Rhetoric and Economic Policy

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POOH-BAH: Merely corroborative detail, intended to give artistic verisimilitude to an otherwise bald and unconvincing narrative.

PITTI-SING: Corroborative detail indeed! Corroborative fiddlestick!

—William S. Gilbert, *The Mikado*

Economists generally accept the chestnut assertion that "economic policy is an art, quite separate from and independent of, the science of economics" (Coddington 1973 [1983], 237; see also McCloskey 1990, 136, quoting Montague 1900). The causes and extent of this dichotomy are seldom considered. By contrast, rhetoricians deny that any dichotomy exists. They believe "that science and policy are the same, they are rhetoric, they are sophistry, all the way down" (I quote an anonymous referee). To the rhetorician, economics is a process by which persuasion is used to exchange error for truth in the marketplace of ideas. To distinguish between science and policy is to misapprehend the nature of economics.

The rhetorician's argument is undeniably elegant, but it is unsatisfying to the extent that it blocks inquiry into an aspect of economics that has caught economists' notice for more than a century. The public-choice program in economics provides convincing evidence that the rhetoric of economic policy interferes systematically and persistently with the exchange of error for truth in a way that the rhetoric of scientific economics does not. The reason, I conjecture, is that sophistry (the antithesis of principled rhetoric), whose process lies closer to force than to voluntary persuasion, is

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more welcome in the policy realm. This observation is neither a moral judgment nor a philosophical quibble over the nature of objective truth. It is a judgment based on criteria that are identifiable in theory and perceivable in practice.

Rhetoricians, I believe, would agree that force can be a powerful tool of persuasion, but they stop short of characterizing it as a rhetorical device. Some means of persuasion are not inherently rhetorical. Rhetoric is one of many regions along a continuum of human behavior in general and of communication behavior in particular. Principled rhetoric dissolves quickly into other forms of persuasion—first into mild sophistry, then into outright deceit, and ultimately into abject force. Blithely accepting the claim that "it's rhetoric all the way down" not only surrenders important ground to the rhetoricians' monopoly franchise but also prevents valid and meaningful distinctions from being drawn between science and policy in economics.

I maintain here that the substantive distinction between the science of economics and the art of economic policy springs from the relative ability of each conversational realm to constrain the play of sophistry. I show that the rhetoric of economic policy dissolves most easily and persistently into sophistry where property rights are weakly protected and where the state inclines toward substituting force for opinion.

In this essay, first, I sketch rhetoric's evolution from ancient to modern times. Next, I consider the relationships among rhetoric, force, and opinion, and then I explore the nexus between rhetoric and economic policy. Finally, I arrive at an examination of rhetoric's constituent elements in a policy context.

Rhetoric

Rhetoric, which commonly is defined as the method of persuasive public speaking, has been well considered and sharply criticized through the ages. In the fourth-century B.C., Plato's *Gorgias* (1997a) skewered sophists, politicians, and other rhetorical tricksters whose sole purpose in discussion is persuasion at any cost, frequently through appeals to raw emotion and usually without regard to knowledge and truth. Writing in this vein two millennia later, the philosopher John Locke criticized rhetoric and its all-too-willing consumers, noting that "[i]t is evident how much men love to deceive and be deceived, since rhetoric, that powerful instrument of error and deceit, has its established professors, is publicly taught, and has always been had in great reputation" ([1693] 1995, 411). Similar sentiments run against rhetoric today, reflecting a belief (mistaken, I argue) that rhetoric and sophistry are one and inseparable.

In *Phaedrus* (1997b), in contrast to his *Gorgias,* Plato accepted that truth does not advocate itself anymore than economic science creates its own consequences, and he acknowledged that arguments promoting truth must be tailored to suit different audiences. Aristotle's primer, *Rhetoric,* responded to Plato's call for a disciplined approach to public speaking. Aristotle saw rhetoric as a morally neutral tool that serves both good and evil. "What makes a man a sophist," in Aristotle's view, "is not his faculty, but his moral purpose" (1954, $1355^{b}15$–25, p. 24). Rhetoric is merely

"the faculty of observing in any given case the available means of persuasion" (1355^{b}25, p. 24). Aristotle's rhetorical principles conflated dialectics (the art of logical discussion) and ethical politics, and they were intended to increase the efficiency with which the rhetorical process exchanges error for truth in public forums. Aristotle considered his principles to be suitable for dealing with "the main matters on which all men deliberate and on which political speakers make speeches," including "ways and means [that is, state revenues, or, more generally, economic policy], war and peace, national defense, imports and exports [economic policy once again], and legislation" (1359^{b}15–25, p. 35).

