
Ideologies, Institutions, and Interests

Why Economic Ideas Don't Compete on a Level Playing Field

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Economists are not outside of the economy; they are part and parcel of it. . . . The economist is a rational, maximizing individual, subject to the predictions of economic science. In this sense *there is no way that the economist cannot be influenced by the environment.*

—Robert Tollison, “Economists as the Subject of Economic Inquiry”
(emphasis added)

An important feature of liberal democracies such as the United States, where freedom of speech and expression are protected, is that their supporting institutions create a climate of public discourse in which ideas can be debated. The U.S. Supreme Court has continuously ruled that citizens’ freedom of speech is vital for prosperity. There exists no overt censorship by the state. When censorship has been tried, the court system has struck it down as unconstitutional.

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Given this fact, both good and bad ideas are allowed to circulate in the discourse, competing for adherents. In such an environment, it is reasonable to expect that good ideas will triumph over bad ones.

But in fact there are significant problems with assuming that liberal institutions ensure the triumph of good ideas. The popular metaphor of a “marketplace of ideas” is misleading. Sometimes ideas outcompete other ideas not based on truth but because of convenience or bias. Ideas compete on margins not necessarily related to truth, which should make us skeptical that good ideas triumph over bad ones when they clash. The selection process is driven by a host of criteria, and in any particular case criteria other than veracity may prevail.

This point is particularly evident in the field of economics, which is our focus in this paper. Ideas within economic discourse clash, oftentimes vehemently. Some ideas win and are promoted; others are discouraged and fall out of use. Following Robert Tollison (1986), who argues that even economists are subject to the laws of economics, we critically examine the environment within which the battle of economic ideas is waged. This analysis leads us to conclude that many powerful forces other than truth determine which ideas catch on in economics and which fall out of favor. Other economists have tried addressing the same point, considering whether gains from trade exist between economists of differing schools of thought (Popper 1968; Rosen 1997; Yeager 1997). Those in favor of trade see the missing gap that exists now in the field. Our purpose in part is to show that this gap exists.

Economists, like all purposive beings, act in their own self-interest. The economics profession is filled with rational human beings seeking to advance their careers. Due to the nature of the institutions that govern the supply and demand of ideas in economics, the ideas that make up “mainstream” economics are amenable to an “invisible hand” style of analysis (Smith [1776] 1981; see also Storr and Martin 2008). This paper focuses primarily on the relationship between academia and the managerial-administrative state as they exist today. We demonstrate that a positive-feedback loop incentivizes economic ideas that promote an academy–state symbiosis. To show how some ideas outcompete others, we draw mainly upon scholarship that deals with the nature and role of the economics profession (Bowles 1974; Henderson 1977; Rhoads 1978; Nelson 1987; Buchanan 1991; Frey 2000; Horwitz and Boettke 2005; Angner 2006; Beaulier, Boyes, and Mounts 2008; Steindl 2012; Boettke, Coyne, and Leeson 2013; Rodrik 2014; Almeida, Angeli, and Pontes 2015; Hoover 2015; Boettke and O’Donnell 2016; Salter 2019), as well as upon scholarship that deals with spontaneous order in general (Menger 1892; Galiani [1751] 1977; Granovetter 1985; Stein and Bickers 1997; White 2005).

We organize the remainder of this paper as follows: The first section critiques the metaphor of a marketplace of ideas, showing that institutional considerations can lead to ideas winning for reasons other than truth. Next we explore the academy–state relationship that flourished in the Progressive Era. We analyze in particular the New Deal period through the lens of economics and describe how that period shaped the institutions of both academy and state. Finally, we characterize the academy–state

symbiosis as a spontaneous order that emerges from the mutual impingement of academic and governmental institutions.

