ESZTER MENYHART

A CRITICAL EVALUATION OF RHETORICAL ECONOMICS

PhD Thesis

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Opinion

on the PhD-Thesis entitled
A critical evaluation of Rhetorical Economics
submitted by Eszter Menyhart

In my capacity as the supervisor of Eszter Menyhart, our full-time PhD-student with state grant, I can summarize my assessment on her dissertation as follows:

Over the last decades the mainstream economics has been seriously criticized for its extreme formalism and irrelevance to the real economy. Many critics regarded its epistemology as the main cause for these problems.

D. McCloskey has offered her economic rhetoric as an alternative to this epistemology.

That’s why the candidate decided to study her major works from a critical point of view.

On studying these books and articles she used all the methods well known for academic communities in qualitative research.

She summarized her findings in eight theses. Six of them are new insights for the readers familiar with the new currents of heterodox economic thought. The last two ones are practical proposals.

She has published her results in several articles mostly in English.

On the basis of the scientific merits above, I strongly confirm that the dissertation has met all the requirements for PhD-degree set by our Doctoral School.

So I recommend the Doctoral Committee to award Eszter Menyhart the PhD-degree.

Prof. Aladar Nagy, DSc.
supervisor
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A Critical Evaluation of Rhetorical Economics

Besides introducing rhetorical economics, the main aims of the thesis are to offer a detailed account of Deirdre McCloskey’s rhetorical approach of economics through a critical evaluation from five aspects and to determine its relation to the prevailing methodology of economics.

Chapter 1 introduces the importance of the research topic, the underlying rationale and main aims and results of the research.

Chapter 2 offers a detailed literary framing of rhetorical economics: beginning with a short chronological overview from the ancient Greeks to economists and other scientists perceiving the rhetorical aspect of their disciplines, followed by a summary of the works written by McCloskey and her critical reviewers on the rhetorical approach of economics; finally, adding a selection of writings by McCloskey and her critics, classified according to particular aspects, crucial for the analysis.

Chapter 3 turns to studying five concrete questions of analysis with the eye of the critic. Firstly, considering the methodology of economics in general, the thesis offers a deep insight into the battle between the prevailing methodology of economics and the rules proposed by McCloskey. Secondly, looking into the legitimating of scientific knowledge, McCloskey’s ideas on broadening the rules of epistemology are contrasted with the clearly defined standards of scientism as required by her critics. Thirdly, labeled as ‘the vices of economists’’, the issues of regarding ‘blackboard proofs of existence’ as scientific; as well as statistical significance in the technical sense as the same as scientific significance and the assessment of the role of predictions in economics are examined. Fourthly, McCloskey’s most revolutionary ideas on the rhetoric and literary character of economics and the severe criticisms
against them are scrutinized. Finally, McCloskey’s disregard of the concept of truth in economics and the heavy rejections it evoked are examined.

Chapter 4 offers a comprehensive evaluation of McCloskey’s rhetorical approach and summarizes the new and novel findings of the research. Findings in the concrete issues of analysis show that rhetorical economics is in need of concretely defined, prescribed and defensible standards for what counts as a good or bad argument, for accepting or rejecting a theory and also in need of clearly defined criteria of deciding what can be accepted as scientific knowledge, which requirements are either missing or insufficiently conditioned by McCloskey’s rhetorical theory. Furthermore, a good rhetorical theory of economics should preserve the connection between economics and the pursuit of truth in the correspondence sense and should not exclude reference to the real world. When neglecting these two issues, persuasion supported by McCloskey’s standards alone cannot be claimed with certainty to lead to a more reliable knowledge about the economy than the rules of epistemology. Further findings of the research show that thinking about data more seriously beyond blackboard theorizing, the requirement of thorough literacy in the history of economic theories and offering a loss function for explaining the economic significance of the results of statistical tests all constitute valuable proposals. Besides, the idea of ‘prediction in order to control’ may have positive returns, therefore it should not be categorically rejected. Finally, the research found that McCloskey’s globalized view of rhetoric has legitimacy in most fields of the economy but her universalization claim of rhetoric and literary criticism for the evaluation of knowledge and proposal of the persuasive power of a scientific theory and/or its proponent as the crucial criterion for deciding on the acceptance or rejection of the theory are highly questionable.