The economist and rhetorician D. N. McCloskey (1985, 1990, 1991, 1994) argues comprehensively for rhetoric's place in economics. She characterizes economic science—all science, for that matter—as comprising a bundle of rhetorical devices and literary forms, some of which are quantitative, others not. Rhetoric is an essential and inescapable element of all economic conversation, regardless of whether the conversation is among trained economists only or encompasses a wider and less-instructed audience. Following Aristotle, McCloskey (1994, 61–63) treats rhetoric as a tetrad of elements comprising a "dialectic" of facts and logic, on the one hand, and a "narrative" consisting of metaphor (Adam Smith's "invisible hand," for example) and an enveloping story, on the other hand. (Deceit and force are notably absent from this conceptual structure of rhetoric.) McCloskey deconstructs economics using the critical methods of rhetoric and literature.

Rhetoric, Force, and Opinion

Rhetoric as a practical matter is a civil means by which self-interested individuals attempt to affect favorably others' opinions and ultimately their behavior. Besides being the process by which individuals and societies exchange error for truth, rhetoric is the process by which individuals' rights are discovered and ascribed and by which property is exchanged. Rhetoric's contemporary image is colored in large part by these positive attributes, notwithstanding its inherent capacity to create havoc as well as wealth. Recent work in sociobiology and evolutionary psychology, by comparison, emphasizes the low-cunning aspects of human nature, with scholars in these areas "leaning more today toward the view that communication may best be understood if we view it as evolving to manipulate and deceive, rather than to transmit information" (Low 2000, 177). Communication behavior is not limited to genteel persuasion and cooperation, but extends to cover every means, both fair and foul, by which individuals build private utility in public and private life. The economic model of human behavior implies that principled rhetoric is employed only where it appears, on balance, to be the best means to a given end. It is not used where other means of persuasion, such as deceit and force, are expected to achieve the desired ends more efficiently.

Rhetoric implies voluntary persuasion. Deceit and force, by comparison, imply assault. The philosopher Sissela Bok argues that "[d]eceit and violence . . . are the two

forms of deliberate assault on human beings. Both can coerce people into acting against their will. Most harm that can befall victims through violence can come to them also through deceit" (1978, 19). Deceit and violence are closely substitutable means of persuasion over a wide margin, and societies have established legal limits for both. Rhetoricians who reject deceit on moral and efficiency grounds but include it within the legitimate limits of rhetoric owe us an explanation.

The only principled explanation is a partial one. It follows from John Stuart Mill's inquiry concerning the liberty of thought and discussion. Mill believed that the "gravest" offense in discussion was "to argue sophistically, to suppress facts or arguments, to misstate the elements of the case, or to misrepresent the opposite opinion" ([1859] 1975, 51). He nevertheless regarded the consequences of suppressing these offences to be graver still. He recognized that "all this, even to the most aggravated degree, is so continually done in perfect good faith, by persons who are not considered, and in many other respects may not deserve to be considered, ignorant or incompetent, that it is rarely possible, on adequate grounds, consistently to stamp the misrepresentation as morally culpable; and still less could law presume to interfere with this kind of controversial misconduct" (51). One appropriate remedy for sophistry therefore is to have more rhetoric rather than less—a free marketplace of ideas rather than a program of selective suppression that unavoidably silences the good with the bad. Broadly defending rhetorical practice on these grounds (except perhaps for practices that entail fraud and perjury) is commendable even though it means defending unsavory practices in the bargain. Another remedy, however, lies in understanding the conditions that facilitate unsavory practices, forewarned being forearmed. The theory of rhetoric can afford to recognize the nuanced gradations that separate principled rhetoric and voluntary cooperation from other forms of persuasion that are related more closely to deceit and violence. The absence of sophistry and deceit from rhetoric's conceptual structure overtly acknowledges this point.