A word of clarification before proceeding. Nothing in our analysis presupposes that the ultimate truth of economics lies with any particular school. We are not arguing in this paper that the economic ideas that came to dominate the profession during the height of the neoclassical synthesis are false. We are instead telling a story about how those ideas came to dominate that does not rely on those ideas being true. The usefulness of this account should be apparent to all those who believe, *pace* Tollison, that “we are all a part of the equilibrium” and that the economics profession should not be closed off from economic analysis.

The *Peculiar* Marketplace of Ideas

When one says “marketplace of ideas,” one is implying that ideas compete openly and freely, given a supportive legal structure as a backdrop. This idea is centered around the principle that the search for truth is most effective when these ideas circulate freely. We see flaws in this concept and follow Krill Bryanov (2018) and Stanley Ingber (1984), who see the market for ideas as having an institutional framework that can lead to ideas “winning” due to competition on several margins. The “marketplace of ideas” metaphor breaks down when we remember that markets require a specific institutional context. Markets are not abstract supply-and-demand functions but instead networks of exchange relationships and the governance arrangements that support them: “Markets are institutions of exchange; persons enter markets to exchange one thing for another” (Buchanan 1987, 246). Analogizing competition between ideas to competition in markets presumes some sort of congruence between the institutions that govern the competitive process in both social spheres. Although there are surface-level similarities, pro-competition institutions in markets sufficiently differ from those institutions that govern the promotion and dissemination of ideas that we lose more than we gain by taking the metaphor too literally.

In a competitive market for some good or service, incentives exist to ensure market competition has beneficial consequences, such as satisfying consumer preferences.¹ Goods and services that “pass the market test” are those that consumers find to be of sufficient utility to justify their price. William Anderson calls markets “arenas in which economic exchanges are made” with “rules we must follow . . . as we examine market behavior” (2000, 66). In order to pass the market test, a good or service must be found useful by consumers, who then signal to producers through their purchases that producers are in fact adding value to society’s scarce resources.

1. This is in stark contrast to how Adam Smith ([1776] 1981) and Daniel B. Klein (2005b) see academic societies. They argue that these societies were constructed for the benefit of the academics instead of the end consumers—students. Academia is also different from other markets because of the lack of diversity in the good or service offered. W. L. Hansen found that the content and structure of graduate economics program are “amazingly similar” (1991, 1085).

Does this process also govern the market for ideas? It is surely heroic to assume so, except perhaps in the trivial sense that it is meaningful to discuss the supply and demand for ideas. In the realm of ideas, however, the lack of institutions that give rise to something resembling the negative-feedback loop in markets means the differences between the supply and demand for ideas and the supply and demand for, say, potatoes are legion. If “Whig history” as applied to economic ideas is correct, there must be a specific set of institutional mechanisms at work that *make* it correct. We contend and will argue that the institutions that actually exist in the promotion and dissemination of economic ideas more plausibly operate on other margins. Our analysis is similar to the one given by Peter Boettke, Christopher Coyne, and Peter Leeson (2014), who use the example of Paul Samuelson’s theories in their discussion of how economic ideas rise and spread. There is certainly competition in the realm of ideas, but the incentives underlying their supply and demand are such that truth is not the primary margin of contestation. “Ideas that are flawed can come to dominate the profession, while useful ideas are left on the proverbial side-walk of intellectual affairs” (Boettke, Coyne, and Leeson 2014, 531). Ideas are subscribed to and professed by individuals, and those individuals interact within social institutions, whether in markets, politics, civil society, or some combination thereof. All of these things overlap in some capacity, leading to a constant push–pull effect that determines how ideas manifest in individual and collective action.

