

Oh my dismal, dismal, science!

Peter A.G. van Bergeijk

1. Introduction

In the mid-1990s economic policy-makers in the Netherlands were concerned about the fact that the education for economist was too much shaped by the needs of an academic career. Application, argumentation and advice were considered to be less important in the ivory towers of the universities. Together with role models, such as Lans Bovenberg and Eric van Damme, policy-makers at the Netherlands Ministry of Economic Affairs co-organized an international conference “Economic Science: Art or Asset?” with several offsprings (Van Bergeijk et al. 1997a,b). Leading economists and policy-makers discussed ways to bridge the gap between economic policy and economic science. A good two decades later it is both interesting and hopeful to note that the evaluation of research in The Netherlands (the so-called SEP protocol) now a days pays a lot of attention to teaching and social impact (van Bergeijk and Johnson 2014). But while things apparently have changed for the best, the question “Art or Asset?” is still nagging me.

The original question of the conference Art or Asset is, however, the *second* source of inspiration for this essay. The *first* source of inspiration is the “Renaissance Man” that this essay honors: as far as I know Ruben Gowricharn is the only goldsmith-economist in history and one of his sculptures in epoxy (Figure

1) has a special place in our living room: it is the award for a successful co-supervision for the PhD training “De Promotiekamer”.¹



Figure 1 “Promotiekamer Award” by Ruben Gowricharn

The object consists of three elements: a fanciful sickle that represents the whimsicality of a PhD trajectory, the goddess Maya that represents the mysteries, illusions and deceptions that threaten science and an

¹ Ruben Gowricharn is also a writer, who published an epic novel on the life of a Surinam migrant in The Hague (Gowricharn 2019).

owl that occurs not only as the epic wise animal, but also as a nocturnal bird that cannot see when it is enlightened. The Promotiekamer in its own way helped to bridge the gap between science and policy by supporting policy-makers and other practitioners to work towards a PhD thesis. Gowricharn's sculpture links education, research, mystery and confusion in an artistic way that encourages study on the potential of art works for economics. Indeed, this essay's focus on art is fitting in view of Gowricharn's sociological analysis of the place of immigrants in the Dutch art world (Gowricharn, 2000) – yet another meeting ground of the artist and the scientist.

In this essay I will first discuss the popular perspective on economics and economists as being super boring and extremely pessimistic (and many believe that this is why economics is known as the “dismal science”). These perspectives are contrasted with the vision of artists that have an economics diploma and we will also discover that the dismal of the dismal science is actually something to be proud of. Section 3 then moves on to propose a number of artist impressions of installations that could become part of a museum of economics in the spirit of Otto Neurath's *Gesellschafts- und Wirtschaftsmuseum* (www.wirtschaftsmuseum.at) in Vienna, the Mexican *Museo Interactivo de Economía* (www.mide.org.mx) or the Dutch digital *Economie museum*, recently developed by Bas Haring (2019). The final section invites the reader to reflect on art and economics.

2. Grey and Grim?

For many people art is the colorful kingdom of imagination and emotions, while economics is the dull land of realism, sobering messages and numbers. It is true that certain manner of people are drawn to economics while completely different people work with paint, stone or fabric. It is also true that the exactness of definitions and numbers appears to be the opposite of the many meanings that can be assigned to a good work of art. It is especially true that economics sails under the banner of professional pessimism, and that is not only true since the Great Recession that started in 2008. Indeed, the reputation

of economists as a tribe of worriers dates all the way back to the predictions of the classical economists. In the works of Malthus, Ricardo and Marx disaster and collapse is unavoidable. The economic process may temporarily help to improve living conditions (often only for the happy few), but then biology takes over again as the multiplication of people exceeds the rate of growth or resources with hunger, disease and war as bitter consequences that restore the balance between men and means of existence. Economics is the science of Dr Dooms with gloomy scenarios of unending hardship and poverty. Many humans and economists believe that this is why economics is often called the Dismal Science. The term 'dismal science', however, was actually coined by the Victorian historian Carlyle in 1849, as part of his attack on the classical economists' arguments against slavery and their view that institutions, rather than race, explain why some nations are poor (van Bergeijk and Frances 2009; Groenewegen 2001).