The philosopher David Hume considered the relationship between persuasion and violence at the social level, pondering as a question of first principles of government how a small political elite can govern the bulk of society. Finding that the advantage of force "is always on the side of the governed," Hume concluded that it is "on opinion only that government is founded; and this maxim extends to the most despotic and most military governments, as well as to the most free and most popular" ([1741] 1985, 32). The motive force in Hume's society was rhetorical persuasion, with parliamentarians deliberating constituents' interest (and vice versa) on all matters of "public interest," "right to power," and "right to property" (34).

Hume's conclusions were a consequence of his time and place. They do not imply that opinion and rhetorical persuasion represent the inevitable method of governance. English society had evolved a collective sense, enshrined by Hume's day in the common law, that every Englishman's rights to life and limb, liberty, and property were absolute. "So great moreover is the regard of the law for private property," reported the English jurist William Blackstone, "that it will not authorize the least violation of it; no, not even for the general good of the whole community" ([1765]

1979, 1: 135). Hume's England was governed by opinion and rhetorical process (backed, of course, by the threat of force to maintain order) because the country's constitution allowed no legitimate scope for the state to govern by force alone.

Political thinking was reversed on the European continent, where force overshadowed opinion. A few decades after Hume, the French statesman Talleyrand discovered virtue in the process of governing by force, remarking that "[y]ou can do anything with bayonets except sit on them" (qtd. in Seligman 1997, 13). Talleyrand's view was a joint product of French law and custom, on one hand, and of a "rationalist" political philosophy that did not begin to circulate widely in English politics until several decades later, on the other hand. Establishing force as the basis for governing weakens Hume's conclusion that the advantage of force necessarily resides with the governed. The flaw in Hume's thesis is explicable in economic terms. As rule by force evolves, the fixed cost of maintaining the instruments of force (soldiers, weapons, prisons, and so forth) increases, and the marginal cost of applying force falls. These diverging cost curves create a sustainable state monopoly in the production of systemic force and increase the likelihood that force will be substituted for opinion at the margin.

Hume's political model of force versus opinion, like Bok's moral intuition of it, implies that the state faces an economic trade-off when choosing between force and opinion and that the state will settle on a blend that minimizes the total cost of governing effectively. One facet of this implication has been tested empirically by the economist John Lott, who hypothesizes that "[f]orce is one such option [for overcoming opposition to involuntary wealth transfers] . . . but controlling the information received by the public can be just as effective" (1990, 201). Accordingly, he examines the consequences of manipulating public opinion through state ownership of broadcasting facilities and state provision of primary and secondary education. He finds that states do indeed govern as if force and opinion are substitutable at the margin. He also finds that states govern as if the marginal returns to "indoctrination" (systematic manipulation of opinion) are relatively small in wealthy countries (wealth apparently being a proxy for erudition), and he speculates that increasing the number of independent sources of information further reduces these returns by increasing access to productive ideas. States that retain ownership of the broadcast spectrum and otherwise license and regulate information technology and content for reasons other than taxation and wealth distribution are less likely to be concerned with manipulating public opinion than with preventing others from informing it.

Lott's results qualify Bok's intuition that "[i]f force is allowed, a lie should be equally, at times more, permissible" (1978, 43). Deceit and force are qualitatively similar means of persuasion, but deceit sometimes is the more efficient instrument. The essential difference between the two is that a lie must be believed to be effective, whereas force need only be resolute.

Lott's results have a deeper implication. As wealth and information increase, ceteris paribus, a state can choose either to govern less, so as to maintain a constant level of force, or to govern increasingly by force, so as to maintain a constant level of governance. Casual observation reveals, however, that wealthy Western democracies have chosen a

third way instead—to govern more, so as to capture and redistribute increases in private wealth. This choice implies that states now substitute force for opinion across a wider margin than they did in Hume's day, a result also confirmed by casual observation. Rhetoric alone is insufficient for persuading citizens to accept the rising level of public force, and for this reason deceit and coercion enter into the economic-policy process.