Comprehensive findings of the research considering the relation between rhetorical economics and the prevailing methodology of economics show that McCloskey’s rhetorical theory cannot be accepted as a theory rival to the rules of epistemology constituting the prevailing methodology of economics, but with certain modifications, however, the elaboration of a rhetorical theory subordinate to the prevailing methodology of economics would be a great scientific endeavor worth embracing.
ACKNOWLEDGEMENTS

First of all, I am very grateful to my Doctoral School at the Faculty of Economics University of Miskolc (Hungary) and my colleagues in the Institute of Economic Theories for providing a solid basis for my research.

A Huygens grant (from 1 October 2005 to 31 January 2006) and my previous short stay (May 2004) in the Netherlands played an important role in completing my dissertation by offering me excellent research conditions in the Erasmus Institute for Philosophy and Economics (EIPE) at the Erasmus Universiteit Rotterdam and good opportunities for personal consultations with the initiated professors of rhetorical economics. I would like to thank the academic director of the EIPE, Professor Uskali Mäki (Philosophy); Professor Arjo Klamer (Arts and Culture in Economics), Erasmus Universiteit Rotterdam, and Professor Deirdre McCloskey (English, History and Economics), University of Illinois at Chicago, USA and Tinbergen Professor of the Erasmus Universiteit Rotterdam for their professional instructions and valuable consultations, which significantly contributed both to the research phase and to writing the dissertation.

Finally, I would like to thank my academic supervisor, Professor Aladár Nagy, DSc. (Economics), for both his valuable professional guidance and personal support in all phases of my studies and research.

The Author
1. INTRODUCTION

First of all, a clear definition of the concept ‘rhetorical economics’ has to be given. In Volume 4 of The New Palgrave Dictionary of Economics, we find following definition for ‘rhetoric’:

“Rhetoric is the study and practice of persuasive expression, an alternative since the Greeks to the philosophical programme of epistemology. The rhetoric of economics examines how economists persuade – not how they say they do, or how their official methodologies say they do, but how in fact they persuade colleagues and politicians and students to accept one economic assertion and reject another” (Eatwell et al. 1987: 174).

Rhetorical economics means the description of real economy verbally, i.e. in natural language. In classical economics (political economy or political arithmetic that time) the natural language was dominant. Modern (neoclassical) economics, however, became strongly formalized, i.e. a mass of equations, axioms and assumptions – borrowed from physics and mathematics – characterized the texts. Over the last decades, ‘formal economics’ has been crowding out ‘informal economics’, literary economics, ‘storytelling’.

1.1. The importance of our research topic and the underlying rationale

In order to gain a reliable knowledge about the economy, economists created a mass of rules (included in epistemology) to be followed. Before rhetorical economics, mainstream economics held that a theory was scientific only in one case: if it followed the rules of epistemology as perfectly as possible. These included methods such as
observation, induction, deduction, models as well as tools such as axioms or assumptions, hypotheses and theorems. The aim of epistemology was to reflect the real economy and to look for truth.

Rhetorical economics, instead, offers an alternative to epistemology. The chief representative of rhetorical economics, Deirdre McCloskey, says that the key question of accepting an economic theory as scientific is neither the perfect obedience to the rules of epistemology nor the matter of truth correspondence with the facts but the persuasiveness of the theory’s creator. As truth is philosophical fiction and unknowable, it is not the major point to look for. It is practice happening in the economy that counts. The major criterion of rhetorical economics is whether I am able to persuade my colleagues about the correctness of my theory or not. I can use tools as I please. Economists are sellers on the market of economic theories: and the best seller (who is the most persuasive) will be able to sell his or her theory. The main point is whose argumentation is the most persuasive.

McCloskey renewed the 200-year-old tradition of using the natural language in economics. She advocates the literary language used by Adam Smith, Alfred Marshall and John Maynard Keynes. They set up the linguistic requirements for economic researchers to be literate and highly qualified scholars.

Why was rhetorical economics born? Because, according to McCloskey, the rules of epistemology got stuck. Due to the concentration on the creation of coherent mathematical models, several real factors were ignored although they had more or less important roles in the true description of the economy. As the new formalized ‘technical economics’ was well-known only to few initiated people, politicians, businessmen and lay people turned away from economics as they lost interest in it, for these tenets and models seemed irrelevant for the real economy.

