important insofar as the interventionist drive is not restricted to the mainstream; it is, as noted in the introduction, shared by the rest, and society craves answers.

Economics as a *social* social science

So, my primary point is that economics cannot reasonably be said to be in a position to take responsibility until it becomes a social science, and this begins from a reconsideration of its *adequacy* as a social science.[[16]](#endnote-31) Put another way, one cannot evade the fundamental questions: what are the features of an economy, and how can these be investigated? And yet Bernanke’s comments are indicative of the evasion that has been the main recent response to problems, and I have already set out that this has further and enduring context. Though there is no definite policy frame that follows from the methodological aspect of this, there is a further extension here that prefigures how economists might approach policy in terms of grasping the sociality of a social science. This is intrinsic to a responsible social science. What I mean by this will become clear as we proceed.

In general, economists have not been encouraged to think about:

1 Who they are responsible *to*;

2 What they are responsible *for*;

3 What it means to *be* responsible through 1 and 2.

Not thinking about these is dangerous because thinking about these is not and should not be easy. Thinking about them has exercised, if not tortured, philosophers (under different terms since *responsibility* is quite a new one) for thousands of years.

There is not the space here to reprise the history of thought regarding this, and other chapters in this collection provide some of this material. However, who we are responsible to and what for can be explored as a retrospective matter, which orients on a particular action and judges whether a given person ought to be held particularly responsible (among the many causes that arise for any given action) for an event or consequence, either for the purposes of attribution of praise or blame in actual cases (which may then lead to juridical explorations or moral ones) or for the more analytic purpose of extracting, testing or inferring characteristics of persons for typologies and for learning, leading then to prospective responsibility issues – that is, the identification or development of rules, duties or obligations that can condition future circumstances for all persons or for persons as significant agents, notably through the capacities that are enabled or constituted through the powers attached to and expressed in roles. Both “to” and “for” presuppose but also allow challenges to be made regarding the nature of responsibility, creating complex overlapping developments of what it means to “be” responsible: does it arise and is it/can it be governed by principles of rationality, or is it developed through convention subject to sentiment or emotion in the form of guilt, shame, resentment, etc. (how is responsibility governed by what we are?).

Clearly, since activity is social and humans are socialised, the whole scales up to how traits can be cultivated and activity preferred and fostered collectively through communities of one kind or another (including professions), and this shifts the focus to responsibility as a virtue, without restricting the problem of responsibility to virtue ethics (since reason-driven approaches can still be deontological, as they are in the case of Kant, or consequentialist, as they are in many modern forms). Issues do not just scale; they also shade into matters of collective responsibility (more in terms of prospective issues than retrospective, though the latter are not beyond the purview of possible concern).

Ultimately, however, the practical point of a focus on responsibility is to avoid irresponsibility and to encourage *more* responsibility, and this presupposes that the latter can be both cultivated and realised, which in turn assumes that the standards set are achievable and the persons to whom they apply have the capacities to achieve them. Moreover, integrating these two seems to require responsibility (or some synonym) to itself become a subject for reflexivity. It may be possible to delegate responsibility in some ways, but it does not seem to be desirable to delegate thinking about responsibility. This being so, it would be harmful to conflate “developing good habits” with the substitution of recursivity for reflexivity where responsibility is concerned. Thinking about responsibility is a good habit if by this is meant no more than “it is a good practice that is in fact practiced in the ordinary course of events”. DeMartino’s professional ethics are essentially this, and framed this way, one might say that economists have as a profession developed poor habits.

For the individual economist, good habits involve the cultivation of multiple virtues that coalesce into and feed an adequate practical form of taking responsibility, where responsibility itself is an expressive virtue (for the philosopher, the coalescence demonstrates that responsibility has been taken “seriously” and so passes some test): humility, open-mindedness (perhaps pluralism), leading to learning and contributing to truth-seeking, honesty, integrity and so forth. Listing these immediately seems patronising and accusatory. Yet they are fundamental and, of course, are facilitated or impeded, since conditioned, and so there is a collective responsibility to cultivate conditions appropriate for effective conditioning (the duty we owe each other and the mechanisms we accept that encourage good practice: transparency, accountability, etc.). This is intrinsic to any adequate concept of a profession and of professionalism, including economics. This in turn raises the question of what it is that economics has been inadequate in its development of.

