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JEAN-PAUL FITOUSSI (JPF) argues that the impoverishment of language impoverishes thought and, in turn, democratic debate. He describes how a new vocabulary has canceled Keynesianism and left only neoclassical economic theory in its place. This comment makes two brief points in support of JPF's thesis: (i) A hundred years ago, many worried about modes of thought that were slipping away, as abstractions like rational choice overtook the kind of knowledge that resists quantification. That debate has receded into the past. (ii) Although behavioral economics appears to offer an alternative to rational choice as the singular way to understand our actions, it actually tightens its grip.

The single thought

To summarize JPF's article, economic theory and hence public policy have converged on a single thought: agents rationally maximize their preferences where markets are in equilibrium. Terms at home in a Keynesian model – full employment, aggregate demand, fiscal stimulus, industrial policy, and public investment – have been “erased from the dictionary.” Words that describe social classes are obsolete. The language that is left allows us to express a single explanation for unemployment: wages that are too high. One solution is inflation, which lowers real wages before workers can react. Another is structural reforms that allow wages and benefits to fall.

If we interpret unemployment solely through the lens of neoclassical economics, we fail to see the urgency of reducing it. In the neoclassical view, unemployed workers are investing in job search or enjoying leisure, which they value more highly than the consumption that could be obtained from their market wage. If we want to help them, subsidies may be more efficient than policies that create jobs. This line of reasoning ignores the meaning that people derive from

work – overcoming authentic obstacles, exercising their skills, socializing with co-workers, pulling their weight in society or providing for their family. Neoclassical economics does not have a convincing way to say that many people need a job to lead a satisfying life.

A hundred years ago, intellectuals worried a lot about the spread of mathematics.

Abstraction prevailed: calculation over judgment, the universal over the particular, above all knowledge that could be quantified. In economics, this meant rational choice. It would be surprising if a shift of this magnitude did not have consequences for our inner lives, as Keynes warned that “the pseudo-rational view of human nature [leads] to a thinness, a superficiality, not only of judgment, but also of feeling.” Was the genius Keynes the only one who noticed this?

In fact, in their new book *Uncountable: A Philosophical History of Number and Humanity from Antiquity to the Present* (2021), David Nirenberg and Ricardo Nirenberg document that concerns like Keynes’ were widespread in his time. In the first half of the 20th century, a debate raged over the “tyranny of reason.” The celebrity historian and philosopher Oswald Spengler cautioned in 1918 that “formulas and laws spread rigidity over the face of nature, numbers make dead” (ibid., p. 25). When the physicist Fritz Adler assassinated Austria’s prime minister in 1916, his lawyers argued that their client suffered from “an excess of the mathematical” (ibid., p. 30). They met with some success, as two years later Adler was freed. Read Nirenberg and Nirenberg for the fascinating account of how numerical analysis became the foundation for human claims to truth.

Today, that debate is obscure to us, as “it takes a specialized historian to make any sense of this language” (ibid., p. 25).

Behavioral economics gives us the false impression of an alternative to rational choice; medicalizing departures from the rational solidifies the “single thought.”

I used to teach a graduate seminar at Columbia’s School of International and Public Affairs called “Foundations of Individual Choice.” I asked the incoming students: “What interested you in taking this class?” One after another they’d say: “I don’t see myself as a fully rational creature, so I want to know more about behavioral economics.” For those who are uncomfortable with an image of themselves as *homo economicus*, is that really all we have to offer?

Behavioral economics may seem like an alternative to rational choice theory, but both assume that all action is purposeful: we compare and rank possible outcomes, consider the tradeoffs, and seek to optimize in light of our resources. We remain robots, only badly programmed.

As JPF wrote, “Not one of the great economists ever thought that the whole of human behavior was rational. They knew better. There are decisions for which decision theory fails.” (Private correspondence, February 26, 2021), he was referring, of course, not to the catalog of behavioral biases, but to truly free action.

Conclusion

The philosopher David Sidorsky (2013) observes that a “monistic” vision of the world carries hidden dangers:

It appears that the cleverness of the devil includes his ability to recognize the moral values and the idealistic aspirations of human beings, who have the capacity and inclination to generate the fusion of these values and aspirations into a single monistic vision and blueprint.

Purposeful choice is the monistic vision of our time. What people want can be expressed in a word: more. “More” is one-dimensional because in this vision everything is commensurable.

If Sidorsky is right, then the deletion of words from the dictionary may be among one of the devil’s most effective weapons in his project of moral corruption. The devil has given us new vocabulary to replace some of what he has taken away: e.g. “networking” (making human encounters instrumental, without apology or even sheepishness), “bucket list” (reducing experience to mental box-ticking), “giving back” (so that prosocial activity becomes just another kind of consumption), “metrics” (for scholars; h-index), ubiquitous rankings of cultural output, and the contemporary version of utilitarianism, “effective altruism.”

JPF leaves us with the genesis of an important program that combines psychology, linguistics, history and economics. Freed from the straitjacket of the single thought, democratic debate will be richer. We will be more at ease with the twofold character of our own actions – sometimes purposeful and optimizing, sometimes spontaneous, self-justifying and for itself. Such programs have been neglected for reasons

that are self-evident – to use one of JPF’s favorite metaphors, these messy truths lie far from the lamppost where the light is conveniently shining.

References

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Commentaire de l'article

Jean-Paul Fitoussi, 2022

« **Newspeak and economic theory: How we are being talked to** »

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