“Not a “gay science”, I should say, like some we have heard of; no, a dreary, desolate, and indeed quite abject and distressing one; what we might call, by way of eminence, the dismal science.”

(Carlyle 2014, 472)

Levy and Pearth (2001) have argued that Carlyle's attack was a reaction to John Stuart Mill's support for the emancipation of slaves: 'It was this fact — that economics assumed that people were basically all the same, and thus all entitled to liberty — that led Carlyle to label economics “the dismal science”'.² In this sense, the derogatory 'dismal' is actually a badge of honor: we should be proud that political economy was a force for emancipation and against suppression – an issue often forgotten, even when economists talk about their own field.

One of the outstanding pleasures in my working life has been the organization of several international exhibitions of artists trained in economics and artistic economists that enabled me to see their work and

² The link between dismal and disaster (rather than dismal and liberty and emancipation of the oppressed) clearly shows the influence of Maya in science.

ask them about their motivations, their views on economics and how their economics relates to their art (and vice versa). I believe that economists that become artists are the odd bird that needs further thought. Successful artists tend to be good in the economics of their business. So, it is not really a surprise if artists are business men as well. I know of course the myths of the poor artist and the psychic income of artists, but that story needs reconsideration. Even Vincent van Gogh who is the prototype of the artist that died poor had a clear business plan and a mid-term strategy as is clear from his collected letters.³ The typical view on Van Gogh is that he did not sell and was an unappreciated genius, as he himself acknowledged: “The new painters are lonely, poor and treated like madmen” (A514). However, there is much more to this. Vincent knew the art trade well (having been professionally involved in the art trade in The Hague, Paris and London for a number of years). He understood and appreciated its function and recognized the value added of art traders “you are an indirect painter” (A514). Importantly, he made several decisions in his life to live a humble and poor life and complaining starts only later on (after 1880 when he deliberately chose to become an artist). The last three years of his life and letters show an artist on the verge of breaking through. He is very much concerned about both the quality of his work (he discussed reviews by Azier, S625, and Isacson, S637) as well as where (not) to exhibit his works and actually refused offers by Dujardin A561, Goupils A573 and Volpinin for the Paris world expo; A626). He swapped his work with other important new artists, e.g. Gauguin (A592) and Guillaumin (A630) and sold at least one painting well above his reservation price (S627). This reservation price can be reconstructed from elements that are mentioned in the letters including his instruction “Do not sell below FFr. 100” (about three hundred euro at current prices; A509) and his sale to Boch amounted to almost fifteen hundred euro (and still “too low”). My point is that artists need to be entrepreneurial anyhow, as illustrated by the special case of Van Gogh. That is why I am interested in economists: they have no natural inclination towards the arts.

³ I use the following notation to Van Gogh’s correspondence. The letter identifies place and date: P = Paris (1886), A = Arles (1888), S = St Remy de Provence (1889). The number identifies the number of the correspondence

My project to organize these exhibitions started when William Baumol (the father of, amongst others, cultural economics) during a boring panel on innovation confessed to me that he was more proud of his paintings than of his economics “of which I am of course also proud but less... and differently”. He had taken courses in lithography during the Great Depression and been introduced to woodcarving by a German prisoner of war in Normandy and moved via oil painting and sculpture eventually to computer painting.⁴

It is interesting to note that some economists that managed to escape from the grimness and greyness were driven by unhappiness about economics “The first ten years after leaving secondary school I studied and taught economics at the university. Those ten years were certainly not the happiest years of my life” writes Hans Abbing (2007, p. 21), author of the highly quoted *Why artists are poor* (Abbing, 2002).⁵ A year after the defence of her PhD thesis, Roselba Barchiacchi (2006) Bargiacchi (2007, p. 25) explains why she did not enjoy the scientific work in her journey towards a PhD in economics: “The extreme slow pace of progress in research stressed me too much and I felt frustrated by the distance of this kind of work and the ‘real’ world.” Still her dissertation played a useful role in her “Self-portrait in transition”, a collection of five compositions of torn, burned and wet pieces of the thesis. And yet others found the inspiration for their work as an artist in their work as an economist. Staring (2007, 53), for example, explains how his work in water management is the starting point, as he notes that “water” flows through his work in development economics and art, that both are a quest for harmony and stability of his beloved subject water. My artistic alter ego Peeter Burgeik creates reflective art works for the covers of my books and art works of Jan Pen and William Baumol have also been selected as cover art for academic publications. So