Many other factors affect whether an idea is successful and can “win” in scientific discourse. Boettke, Coyne, and Leeson (2014) point out that even in the physical sciences, where the possibility of controlled experiments would seem to obviate much debate and contention, it is not sufficient merely to come up with significant findings. One must also be able to write a good story to convince skeptical peers. Persuasion, reputation, and intellectual fashion still matter greatly in determining which ideas the experimental sciences regard as mainstream. The difficulty of running controlled experiments in the social sciences means that rhetoric and personality play a crucial role in how ideas are produced, disseminated, and debated. Economists are ultimately storytellers (McCloskey 1998), and although good stories can be true, they need not be. More importantly, a story can be good—compelling, pleasing, and so on—for reasons that are independent of its truth. Thus, the “marketplace of ideas” metaphor cannot be justified by analogy to more familiar market competition (Weissberg 1996; Mirowski 2011; Hassan 2015; Nik-Khah 2017; Delfanti 2018).

Case Study: Academy–State Symbiosis in Twentieth-Century Economics and Politics

Rise and Prominence of Research Universities

Progressivism, the New Deal, and “neoclassical synthesis” economics were key factors in changing the role of the university, leading to a shift in the profession. Beginning in

the late nineteenth century, universities started taking donations from wealthy reformers and philanthropists who wanted to provide practical and technical solutions to social problems (Leonard 2016). Thomas Leonard illustrates that this donation process incentivized the aspiring public-policy expert to study at these universities and to become experts themselves (2016, chap. 1).

Importantly, these changes were set in motion a generation before the New Deal era. One can look back to late-nineteenth-century American scholars who did their graduate work in Germany, often under the influence of the German Historical School, which typically had a positive view of the state as a means of social control. The new “managerial” perspective on political economy began to filter into American centers of higher learning. This influence explains in part the expanded role that the state eventually took on in the New Deal era. Prior to this, American (and British) economists saw themselves as scholars first and foremost, whereas economists in continental Europe envisioned a wider range of responsibilities in administrative power. By the early twentieth century, American economists were starting to view their role in a similar fashion (Fourcade 2009). Economists acquired a new conceptual vocabulary, much of which did not follow the classical economic way of thinking but was convincing to the profession precisely because of its apparent precision and rigor (Solow 1997). Mathematics took over this field at the same time as Keynesian economics were becoming mainstream. According to Mark Blaug’s assessment, there existed a problem with “replacing falsification with verification” that was due in part to economists focusing on the sophistication of the analysis at the expense of the content of the results (1980, 256). The knowledge of techniques became more important than knowledge of real-world economic forces.

Creation and Growth of the American Economic Association

The professionalization of the economic profession, most notably with the founding and rise of the American Economic Association (AEA), came around with the Progressive Era to affect public policy. As A. W. Coats pointed out, Richard Ely, a founder of the association, intended for the AEA to support economists who viewed laissez-faire economics as unscientific and outdated (1960, 556–57). In subsequent writings, Coats (1985) acknowledged that founders of the AEA were crucial players in the transformation of higher education mentioned earlier. During World War II, the economic profession drifted to Washington, D.C., to assist in the planning of the managerial-administrative state. Prior to this, the AEA in 1918 created committees to funnel economists into public service (Fourcade 2009, chap. 2).

The AEA had the purpose of intertwining government and economics from the beginning. Leonard (2016) describes how Richard Ely used his role to establish the organization as a group of progressive reformers. Ely purposefully wanted this group to

support the Progressive movement, which was pushing the implementation of an economics of control (Salter 2019).²

Transformation of the American Government in the Progressive Era

The twentieth century exhibited a dramatic shift in the nature of economic science as it was practiced among scholars. With the rise of progressivism, managerial-administrative economics began to replace the art and science of political economy. These trends were exacerbated by the Great Depression. The classical remedy of allowing markets to self-correct was not convincing at a time when people wanted answers fast (Leonard 2016). Regarding the rise of Keynesianism, Steven Horwitz and Peter Boettke (2005) argue that Keynesian answers fit the mold of what intellectuals believed to be cause of the Great Depression and provided a framework for thinking how intelligent interventions could stave off future recessions. Due to this shift, social engineering now had the public's blessing as well as the analytical tools necessary to tackle the economic issues of the day. The Great Depression was the "perfect storm" for economists to experiment with the economy as if it were a laboratory (Rodrik 2014).

