

TWO CHEERS FOR KLEIN'S PLEA

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Professor Daniel Klein has presented a passionate, eloquent plea for economists who favor liberty to engage in "concrete policy work" rather than in "fancy models and fancy econometrics." In this way, Klein argues, economists can engage in public discourse, and will be far more likely to influence public policy for the better. Klein sharpens his sermon to libertarian-minded economists by contrasting his position with that of the late George Stigler, the eminent Nobel-prize-winning economist, who believed that economists, qua economists, have no business telling the public what to do (since, Stigler believes, the public already knows everything worth its while to know). For Stigler, the economist who attempts to affect public policy is (deplorably, in Stigler's opinion) "preaching," that is, he wishes to alter the public's view of what is good for it. This, Stigler believed, is not something which the economist, as scientist, has any right to do. As scientist he can certainly engage in the communication of knowledge and information. But since the public must, Stigler believed, be treated as already knowing all the relevant information worth knowing, there is really nothing worthwhile which the economist can teach the public. The economist who speaks to the public is either "preaching," or wasting his own time and that of the public.

Klein's thesis, sharply disagreeing with Stigler, thus consists of (a) a positive claim, and (b) the assertion of a moral imperative. The positive claim is that the attention of the public (and thus, indirectly, of the makers of public policy) can be grabbed—not by rarefied theoretical work, but by down-to-earth applied, policy-oriented economics. The moral imperative which Klein asserts is that economists who believe in a free society have—contra Stigler—a moral duty to influence policymakers for the better, and therefore, as established in the "positive claim," had better renounce "fancy models and fancy econometrics" in favor of more relevant and important (if less rigorously precise) concrete policy work. If Klein's case were confined strictly to these two propositions, this writer could gladly declare himself in agreement with both of them; with the positive claim, and (subject to a presumption to be stated below) with the asserted moral imperative. Unfortunately, however, in developing his case Klein has needlessly confused his position by unnecessarily injecting additional ideas which, if accepted, would in fact not at all strengthen the overall message projected in his paper but, on the contrary, would seriously undermine the successful transmission of that message.

Klein's above-cited two propositions are easy to accept. That the eyes of policymakers (let alone those of the public at large) glaze over when they encounter the pages of today's mainstream economic journals is hardly news (and is

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well-documented in Klein's paper). That Klein's asserted moral imperative is valid, given his premises, is as obvious as the assertion that a physician, observing a human being about to ingest a liquid which (unbeknownst to that human being) medical science knows to be likely to induce a fatal disease, has a moral duty to inform, nay, to persuade that individual concerning the dangers involved in drinking the liquid. An economist who is himself convinced concerning the real dangers to society implied by government interventionist policies unquestionably has a moral duty—of course a duty the priority of which must be judged in the context of other relevant moral obligations incumbent upon the individual economist—to speak out to the relevant decision makers concerning those dangers. Were Klein to confine his argument to the above, we could applaud the perceptiveness and the moral acuity of his position in this fine paper. Unfortunately, however, Klein is not content with the above.

Klein argues his case not merely by exhorting economists to inform (or to persuade) the public concerning the knowledge that economic science can provide, but, most importantly, by exhorting economists to exercise their influence, as do parents on their children, to change the values of the public (p. 192 of Klein's paper). Economists should not take the interests of the members of society as given and fixed; they should "provide guidance about *what their listeners' interests should be*" [*ibid.*, italics in original]. It is here that one fears that Klein has gone too far—in fact he has, this writer submits, gone astray.

Klein rightly observes that the moral duty of a liberty-loving economist to speak out on policy, derives to a considerable extent from the reputation for truthfulness which the economist enjoys. It is precisely because his reputation guarantees a respectful hearing, that the economist has a moral obligation to speak out. In Klein's words, when "an economist argues against licensing restrictions, the argument persuades because of its logical cogency and factual support, but also because it comes from a sincere, scrupulous and capable economist." This writer submits that if the economist deliberately goes beyond teaching members of society what policies will promote their welfare as they see that welfare, and proceeds to attempt to persuade them to give up what they believe to be in their deepest interests (in favor of what the economist believes to be in their deepest interests)—the economist will rapidly lose the very reputation for scrupulous disinterestedness that now provides at least part of the basis for the validity of Klein's asserted moral imperative.