⁴ Baumol’s choice for computer painting was deliberate especially because of the possibility to distribute the works free of charge and instantaneously around the globe (Baumol 2007, p. 28). Baumol used his website at NYU Stern School of Business to distribute his art work but due to the whimsicality of Maya that site after his death was removed. Some work is still on display at <https://fineartamerica.com/featured/conversation-d-william-baumol.html>.

⁵ As of December 22, 2019 this book received 712 citations in google scholar.

these economists have come to the arts from different directions and with different motivations. Do they also have something in common? Is there a shared perspective on economics?

Some economists do not see any relation between their art and their economics. It is related to different parts of the brain that both need to be shared. I met Jan Pen in his garden shed/library that was also his atelier. When Jan returned home from his university office he first had to play the piano and then do some painting. I do not travel to my printing shop on a daily basis, but when academic red tape, bureaucratic bloodlessness, envy, stupidity and/or shortsightedness become too strong, I take refuge in leveling and grinding my stones. Most artistic economists seem to enjoy getting the best of both worlds. For the group as a whole I observed more sensitivity for new ideas, a preference for heterodox economics rather than for the mainstream and a very strong view on the necessity to look beyond the narrow borders of economics – in the sense of John Stuart Mill's (1865) dictum that "a person is not likely to be a good political economist who is nothing else". Perhaps this is best reflected in the poem "Money buys" by Mark Eyskens (2009, p. 31), former Belgian Minister of Economic Affairs, painter and poet:

*Money buys you a house, but not a home,
money buys you a bed, but no sleep,
money buys you a clock, but no time,
money buys you a book, but no knowledge,
money buys you pleasure, but no happiness.*

All in all, we have learned a good deal about how and why economists get involved with the arts. Now that we have seen the role that art plays in their life, it is time to investigate what role art could play in economics.

3. Art works (also in economics)

Let's do something very economic. Let's make an assumption. Let's assume that I have been able to organize the exhibition "Art works". My preferred place for the exhibition would be an abandoned university, museum or office.⁶ Cheap, lots of parking space and probably good connections. We get into the exhibition via the entrance: "There is light at the end of the tunnel", a long tunnel with a mirror at the end. The mirror masks a door that automatically opens when the visitor sees her own reflection. It is important that visitors buy their ticket before they enter the tunnel so that the incentives to finish to the end are properly set. Since visitors have invested some money they will probably continue their journey although they will start to realize that the light that has been promised at the end of the tunnel is a mere reflection of the daylight at the beginning. Economists may make a u-turn because they consider by-gones as by-gones. So it is not completely sure that the visitors make it to the end of the tunnel. Let us therefore *assume* that some visitors really enter the exhibition. I have organized the artists impressions and explanations into three main components, a Chamber, a Hall and an Exit.

The Chamber of Confusing Concepts

Enter the first exhibition space; it is a room where Maya is in high esteem. At first sight it looks a bit like a collection of second hand stuff, but the trained modern art lover will appreciate the role played by Andy Warhol's cans of soup that feature in the right hand side installation and Vincent van Gogh's "Chair" in the middle; the decorated pipe of van Gogh's painting appears in the installation at the left hand side. The visitor is invited to use Van Gogh's decorated pipe to create bubbles and experience firsthand what it

⁶ My selection of abandoned places of interest is for practical reasons based on a 100 km radius from The Hague: university (<http://desertedplaces.blogspot.com/2014/09/an-abandoned-university-in-belgium.html>) museum (<https://www.archined.nl/2014/04/scheringa-museum/>) and offices (<https://raymsfotosite.nl/urbex/verlaten-kantoren/>). The internet will provide you with many alternatives if you consult websites on abandoned buildings or urban exploring.

means that economists are quite capable at analyzing bubbles but have difficulty in predicting when they actually burst. Economists are quite good in predicting that something will happen but are bad in forecasting when this will exactly happen and the same is true for the curious visitor that blows the bubble.