The New Deal was born out of the Great Depression, but in Richard Hofstadter's (1955) view the idea of progressivism could not have formed without prior social and ideological developments. The government could no longer protect only negative rights; it now had to promote overall social welfare (Boettke 2018, 946). Progressives were the first, or at least the first successful, group to deal with social problems and economic policy with regard to the state, which explains in part the start of the symbiotic relationship between academy and state (Nelson 1987). This relationship cannot be attributed solely to political entrepreneurship in Progressive administrations, such as Woodrow Wilson's or Franklin D. Roosevelt's (FDR). Eliza Lee (1995) argues there were strong historical trends in that direction anyway. The Industrial Revolution brought about a complex economy, and with it more sophisticated measures of social control were supposedly needed. Economic technocrats, who had the necessary analytical and innovative tools, were then hired for roles in government that allowed them to provide these solutions.

State Encroachment in the Field of Economics

The state's encroachment into economics solidified in the first half of the twentieth century. FDR's presidency and the New Deal were the major forces in ensuring these

2. More recently, there seems to exist a strong consensus among AEA members in regard to issues such as redistribution, minimum-wage laws, and regulatory agencies (Klein and Stern 2006, 2007). This consensus tends to become less market-friendly over time. Furthermore, there is a static dimension that is troublesome as well. In surveys performed by Daniel Klein and Charlotta Stern (2006, 2007), the ratio of Democratic to Republican voter registration was 2.5 to 1; even among the registered Republican economists, their views were more middle of the road than free market.

policies shaped public opinion. Murray Rothbard (2017) argues that the foundations of this project started before FDR, with his cousin Theodore Roosevelt. “Teddy’s” policies were advanced by Wilson, who put together the framework of the Progressive alliance. The FDR administration assumed an activist role, which was partially responsible for government and economics working hand in hand (Fourcade and Khorana 2013, 12). In Leonard’s account, reformers sought to replace Adam Smith’s “invisible hand” with the administrative state’s “visible hand” (2016, chap. 2). Government grew significantly in both size and scope.

It is not a coincidence that the rise of technocratic economics occurred alongside the rise of technocratic government. During the Progressive Era, a mutually reinforcing feedback loop between academia and state arose. The state supported academia financially, and the academy supported the state’s intervention in the economy (Salter 2019). This mutual support led to certain theories being promoted, specifically market-failure microeconomics and Keynesian macroeconomics.³ The promotion of these ideas came at the expense of other paradigms, such as Austrian School economics, which elites neglected due to its inapplicability to the growing concerns with social control.

Governments began to employ economists as problem solvers, which led economists to change their analytical focuses and techniques to satisfy the departments that hired them (Nelson 1987). This shift was necessary to make the field more influential in the government sphere. Perhaps one of the most direct forms of entanglement between the state and the field of economics is the Council of Economic Advisers, which was founded in 1946 as Keynesianism was on the rise in the United States. This advisory board acted as a *de facto* advocacy group for economists. On this council, selected economists were directly involved in policy making and advising; it thus offered a great opportunity for economists to exert social control.

The rise of the Keynesian model and of market-failure microeconomics soon thereafter provided a reason for economists to be employed in high levels of government (Hall 1989; Markoff and Montecinos 1993). State spending was seen as a vehicle for guiding the economy, and the Keynesians provided the necessary skills needed to steer the ship of state.⁴ This desire to steer is in part why the neoclassical synthesis outcompeted other modes of economic analysis. Other schools of thought were trying to understand society, not plan it. Insights from these fields could not be used as an input into policy for social control. William Allen conducted interviews of

3. This was also due in part to what Klein and Stern (2009) describe as a groupthink mentality within academia. This groupthink leads to standards of performance being inherently inseparable from support of certain beliefs, even if these standards are held subconsciously.