Hume's England was bound by custom and law in a way that prevented deceit and violence from displacing rhetoric and opinion as the linchpins of economic policy. America's constitutional framers sought to improve on the unwritten English constitutional system by formalizing the republican form of government and by protecting the speech, press, and assembly aspects of the rhetorical process. Recognizing that an unfettered rhetorical process facilitates majority tyranny, the framers also placed private property beyond the majority's reach, thereby checking the "taking" incentive that shifts the economic conversation away from rhetoric and opinion and toward sophistry and force. These protective barriers have been eroded over time, however, exposing property rights and rights of expression to arbitrary seizure and redistribution by the state. The legal scholar Richard Epstein describes the present status of these rights:

> The state now can rise above the rights of the persons whom it represents; it is allowed to assert novel rights that it cannot derive from the persons whom it benefits. Private property once may have been conceived as a barrier to government power, but today that barrier is easily overcome, almost for the asking. . . . Under the present law the institution of private property places scant limitation upon the size and direction of the government activities that are characteristic of the modern welfare state. (1985, x)

The upshot is that political conversations are now less likely to be concerned with the broad topics of opinion that interested Hume and more narrowly to be concerned with deciding issues related to force—especially which citizens are to be the objects of force in the name of economic policy and social justice, and which are to be trusted at election time with the job of administering the state's coercive machinery. Today's policy conversations harness the state's coercive power to compel economic outcomes that cannot be achieved through rhetorical persuasion. Professional economists fuel these conversations. A large portion of their contribution is scientific, and their method of persuasion is, to be sure, strictly rhetorical ("all the way down," as it were), but economists also are called upon to advocate and defend policies, and in such endeavors their rhetoric can dissolve into sophistry at the margins. Here, scientific economists discover the "artful" aspect of their profession.

Economic Policy and Rhetoric

The *Dictionary of Political Economy* published in 1900 asserts that the economist's business "is to explain, not to exhort. It is therefore beside the mark to speak of econ-

omists, as such, preaching a low morality or rejecting morality altogether" (qtd. in McCloskey 1990, 136). The economics profession still thinks it "an exaggeration to talk of economists 'producing' policies, for in truth their role is, at best, limited to advising on policy" (Coddington [1973] 1983, 230). McCloskey avoids discussing policy rhetoric, noting instead that "economists can offer wise constitutional advice but are not very good at detailed social engineering; we are good at rules, but bad at authority" (1994, 218). The economist James Buchanan wistfully urges economists to study exchange relationships and to eschew the compulsions of politics and policy (1979, 34). Most economists recognize that they have no privileged knowledge of "the public good" to offer, and public-choice theory predicts that the policies they advocate will advance private preferences, aesthetic sensibilities, and pecuniary interests. McCloskey (1990) wryly notes that everyone should decline economic advice that, if valid, a truly wise economist would sooner act on than peddle. The demand for "policy" economists nevertheless remains high.

Professional economists who are unenlightened by rhetorical theory have perceived qualitative differences between scientific economics and economic policy for more than a century. A cursory inquiry into the basis of their collective perception is warranted. The desired outcome is an explanation that is consistent with the discussion so far and harmonizes tolerably well with the rhetorician's skeptical viewpoint. This outcome is achieved by imagining that the rhetoric of scientific economics lies at one end of a "persuasion" continuum that is bounded at the other end by sophistry and deceit dissolving into abject force. Economic-policy conversations tend to lie between these limits, with the distance between science and policy determined by the opportunity for sophistry to persist along conversational margins.

A clear and comprehensive definition of *sophistry* is needed at this juncture. The word's classical meaning implies a lack of knowledge, but this definition will not do. Any economist with sufficient credentials to be taken seriously on policy issues is presumed to know his or her subject. Sophistry in economic policy therefore implies not a lack of knowledge but the use of superior knowledge to obscure and confuse a conversation to the extent required by the political outcomes being pursued. Accordingly, *sophistry* is best regarded in its colloquial sense, which, the *Compact Oxford Dictionary* says, is "[s]pecious but fallacious reasoning; employment of arguments which are intentionally dishonest." *Oxford* illustrates the definition with this apt quotation taken from R. H. Hutton (1871): "Nothing can exceed the tortuous sophistry of this admirable special pleading."

Economic sophistries cannot persist in the idealized world of positive economic science. In neoclassical economics, a work's scientific value is determined by the accuracy of its predictions; the reasonableness and political correctness (or lack thereof) of its assumptions and the emotion of its rhetoric have no moment (Friedman 1953, 41). Competition among economists precludes sophistry without need for formal (and ultimately unenforceable) codes of professional ethics. The method of positive economics ensures that "errors" introduced instrumentally in the theorizing stage of inquiry by the use of "as if" assumptions (pure and perfect competition, for example)

are dissipated in the hypothesizing and testing stages (Vaihinger 1935; Friedman 1953). Subsequent errors of judgment and technique are open to detection during peer review and perpetually thereafter once a work is published. The process of positive economic science approximates the desideratum of Plato's *Phaedrus*.