Arguably, a key inadequacy has been the sociality of a social science, and by this I mean the integration, rather than separation, of normativity that has been associated with expertise. Place this in the context of the skill set and toolkit of the economist, and she becomes a policy participant, able to parse out the alternatives of a given situation, but one with a restricted view of what that context is and what is relevant to it. This can readily provide technical support for “there is no alternative” policy frameworks. Moreover, even if it seems to be more open to possibilities, these can be of limited scope in terms of what can be done or what should be considered. For example, fiscal responsibility is a loaded term rooted in a whole set of commitments and understandings. Amongst other things, it conditions approaches to associated issues with equally loaded language use, including, as Dean Baker argues, “entitlements” when referring to Social Security and Medicare in the US system.

Clearly, these are deeply normative issues about which it is possible to disagree. The point is that the nature of expertise in economics can preconfigure how discourse is dominated prior to any disagreement being played out. This is important to keep in mind when thinking about what it means to be responsible as an economist and what it means for economics to be a social science. It creates tensions and problems for any articulation. For example, Krugman has to reconcile his “proud neoclassicism” with social equity. This is not impossible, but it is awkward because his values are in addition to what constitutes economics as economics rather than integral to what it means for economics to be social. Andrew Sayer expresses some of this within the (quasi) naturalistic ethical tradition:

It seems that becoming a social scientist involves learning to adopt this distanced relation to social life, perhaps so as to be more objective as if we could be more objective by ignoring part of the object. . . . Values and objectivity need not be inversely related. For many social scientists, assessing well-being is a step too far, a dangerous importation of the researcher’s own values. But well-being and ill-being are indeed states of being, not merely subjective value-judgements. . . . The very assumption that judgements of value and objectivity don’t mix – an assumption that is sometimes built into the definition of “objectivity” – is a misconception. . . . How people can live together is not merely a matter of coordination of the actions of different individuals by means of conventions, like deciding which side of the road to drive on, but a matter of considering people’s capacities for flourishing and susceptibilities to harm and suffering. . . . I have often encountered the strange idea that values are not only subjective but synonymous with “bias” or distortion. It is further assumed that they are personal biases that one ideally should confess to, so that others will at least be able to “take them into account”, that is, *discount* them. . . . As social scientific spectators we tend to talk about behaviour in terms of what *explains* it, usually by reference to existing circumstances and meanings, but as participants, we tend to *justify* what we do, and implicitly invite others to accept or reject our justification. (2011: 6-11)

One might argue that well-being is just one way to pose the problem of integration for a normative social science. Perhaps this is so. But it is a fundamental one in terms of responsible intervention. It ripples outwards to issues that bring into question basic facets of how economics is currently conceived, and this is a contemporary matter of controversy that economics could do more to address, rather than evade, and which is centrally policy related in the most fundamental way: how should we/can we live?

The core focus of mainstream economics has configured around relative scarcity and decision sets and has then addressed activity at the margin to seek out optimums implicitly assumed to be reproducible in perpetuity (subject to shocks). For ecological economists, speaking on behalf of the planet, this is spectacularly irresponsible. Most recently, Kate Raworth has sought to synthesise a new framing for economics that mediates between ecological limits and well-being based on her *Doughnut Economics* metaphor (2017). This is an intervention within economics that contests the form of authority that economics has acquired. It is an attempt to transform what it means to speak as an economist and to reposition economics as policy relevant, though one might argue the position taken on growth is agnostic-complacent.