4. With respect to state support, Tyler Cowen and Alex Tabarrok (2016) show that the National Science Foundation allocates most of its funding to high-prestige economists doing mainstream work at universities that already have rich funds for research. Specifically, around 50 percent of National Science Foundation funds have gone to eleven universities and the National Bureau of Economic Research. This finding should not come as a surprise; according to William Butos and Thomas McQuade (2006), the National Science Foundation’s main purpose is to develop and implement federal science policy. These contemporary examples reflect the continuation of a legacy that developed in the early and mid-twentieth century.

economists in high levels of the federal government and suggested that these economists were not acting primarily as advisers but rather as legitimators of these state actions (1977, 87). They were there chiefly to serve as an intellectual rubber stamp for state intervention. Because academics are generally held in high regard, their approval had a profound impact on public opinion of policy.

Empirical evidence confirms a large and growing role for economists and government, especially in the decades following the New Deal. Steven Rhoads showed that in 1973 although only 30 percent of social scientists were economists, 43 percent of the social scientists working in government were economists (1978, 113). He also revealed that 74 percent of the social scientists in 1975 who were deemed to be at “federal supergrade level” (meaning GS 16 or higher) came from an economics background. Scott Beaulier, William Boyes, and William Mounts consider why government grew as more economists were hired in governmental roles. They claim that despite economists generally being pro-market, government can grow during high public employment of economists because “they are also more knowledgeable about bureaucracy, rent-seeking, and interest group formation” (2008, 65). In addition, they find that as more economists have joined government, the public has become more sympathetic to bigger government.⁵ In fact, the percentage of economists among all federal government employees more than doubled from 2.1 percent in 1968 to 5.4 percent in 1990. Also, employment of Ph.D. economists in government increased from 9 percent to 12.8 percent from 1960 to 2000, an increase of around 42 percent (Beaulier, Boyes, and Mounts 2008, 67).⁶ From the 1930s to 1940s, the percentage of economic articles authored by government employees rose from 2.7 percent to 16.9 percent (Stigler 1965, 45).

Peter Boettke and Kyle O’Donnell best describe this interaction between economists and the state as a “matching model of economic ideas and funding sources” (2016, 123). If there was a need for experts who could fix market failures, it would make sense to hire economists who viewed this task as a worthwhile project and believed in its mission. Michael Useem (1976) found that social scientists who are financially dependent on government money are quite responsive to governmental influence; these researchers are more likely to alter their research plans once federal priorities change. Although this finding is not surprising, it further proves the federal government’s level of influence in the social sciences. Public officials, starting around the beginning of the

5. Economists themselves have become more in favor of bigger government. Among both Democrat and Republican economists, *laissez-faire* is not popular (Klein and Stern 2005). This way of thinking represents a worldview. Coming of age and receiving their professional training in an era when government is an omnipresent part of everyday life, current economists probably find it hard to imagine a case where the state does not exercise continuous oversight (Klein 2005a).

6. This increase is due in part to the Reagan administration’s hiring of economists to do cost–benefit analyses, usually with the intended purpose of cutting spending. This is not a problem for our thesis. Cost–benefit analysis is not inherently pro-market. It can just as easily be a tool of technocratic control as it can be a justification for freeing up markets. And whatever its intention, requiring cost–benefit analyses to be conducted by economists certainly reinforces economists’ role as experts and public guardians.

twentieth century, created a demand for technical expertise that was to be performed by academic economists in the fields of war and welfare (Fourcade 2009). This transition is best characterized as a “spontaneous order,” which we explain in the next section.