When Stigler, in his sermon against what he viewed as preaching by economists, called on economists to stop addressing the public, he was indeed wrong. But he was wrong not because economists, in their capacity as economists, should be preaching (in the sense of seeking to persuade listeners to change their own deepest moral rankings), but because it is not necessary for economists, in their capacity as economists, to preach at all. Economists have information and insights, based on "logical cogency and factual support," which they can communicate to the public without preaching to the public (in the sense of seeking to have it rethink its deepest values). (The reader should not misunderstand me: certainly every seasoned teacher knows that to teach calls for the art of persuasion [the same art required for successful preaching], but there is a fundamental difference between (a) persuading [i.e. teaching] a listener as to which is the shortest way to get to point B from point A, and (b) persuad-

ing that listener that B is a morally preferable place in which to live than A. To persuade, in the sense of successfully transmitting a logical argument or factual information, is to teach. And the art of teaching does often call for the wiles of Madison Avenue. So long as what is being transmitted is a matter of demonstrable logic or fact, such persuasion is still "teaching". On the other hand, however, to persuade in the sense of changing the deepest values of the listener, is to preach. One may indeed have a moral duty to preach. This is true for the scientist as it is for any human being; but it remains nonetheless true that preaching is simply not part of the activity of the scientist qua scientist.) Our concern here is, that by exhorting the liberty-loving economist to preach in his role of economist the case for loving liberty as a pure value, (rather than confining himself to his professional task of teaching how a free market society can generate prosperity and the fulfillment of human goals) Klein is contributing to the erosion of that very aura of sincerity, scrupulous honesty, and objectivity, on which the economist's professional influence with the public depends.

No one was a more passionate exponent of the case for the free market society than my remarkable teacher, Ludwig von Mises. Mises believed that the very survival of mankind depended on the economist's succeeding to transmit the teachings of economic science to the public. A glance at the closing paragraphs of Mises's monumental *Human Action* reveals the deep and passionate moral convictions that drove him to pursue his scientific career with an integrity that made him not merely unpopular, but a virtual outcast in the mid-century economics profession (swept as it was by the interventionist fashions of the time). In all this Mises was obeying precisely that very moral imperative that Klein has rightly emphasized in this paper. But, at the same time, no one was more emphatic than was Mises, on the need for economists to adhere strictly to *wertfreiheit*, i.e. to present their scientific conclusions, particularly their normative conclusions, in a way that takes account, not of the values held personally by the economist as a human being, but only of the goals of those to whom the economist is providing his professional advice. (To cite Mises as a shining example of the exponent of *wertfreiheit*, is not to deny that a good deal of his own scientific writing was unsuccessful in concealing the underlying moral passion that drove him, so that it misled many readers to see Mises as being not at all *wertfrei*!) Now, it is admittedly the case that many modern philosophers no longer accept (as this writer, at least as a practical matter, does accept) Mises's sharp distinction between the demonstrated conclusions of science on the one hand, and the expression of personal judgments of value, on the other. Klein is certainly entitled to argue, contra Mises, that when people disagree on values, they are ultimately disagreeing on matters of fact. But our deep concern for the potentially dangerous implications of Klein's thesis as he has presented it, does not depend on the ultimate philosophical truth of Mises's distinction. Even if, at some level of philosophical determination, Klein's rejection of any categorical distinction between scientific propositions and judgments of value is decisively upheld, these implications remain fully as dangerous (for the very ideological positions that Klein holds dear, and that have motivated his paper), as we have shown them to be.

For the simple truth is that, regardless of philosophical argument to the contrary, the person-in-the-street does agree with the Misesian-Weberian distinction. The pub-

lic whom Klein is concerned with persuading does see a difference of kind between propositions that can, in principle, hope to command agreement among reasonable scientists, on the basis of conventional scientific criteria, and those other propositions (expressions of sheer personal conviction) that cannot.

Klein, the competent economist, exhorts his fellow economists, on moral grounds, to enlighten public policy through their scientific expertise. He is able to do so because he is a competent economist. But in engaging in such moral exhortation he is, of course, speaking not *qua* economist, but as the morally concerned citizen (deploying the results generated by science).

Klein is rightly and righteously preaching. But when Klein urges his fellow economists to seek, *qua* economists, to change the deepest interests of the public, he is urging them to muddy the line between their role as scientists and their identity as morally concerned human beings. In so doing, one fears, Klein is encouraging economists to surrender the very reputation for sincerity and scrupulous objectivity, on which the potential influence of economists over the public depends.