Conclusion

I began this chapter by noting that it is widely agreed that economists disagree, but it is also acknowledged that they do so according to common commitments, and that economists take it as a given that the role of the economist extends to intervention in public discourse and public policy. In this chapter, I have argued that in order to place themselves in a position to take responsibility as intervenors or policy contributors, economists must first reconsider what it means to be expert and what a social science is and can be. There is a great deal more to say that space does not allow. But it seems to me that these are primary. Without them, economics cannot address its adequacy as knowledge, its competency in research and its claims to policy credibility. It cannot be consistently capable of exercising the virtues that lead to dialogue in a democratic society regarding how we can and want to live, which are fundamental to any responsible social science. Of course, one might respond that this is just one more example of an economist leveraging expertise and not knowing when to shut up, and perhaps the only response to that is silence.

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1. This is difficult to avoid when dealing with matters basic to the way we live and the point applies no less to myself than others (e.g. Morgan, 2017; Morgan and Sheehan, 2015). However, the argument here concerns how the inclination is prompted, positioned and directed rather than merely that it exists, including, how it is recognized, reconciled or perhaps limited. For example, Varian claims that the fundamental “attraction and the promise of economics is that it claims to describe policies that will improve peoples’ lives” (Varian, 1997: 486), and that economics is a “policy science” where theory and research should be judged according to their contribution to effective policy, from which he infers that the methodological context of comparison for economics should be engineering not physics. Clearly, this is itself open to dispute (see Zouboulaki, 2017) and later sections. [↑](#endnote-ref-1)
2. For a sense of the range of methodological and philosophical critique and argument (a matter which overlaps with the drive to intervene), see Colander and Su, 2018; Lawson, 2017; Boumans and Davis, 2016; Fine, 2013; Mäki, 2001; McCloskey, 1998; Caldwell, 1994. For sociology, including pedagogy, see for example, Fourcade, 2009, Fourcade et al, 2015; Mearman et al, 2018a, 2018b; Morgan, 2015; Negru, 2010; Colander, 2009. [↑](#endnote-ref-3)
3. Arrogation often has negative connotations, but its root is to claim for oneself and its form flows from the absence of clear articulated justification rather than necessarily deceit or subversion, since these are matters of how and what is arrogated and to what effect. [↑](#endnote-ref-5)
4. For example, both McKeon and Ricoeur explore the etymology of the term and its diversity, but McKeon essentially sets out to find some common aspects, and also suggests that philosophers should pay more attention to the social reality of the terms use (the fact of responsibility); whilst Ricoeur places greater emphasis on the transitions in its dominant modes of use (political, cultural, moral and juridical) with reference to language and power. [↑](#endnote-ref-7)
5. Including via the self-awareness inherent to the acknowledgement “I *was* irresponsible”, which acts as apology where fault or blame are attributed. [↑](#endnote-ref-9)
6. Whether one agrees with Friedman or not there is a great deal more nuance to Friedman’s *Capitalism and Freedom* than can be provided here, or is distilled in the aphorism “the business of business is business”, as a means to summarize his 1970 *New York Times Magazine* article. [↑](#endnote-ref-11)
7. It would seem incompatible with a human with a sense of past, present and future, able to reflect and plan in terms of these and where reasons for acting are possible within a broader milieu of effective and material causation. The powers and capacities of humans and the constitution of society would not make sense. [↑](#endnote-ref-13)
8. For example, Colander’s ‘Creating humble economists: a code of ethics for economists’ appears in both Colander and Su, 2018 and DeMartino and McCloskey, 2016. An ad hoc committee was formed by the AEA October 2017 to explore the possibility of a code of professional conduct, and published an interim report and draft code January 2018 with an emphasis on promoting integrity, transparency, non-discrimination and free expression of ideas (that is equality and plurality; arguably this will suffer according to DeMartino’s 2013 critique):