The Spontaneous Nature of the Relationship between Economics and Government

The academy–state symbiosis was not consciously intended. As social scientists know, coordination does not require command. What we have described is a spontaneous order. Friedrich Hayek’s work in *The Political Order of a Free People* (1973) is particularly relevant here. According to Hayek, spontaneous orders have three characteristics: they are the result of human action; they are not the result of human design; they are self-reinforcing, meaning that for an order to emerge and survive, there must be some sort of feedback mechanism to guide decisions and actions. Spontaneous order is a pattern of regularity that emerges out of the interactions of purposeful human actors within an institutional network. A chief feature of spontaneous order is plan coordination. Plans that are discoordinated must adjust in accordance with “rules of the game” as set by institutions. However, spontaneity does not imply randomness. We can still describe the “filters” that place constraints, even without conscious intent, on the kinds of emergent outcomes that will survive (Alchian 1950).

To make the argument more concrete, consider the spontaneous interplay between economy and state in a specific context: central banking (cf. Salter and Luther 2019). Within the Federal Reserve, monetary policy makers are likely to value work that is pertinent to the Federal Reserve’s mission. Central bankers will interpret their mandate within an overall pro-central-banking paradigm, which results over time in increasing control by central banks in financial markets. In an important study, Lawrence White (2005) explains how the Federal Reserve affects the course of research for the entire field of monetary economics. Seventy-four percent of the articles on monetary policy in U.S. journals have an author who is affiliated with the Federal Reserve. An aspiring monetary economist faces strong disincentives to challenge the pro-central-banking assumptions in this literature because the Fed is a significant employer, a source of funding, and an academic gatekeeper for the most prestigious journals.

The feedback loop between academy and state can be stated essentially as follows: social scientists gave legitimacy to the managerial-administrative state, developing the intellectual tools that both legitimate its operation and provide guidance for how to govern. State agents support the social scientists who helped them by allocating funding and employment to them. Bruno Frey (2000) explains the three ways in which economists can have influence on government and society: through their academic papers and policy reports, via economic ideas, and as advisers or politicians. In virtue of their expertise, economists are able to advise politicians on proper policy initiatives.

Advising *per se* does not contribute to academy–state symbiosis, but it does when the overall social and intellectual context is one of managerial-administrative economics in support of managerial-administrative governance.

According to Samuel Bowles (1974), the interconnection between economists and the state empowers economists to make substantial contributions to social change. Such contributions lead to prestige, potential jobs and grants, and recognition among the academic community. But this basic human desire to be accepted leads to loss of diversity of thought; there is little incentive to challenge prevailing fundamental assumption (Almeida, Angeli, and Pontes 2015), which has allowed academia to turn into a “self-validating club” where consumers and producers overlap, very clearly unlike a normal market for goods (Klein 2005b). Bruno Frey (2000) and Erik Angner (2006) make similar cases, highlighting how economists have an incentive to expand their influence for both material reasons (income) and nonmaterial reasons (pride, recognition, and status).

Economists dependent on government support will oftentimes stay at their government posts even when they do not agree with a policy. John Henderson (1977) theorizes that government and government economists, especially at the federal level, are heavily interconnected. The future job opportunities for those who quit and do not follow along can be slim. Vlad Tarko (2015) argues that all scientific groups must adopt some sort of governing rules in order to have the right information necessary to debate and construct ideas within that field. We contend that this is the case within economics as well. When academy and state grow and expand together, the institutional framework surrounding the field of economics changes. The institutions now overlap with each other. In order for this relationship to be stable, it must be reinforcing, which involves aspects such as reward structures. The state’s ability to allocate resources where it deems fit, relatively insulated from meaningful competitive pressure, allows for such a relationship to grow. The state can fund projects it deems worthy, which will likely mean those that expand its power. This also holds for certain economists, who can use techniques that justify their roles while also fulfilling the goals of the political agents who fund them. Economists who do not follow suit find themselves at a competitive disadvantage in terms of their personal resources and their impact on society.⁷ Monetary economists, for example, face strong pressures from the gatekeeper of the field—the Federal Reserve. Not only is the Federal Reserve the major employer of monetary economists, but it also funds a considerably sizable portion of the research in the field. Those who do not follow the Fed’s research agenda or who reject the premise of the Fed’s purpose altogether are placed at a major disadvantage with respect to their career.