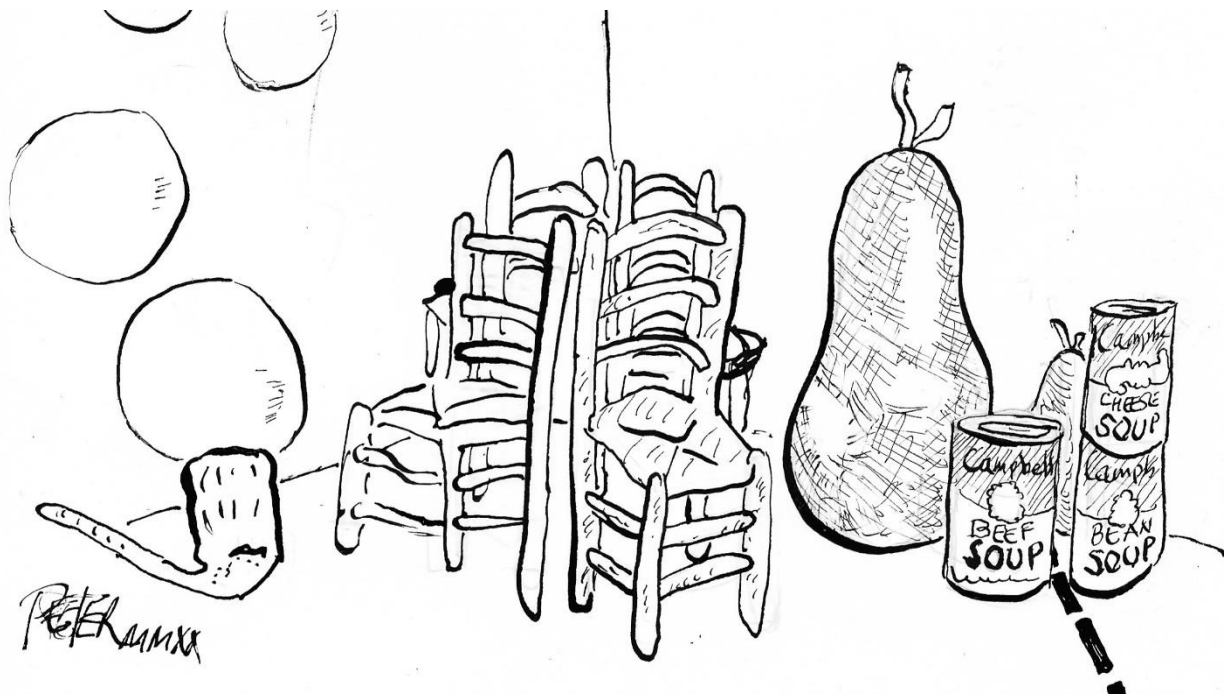


Figure 2 Confusing concepts. From left to right: bursting bubbles, non-coordinated equilibrium and comparative advantage

The installation in the middle consists of chairs that have been arranged back to back and represent a non-coordinated game theoretic equilibrium. The solution is to understand that everybody will act on the assumption that all players will assume that everybody will strive for the best outcome. The chairs provide an artistic (“irrational”) understanding of rational choice based on beliefs of what others will do. It is fun to observe the visitors and see what they do when they are seated.

At the right hand we arrive at one of the most impressive and mysterious economic theorems: the theory of comparative advantage. A non-trivial theory of mathematic beauty with important meaning

for specialization. The visitor sees two countries: Pearland that produces a very big pear and only one can of soup and Soupland that produces twice as much cans but only a small pear. It is easy to see that trade between the two countries could be beneficial and that specialization of Pearland in pears and Soupland in soup is beneficial. But now enters confusion. The visitor is invited to change the installation by shifting one can of soup to Pearland. Pearland now is more productive in both goods, but could still benefit from specialization (and also unproductive Soupland will benefit). That is the wonder of comparative advantage! And it is a comforting theorem: if you are bad at everything there is one thing in which you are least bad and that is your comparative advantage. And you will also benefit from the exchange. And understand why you find so many people that are actually bad at their job.