<https://www.aeaweb.org/resources/member-docs/draft-code-of-conduct> [↑](#endnote-ref-15)
9. Similar points have been made about game theory and also neuroeconomics (as neuroscientists acknowledge they can scan the brain but not enter the mind, there is no easy mapping of thought, action, location and illness etc). [↑](#endnote-ref-17)
10. This tends to affect development and the nature of commensuration. For example, in a retrospective, Robert Shiller uses Samuelson as a mediating figure and states: “The distinctions between neoclassical and behavioral finance have therefore been exaggerated. Behavioral finance is not wholly different from neoclassical finance… [its models share some rules for construction but] the best way to describe the difference is that behavioral finance is more eclectic, more willing to learn from other social sciences and less concerned about elegance of models and more with the evidence that they describe actual human behavior” (Shiller, 2006: p. 4). The question then is the degree to which common points of departure and understandings affect the adequacy of both neoclassical and behavioral finance. [↑](#endnote-ref-19)
11. Argument here tracks a moving target; the claim that economics is in crisis is not new, it has recurred many times, but with familiar themes, and timing matters to how persuasive different stances on this are. In 1986 McCloskey stated, as part of an argument that methodology would be unlikely to provide scientific advance (whilst rhetorical awareness would improve communication and the conversation of economics), “Economics at present is, in fact, moderately well off. It may be sleep walking in its rhetoric, but it seems to know in any case approximately where to step. The criticism of economics for being ‘too mathematical’ or ‘too static’ or ‘too bourgeois’ are not very persuasive.” (1986: p. 174) [↑](#endnote-ref-21)
12. Ambivalence is not the same as resolution, and this is also a problem of longstanding. Robbins stated (as a matter of contemporary description rather than unequivocal approval – something that is often forgotten): “Economics is not concerned at all with ends *as such*. It is concerned with ends in so far as they affect the disposition of means. It takes the ends as given scales of relative valuation and enquires what consequences follow in regard to certain aspects of behavior” (1932: p. 29). However, Kenneth Boulding notes both “The economist’s duty is to raise his voice in defence of the proposition that *if resources are limited, what goes to one thing must be withdrawn from another*” (1958: p. 101) and “no economist of any reputation has managed to construct an economics so bloodless as to be utterly indifferent to the ends of the system which it describes. All the great schools… have had definite views on the objectives of economic life and policy” (1958: p. 105). [↑](#endnote-ref-23)
13. I thank Philip George for this source; it is available: http://web.mit.edu/krugman/www/evolute.html [↑](#endnote-ref-25)
14. And some resemblance to Jacob Viner’s philosophically unsatisfactory definition of economics as “what economists do” (see Buchanan, 1979). [↑](#endnote-ref-27)
15. Consider how this functions to restrict the degree and the way on which economists can be held responsible for the GFC in the context, for example, of Obama’s original fighting talk when endorsing the Volcker Rule that would become part of Dodd-Frank: “I welcome constructive input from folks in the financial sector.  But what we've seen so far, in recent weeks, is an army of industry lobbyists from Wall Street descending on Capitol Hill to try and block basic and common-sense rules of the road that would protect our economy and the American people. So if these folks want a fight, it's a fight I'm ready to have.  And my resolve is only strengthened when I see a return to old practices at some of the very firms fighting reform; and when I see soaring profits and obscene bonuses at some of the very firms claiming that they can't lend more to small business, they can't keep credit card rates low, they can't pay a fee to refund taxpayers for the bailout without passing on the cost to shareholders or customers -- that's the claims they're making.  It's exactly this kind of irresponsibility that makes clear reform is necessary.” (Obama, 2010). Obama, of course, ultimately delivered considerably less in terms of effective change than seemed to be implicit in his early criticism of finance. [↑](#endnote-ref-29)
16. This variety of intervention can be far reaching, though no less disputable for that, as for example is the case with Colander and Kupers’ *Complexity and the Art of Public Policy* (2014) or it can be small scale (see for example, Morgan and Patomäki, 2017). [↑](#endnote-ref-31)