7. Of course, economists also face other constraints that are plausibly outside the realm of government influence, including tenure, citations, and publishing (particularly in top journals). For an overview of those pressures and their effects on economists’ behavior, see Card and Della Vigna 2013, Payson 2017, Hamermesh 2018, and Heckman and Moktan 2018.

We must stress that this relationship is not a conspiratorial one that involves “back-room” dealings between academy and state. There is no conspiracy because there are no conspirators. The relationship does not require conscious action and intent on the part of policy makers and social scientists. In fact, if the academy–state symbiosis were to require conscious intent, it probably would not occur; it is far too complex to be an actionable goal. The spontaneous nature of the relationship ensures coordination without command between academy and state. Economists, like the rest of society, ultimately are maximizing individuals who try to make themselves as well-off as they can, given the constraints they face (Tollison 1986). Those constraints come from within the academy (the kinds of explanations economists find persuasive) as well as from outside of it (the demand for economic expertise by agents of the state). It is the interaction within academic and government institutions that explains the result, not the direct choices made by economists or politicians.

Conclusion

Ideas do compete but oftentimes on margins unrelated to truth. Truth can be part of the equation, but it is rarely the determinative criterion for promoting some ideas over others. Ideas are subscribed to by people; people interact within institutions; the institutions work as filters that determine survivability. For ideas, including ideas in politics and economics, survivability and truth need not significantly overlap.

Social scientists need a more nuanced approach to how ideas, institutions, and interests play out in generating social change. We contributed to this project by exploring the interactions between academy and state that resulted in significant change in both government and academia. Our argument is of interest not just to classically liberal political economy because all nonmainstream viewpoints, such as Marxist, feminist, and even post-Keynesian economics, are disfavored by this process as well. The academy–state feedback loop makes it much harder for these dissenting views to be heard.

We must note again: our argument does not prove that progressivism, the neoclassical synthesis, and so on are false. Our interest is not truth, but popularity. We drew attention to the selection process that underpinned the rise of both an economics and a politics of managerial administration. Our question was not “How did these ideas dominate, given that they are false?” We asked instead, “Is there an explanation for the domination of these ideas that does not depend on their being true?” We showed how those ideas had a comparative advantage in the specific historical context in question, which can explain their success.

If our thesis is sound, then much follow-up work can be done to expand upon what we and others have argued. More empirical research can be used to link the state’s spending capabilities to the field of economics as a whole, at the expense of other sciences, as well as to certain types of economic studies. Work can also be done linking

other fields, such as law and medicine, to the state using our theory of the feedback loop as a coordination mechanism. An extremely interesting research extension of this paper lies in looking into the future of the economics profession. Our paper deals with what has happened, but it would also be fascinating to see how technological advances will in the future affect the feedback loop between economists and government. Questions such as “What is the potential role of economists in the future?” and “How are blogs and social media affecting the profession, and what will this mean for the field of economics later in the twenty-first century?” could be major extensions of this paper that lead to some interesting theories.

Finally and perhaps most importantly, the conversation can and should continue as to how we economists can promote an environment conducive to genuine viewpoint diversity. Even if truth is not the relevant selection variable, it should still be the proper object of our concern as scholars. If we have reason to suspect that modern scholarly institutions are selecting ideas on margins unrelated to truth in part because of their interactions with modern political institutions, we owe it to the profession to see if there are feasible institutional alternatives that can do a better job of helping us find correct economic explanations.

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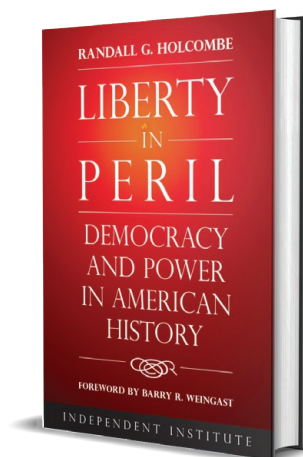
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