The Hall of the Hidden Hands

Hands play an important role in economics. Typically, economists argue that on the one hand some policy is good, but on the other hand it is bad. US President Harry S. Truman is said to have quipped “Give me a one-handed economist” and that is exactly what the statue does that dominates the exhibition space. There is more to be said about this statue of the one-handed economist (because all good art works have many interpretations), but that is left to the visitor’s imagination for now. On the walls we see two empty canvasses. The first canvas is titled “The invisible hand”, which refers to Adam Smith’s description in his *Theory of Moral Sentiments* of the forces that play out in the market economy:⁷

“Every individual... neither intends to promote the public interest, nor knows how much he is promoting it... he intends only his own security; and by directing that industry in such a manner as its produce may be of the greatest value, he intends only his own gain, and he is in this, as in

⁷ Most economists refer to Smith’s *Wealth of Nations* when they discuss the “invisible hand” but in this book it only appears in an obscure sentence – again providing proof of the impact of Maya on science.

many other cases, led by an invisible hand to promote an end which was no part of his intention.” (Smith (1759) Part IV, Chapter I, pp.184-5, para. 10).

The second empty canvas portrays the invisible handshake that is used as a metaphor both for situations where markets are replaced by government intervention or for cases where collusion of private enterprises (cartels) increase prices beyond market clearing levels. The exhibition allows visitors to first see the canvasses as they are intended to be seen and then to push a button that projects a short documentary on market and anti-market forces, respectively.



Figure 3: Empty canvasses and the one-handed economist

The Exit

In economics the exit strategy is always important. How and when to liquidate an asset position? How and when to end the policy of quantitative easing? How and when to end a negotiation? With this manner of information in mind our visitor heads to the exit. The exit of the museum brings her to a labyrinth: this maze does not have a pot of gold or chute in the middle, but brings the guests back to the

start after a confusing and contradictory journey that turn after turn promises that “prosperity is just around the corner”



Figure 4: Labyrinth “Prosperity is just around the corner” – A well-known quote (wrongly) attributed to US President Herbert Hoover

I hope you have enjoyed our little tour as much as I did and that you agree that art works work in economics. A truly educational museum of economics would of course need much more than these objects and deal with consumption, interest, unemployment, production, debt, growth, unions, profit and so on. But I am happy with what I have seen. The boring educational stuff will be more easy to provide and probably in an entertaining and interactive way; it is the art works that need thought and will provide unexpected inspiration. So, I am satisfied with a job well-done. However. when I leave the exhibition, I am suddenly hit by a question...

4. Do you want to be an artist or an economist?

At the end of this essay thus an existential question emerges. A question that I have answered in the past by becoming (and staying) an economist, rather than an artist. That choice between the brain and the hearth was a consequence of comparative advantage, (bad) luck and unclear and possibly over-rational thinking. With hindsight economics is too easy for me and too easy a way to earn an above average subsistence. But it may also be that my comparative advantage is in art – the problem is that I never specialized in that direction and it is clear that you have to specialize in art at least for a considerable time in order to excel.

Observing that many paintings, such as Picasso's *Guernica* or Repin's *Barge Haulers* give the viewer a depressed feeling Faber (2009, p 33) has asked a related question: Should we call painting a dismal art? Carlyle's attack on the dismal science also reflected his disdain for a science that focusses on the individual rather than the collective and as such also is very fitting for the individual's creativity that is at the basis of any work of art. In this sense I am happy that some call my art work dismal (Figure 5).



Figure 5 "I sea" (Peeter Burgeik, Lithography 1/1 2010)

But what I did an do is not of so much interest. The question "Do you want to be an artist or an economist?" really aims at you, the reader of this essay. It is about the choice between the owl and Maya. Your chance perhaps to make art work for economics.