McCloskey (1985, 1990, 1994) challenges this sunny view of economic science, describing its actual practices as being both less well structured and less positively "scientific" than economists recognize or willingly admit. Economists are obliged by scarcity constraints to accept tacit knowledge, helpful insights, and useful bits of information as they find them. This practice is not scientific positivism, but a pragmatic methodological pluralism. Economists weave disparate inputs into narrative tapestries using the gamut of rhetorical devices and literary forms. They would be immobilized by method and unable to generate nontrivial work product if held to the ideals of scientific positivism. Friedman, who once championed the ideal of positive economics (1953), acknowledged more recently that "there was essentially no relationship between what people said about methodology and what they did in their actual scientific work" (qtd. in McCloskey 1994, 183). The ideal of positive economics quite possibly represents nothing more than a projection of the profession's collective moral sense (McCloskey 1994, 94). Despite these limitations and shortcomings, competitive forces within economic science spontaneously enforce rhetorical standards that facilitate the error-for-truth exchange.

By comparison, the disagreeably forceful aspects of redistributive economic policies overwhelm rhetoric's capacity to persuade. The realm of economic policy has evolved consequently to accommodate sophistry and deceit. Whereas sophistries are exposed quickly in the scientific realm, thus greatly reducing the incentive to employ them, they are easily introduced in policy conversations, and their effects can persist for decades. Although the adversarial process of refutation and successive approximation that purifies the rhetoric of scientific economics is highly visible in the policy realm, its cleansing power is diminished by the infusion of political values that are stronger by design than those identified in the rhetorician's claim that "the truths any of us find compelling will be partial, which is to say they will all be political" (Fish 1994, 8). The adversarial process is least effective where policy conversations are arranged to converge on predetermined political outcomes and compromises rather than on economic truth; in conversations where partial truths are an objective rather than a liability to be minimized; and in conversations staged to buttress legislative and administrative decisions against the forces of judicial review. Conversations of this sort converge on economic truth by coincidence, if at all, and have given rise to the "interested error" principle of political economy. The principle applies where "the announced goals of a policy are sometimes unrelated or perversely related to its actual effect, and the truly intended effects should be deduced from the actual effects," and when "an explanation of a policy in terms of error or confusion is no explanation at all—anything and everything is compatible with that 'explanation'" (Stigler 1975, 140, italics omitted). Interested error is the hallmark of successful rent seeking, and it provides fairly conclusive evidence that sophistry has infected the policy conversation.

Dialectic and Narrative Aspects of Economic Policy

The most effective sophistry is of the sort that subtly infects both dialectic and narrative aspects of economic-policy conversations. On the dialectic side, facts may be manipulated, theory misstated, and logic distorted by irrelevancies, non sequiturs, and fallacies of composition. Misleading metaphors may appear on the narrative side, and the enveloping story is easily charged with emotional epithets and platitudes. High-stakes economic-policy conversations degenerate into games of persuasion at any cost in which sophistic "cheating" is both anticipated and implicitly permitted by the game's rules, just as "traveling" is overlooked nowadays in basketball.

The most interesting aspect of economic-policy conversations appears in the creative use of metaphor within narrative. Metaphors help to explain why a particular economic policy ought to be adopted. They are created from many sources, including introspection, thought experiments, other cases in point, authority, symmetry, definition, and analogy (McCloskey 1991, 611).

Aristotle commented on metaphor by noting that "[n]ew and strange words simply puzzle us; ordinary words convey what we know already; it is from metaphor that we can best get hold of something fresh" (1954, $1410^{b}10$–15, p. 186). A similar view prevails today among linguists and rhetoricians who argue that "[t]he essence of metaphor is understanding and experiencing one kind of thing in terms of another" by "provid[ing] a way of partially communicating unshared experience" (Lakoff and Johnson 1980, 5, see also 225). They understand metaphor as being "essential to human understanding and as a mechanism for creating new meaning and new realities in our lives" (196). They also recognize (on the down side) that metaphor can give "a certain comprehension of one aspect of the concept and hides others" (221)—illuminating, for example, an economic policy's normatively desirable distributional objectives while simultaneously obscuring its adverse efficiency consequences. Metaphor serves sophistry as well as it serves principled rhetoric.

Rhetoric's critics attack metaphor as "an abuse of words," and they urge that debate be limited to common speech, hard facts, actual quantities, and personal experiences. The philosopher Thomas Hobbes thought metaphor to be a cause of "absurd conclusions," arguing that "in reckoning, and seeking of truth, such speeches are not to be admitted" ([1651] 1994, 1: 23). The philosopher John Locke thought that "if we would speak of things as they are, we must allow that all the art of rhetoric, besides order and clearness, all the artificial and figurative application of words eloquence hath invented, are for nothing else but to insinuate wrong ideas, move the passions, and thereby mislead the judgement" ([1693] 1995, 411). Critics converge on only a single point of agreement: "people who get to impose their metaphors on the culture get to define what we consider to be true—absolutely and objectively true" (Lakoff and Johnson 1980, 160).

Aristotle offered little guidance for constructing metaphors except to say that they "must be fitting, which means that they must fairly correspond to the thing signified" (1954, $1405^{a}5$–15, p. 168), and that they "must be beautiful to the ear, to the

understanding, to the eye or some other physical sense" (1405b15–20, p. 170). In keeping with his goal of an ethical rhetoric, metaphors ought not be intentionally misleading or unnecessarily emotional.

The economist Robert Shiller emphasizes the importance of metaphor for promoting economic policies. He views metaphor through the psychologist's lens in order to gain an "understanding of the frailties of human decision-making" (2003, 82). He relies in particular on the use of psychological "framing," which he defines as "the dependence of choices on the description and interpretation of decision problems" (83, quoting Khaneman and Tversky 2000, xiii). Shiller approvingly describes the "inventive use of framing, as illustrated by the history of U.S. Social Security" (97) to demonstrate the use and importance of metaphor. His narrative deserves quotation at length:

> President Franklin Delano Roosevelt, who made the creation of social security the cornerstone of his New Deal, argued along just such lines ["embodying the {metaphorical} concepts of 'insurance' and 'contribution'"]. Roosevelt responded to critics who claimed that, despite appearances, the contribution scheme defined by the social security acts was not insurance because there was no insurance contract. Roosevelt said:
>
> > I guess you're right on the economics, but those taxes were never a problem of economics. They are politics all the way through. We put those payroll contributions there so as to give the contributors a legal, moral and political right to collect their pensions and their unemployment benefits. With those taxes in there, no damn politician can ever scrap my social security program.
>
> The question of the constitutionality of a social security that appears to promise to transfer money from young to old in the future was brought to the U.S. Supreme Court in 1937, on the grounds that a U.S. Congress cannot contractually bind future U.S. Congresses. The Roosevelt administration filed a brief arguing that social security was not really insurance—that there was in fact no insurance contract and that Congress could change the provisions whenever it wanted—and so no such issue of constitutionality existed. *Social Security was insurance only in name.* Accepting these arguments, the Court ruled the system constitutional.
>
> Despite that decision, the language that the Social Security Administration used afterward to describe the system continued to state that it was insurance, an insurance contract between government and the participant, and that the participant had a "right" to the social security benefits. . . . To this day the Social Security Administration continues to use similar language,

> showing that the original framing of the U.S. Social Security System has made it a stable system for risk sharing. (2003, 96–97, emphasis added)

Shiller argues that invoking the terms *insurance* and *contribution* as metaphors "is not . . . manipulation"—despite so obviously compelling the government to speak from both sides of its mouth—but rather "consists of setting things up right for our society" (97). Even without quibbling with the value judgment embedded in the narrative of Shiller's argument, his commendation for these metaphors begs a question about whether metaphors are inherently "true" and "false." The linguists George Lakoff and Mark Johnson argue that they are:

> In all aspects of life, not just in politics or in love, we define our reality in terms of metaphors and then proceed to act on the basis of the metaphors. We draw inferences, set goals, make commitments, and execute plans, all on the basis of how we in part structure our experience, consciously and unconsciously, by means of metaphor. . . . It is because many of our concepts are metaphorical in nature, and because we understand situations in terms of those concepts, that metaphors can be true or false. (1980, 158, 179)