REFERENCES

Abbing, Hans (2002), *Why artists are poor*, Amsterdam University Press: Amsterdam

Abbing, Hans (2007) "Artist's ways are nice but also a bit stupid", in: Faber and Bergeijk (eds), 2007: 20-23.

Bargiacchi, Rossella. (2006) *Modelling and testing behavior in applications to climate change*. PhD thesis
CentER: Tilburg.

Bargiacchi, Rossella (2007) "Don't dream it, be it", in: Faber and van Bergeijk (eds), 2007, 24-27.

Baumol, William, 2007 "On my computer paintings", in: Faber and van Bergeijk (eds), 2007): 28-31.

Carlyle, Thomas, (2014, original 1849) "Occasional Discourse on the Negro Question", *Fraser's Magazine for Town and Country*, reprinted in: F. Randolph Ludovico, *The selected works of Thomas Carlyle*, Bibliotheca Cakravarti: Morrisvil, NC: 468-481

Eyskens, Mark, 200, "Money Buys", in: van Bergeijk nd Franses (eds), 2009, 31-32.

Faber, Gerrit (2009), "Who needs an antidote?" in: Peter A.G. van Bergeijk and Philip Hans Franses (eds),
33-35

Faber, Gerrit, and Peter A.G. van Bergeijk (eds). "A Wealth of Creations: A Catalogue of an Exceptional Exhibition." Utrecht School of Economics, Utrecht (2007),
<https://dx.doi.org/10.2139/ssrn.1458315> (with a cover by William Baumol).

Gowricharn Ruben S. (2000), *Thuis in de Kunst*, Forum: Utrecht.

Gowricharn, Ruben S. (2019), *De Prijs van Geluk*, Uitgeverij Aspect: Soesterberg

Groenewegen, Peter. (2001) "Thomas Carlyle, 'the dismal science', and the contemporary political economy of slavery." *History of Economics Review* **34** (1): 74-94.

Haring, Bas (2019) *Het economiemuseum*, www.economiemuseum.nl

Levy, David M. and Sandra J. Peart (2001). "The Secret History of the Dismal Science. Part I. Economics, Religion and Race in the 19th Century." January 22, 2001. Library of Economics and Liberty.

Accessed December 23, 2019 at:

<http://www.econlib.org/library/Columns/LevyPeartdismal.html>.

Mill, John Stuart (1865) "Auguste Comte and Positivism" available at:

<http://www.gutenberg.org/ebooks/16833> and accessed on December 23, 2019.

Smith, Adam (2010; original 1759) *The Theory Of Moral Sentiments* Penguin

Staring, Winand (2007), "A colorist with a quest for harmony and alignment", in: Faber and Bergeijk (eds), 2007): 52-55.

Van Bergeijk, Peter A.G. van (2012) Opârg fitfara eft ksvurf. *Ekonomiy ur Āōnopros*, **72** (8), 6.

Van Bergeijk, Peter A.G., A. Lans. Bovenberg, Eric E.C. van Damme and Jarig van Sinderen (eds) 1997a
Economic Science and Practice: The Roles of Academic Economists and Policy-makers, Edward Elgar: Cheltenham (co-edited).

Van Bergeijk, Peter A.G., A. Lans. Bovenberg, Eric E.C. van Damme and Jarig van Sinderen (eds) 1997b
Economic Science: An Art or an Asset? The Case of the Netherlands OCFEB: Rotterdam (with a cover by Jan Pen).

Van Bergeijk Peter A.G. and Philip Hans Franses (2009), *Antidotes from the Dismal Sciences*, ESB, ISS and Erasmus Gallery: Rotterdam <https://ssrn.com/abstract=1625253> (with a cover by Jan Pen)

Van Bergeijk, Peter.A.G. and Linda Johnson (eds) 2014 *Social Impact @ Sciences: The end of the ivory tower?* International Institute of Social Studies of Erasmus University: The Hague.

https://repub.eur.nl/pub/77337/Metis_202893.pdf (with a cover by Peeter Burgeik).