False metaphors do more than conceal mitigating details within a narrative. They are deceitful, and so they compel people to act against their will and best interests (Bok 1978). This effect in turn satisfies the legal and economic definition of *fraud* (Darby and Karni 1973). The Social Security metaphors cited by Shiller provide a case in point. The state has forcibly taken surplus financial "contributions" over many years, ostensibly to fund an "insurance" program in perpetuity. The money has been used instead to pay for unrelated government activities that taxpayers either were not or could not be persuaded to fund voluntarily. No "trust fund" (yet another metaphor) exists. The end of Social Security's perpetual and nondiscriminatory benefits stream now is in sight and, as with any such financial scheme, the last people compelled to "contribute" will receive little or none of the promised "insurance" benefits. Honest people may differ over whether this proceeding is the appropriate way to go about "setting things up right for our society." The innovative metaphors used to describe Social Security successfully obscured the program's most crucial details.

The use of false metaphors and other sophistries to manipulate public decision making has the predictable consequence of reducing public trust (Bok 1978; Seligman 1997). Trust is essential to "an economics of talk": "[t]he persuasive talk that establishes trust is of course necessary for doing much business" (McCloskey 1994, 372). Trust is a natural and elementary human response to managing risks of all sort, and its reduction diminishes the state's ability to influence public opinion and to exploit naturally occurring opportunities for social cooperation. The loss of trust obliges the modern state to substitute force for opinion over an already diminished margin. Governing purely by force, in contrast to governing with a blend of force and

deceit, has the unintended and somewhat unexpected consequence of rebuilding trust over time, allowing the state at some point to reverse course and begin substituting opinion for force.

Conclusion

Economic-policy conversations are not entirely like economic-science conversations, although they sometimes start from the same place. The process of economic science tightly constrains the play of self-interested advocacy. The nature of economic policy, by contrast, imposes less discipline on rhetorical practices, and so it permits—and sometimes requires—rhetoric to dissolve into sophistry and deceit at the margins. The returns to sophistry are greatest, making sophistry most prevalent, where constitutional (written or unwritten) protection for private-property rights is compromised and where the state has acquired broad latitude to substitute force for opinion.

Economists share blame for the chaotic state of economic policy and political rhetoric, but they should not be condemned, as Plato and Aristotle might have condemned them, for moral and ethical failings. Economists, like everyone else, maximize private utility within the rules of an institutional game. Economic policy is a dog-eat-dog game in which dogs that don't eat are eaten. This condition is a problem of institutional constraints, not one of personal failings. Economists nevertheless have several exculpating and quasi-moral justifications for their ethical behavior, including: a rationalistic justification—the policy being advocated might improve the human condition; a legal justification—sophistry short of perjury is within the rules of the game; an equity justification—every dog, especially the weak and the picked upon, is entitled to an advocate; a classical-liberal justification—truth ultimately will rise to the surface, no matter what; a Smithean justification—the public good is best served by the private pursuit of self-interest; a Machiavellian justification—great things are accomplished by individuals with little regard for good faith; an existential justification—an economist with fewer scruples can always be found to do the advocacy work; and a nihilistic justification—all economic-policy decisions are politically based.

Worth noting in closing is that the state influences opinion in ways that are essentially independent of rhetoric and sophistry. High and rising opportunities for public employment affect opinion positively by rendering broad segments of the population sympathetic to coercive redistribution of wealth. Sympathy reduces the need to govern by force. Financial grants, subsidies, and other transfer programs have the same effect. Other examples can be enumerated.

Finally, substituting force for opinion in governance has the unintended and adverse consequence of diminishing respect for rhetorical persuasion and cooperation in private dealings. A popular aphorism, commonly attributed to former Supreme Court justice Louis Brandeis (dissenting in *Olmstead v. United States,* 277 U.S. 438[1928], at 485), holds that government teaches by example rather than by prin-

ciple. Controlling others through deception and force gives a bad example. The adverse effects of substituting force for opinion can be observed directly in quotidian public life and experienced vicariously through popular music, movies, television programs, and video games (Bok 1998). Violence resonates widely in a civil society that is tuned for public force.

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