But in our opinion, every theory, discipline should eventually be helpful for all agents affected by real economy. So we find it very important to make an inquiry into the rhetorical approach represented by Deirdre McCloskey, contrasting her ideas with those of her critics, and to create our own position concerning her conceptions’ chances as a rival theory to the rules of epistemology and its applicability to practice.
1.2. The main aims and results of the research

While rhetorical economics is blooming in the USA and the Netherlands, in Hungary there was hardly anything published in the field. Being a novelty for Hungary, we consider the analysis of the main questions of rhetorical economics a necessary scientific endeavor.

With analyzing rhetorical economics, our research will focus on the life-work of Deirdre McCloskey, who had a pioneering role in establishing the basic tenets of the discipline and is still the main and most productive protagonist, and on critiques on her work.

Let us say something about the structure of our thesis. First of all, our analysis is supported by a detailed Bibliographical Overview in order to provide an appropriate literary framing. Within this framework the origins of the discipline and landscape of other economic rhetoricians and rhetoricians of other disciplines will be discussed in Foreground of rhetorical economics. Then a thorough overview focuses on the exploration of McCloskey’s ideas in General views on rhetorical economics. An ample listing of reviews written on her work – Criticism of rhetorical economics – will follow. The last part of the literary framing, Issues of analysis, constitutes the bedrock of our research.

Secondly, the main aims of our research are outlined, i.e. we give a detailed account on the rhetorical approach of economics with a critic’s eye. It seemed rational to make inquiries in the five areas of Issues of analysis, which are the following:

1. On the methodology of economics in general;
2. Legitimating scientific knowledge;
3. The vices of economists;
4. Rhetoric and the literary character of economics;
5. The concept of truth in economics.
All the five fields are important points of analysis. The first two are obvious topics of deciding on the scientific value of a discipline; the third is closely related to them discussing special issues of economic methodology; the fourth contains McCloskey’s revolutionary ideas and her novelty in economics, while the issue of truth is the most reviewed and most vulnerable point of rhetorical economics.

Finally, the third substantive part, *Comprehensive Evaluation*, deals with the **results of our research**. Here the *main challenge for us is to find out whether the new rules, the clear argumentation, the correct analysis of conversations, discourses, written and oral economic texts and metaphors – as McCloskey proposes – lead to a more reliable knowledge of the real economy than the rules of epistemology.*

As our research topic affects literary criticism and applied linguistic beyond the realm of economics, a *Glossary of Literary and Linguistic Terms*, where terms of non-economic jargon will be clarified, seemed to be useful to be added. In the *Bibliography*, only the books and articles will be listed that I studied or that are germane to the research topic and that I used in outlining the dissertation.

### 1.3. Process and methods of research

To outline the process and methods of the research, I have chosen to provide “a natural history chapter” (Silverman 2005: 305) that I found the most appropriate form for giving an honest account on the conduct of the research.

As the main aim of my research was to evaluate an economic meta-theory based on the study of different opinions, **scientific data supporting my research could come from two resources: published books, papers and personal consultations with the authors**. I dedicated my first PhD-years to familiarizing myself with the area of rhetorical economics, to gaining a general knowledge about the discipline and its scientific foreground by studying the professional literature. There being a wide scope
of literature published on the theme, the professional guidance of my academic supervisor, Prof. Dr. Aladár Nagy DSc.¹, was of crucial importance when selecting the relevant books.

As there was hardly any Hungarian literature published, I could almost only exclusively rely on professional literature in English. I used the interlibrary loan service and recognized that most books came from abroad, which implied that in Hungary my research topic was not especially well-known.

May 2004 was the turning point in the process of my research: I took part in a postgraduate course² of the Erasmus Universiteit Rotterdam (EUR) held by Prof. Dr. Deirdre McCloskey³, which offered me exclusive opportunities for a personal consultation with her. She was so kind as to invite me to her home in Amsterdam and I used our more than 5-hour-long conversation for getting a deeper insight and a correct interpretation of her ideas, some kind of clarification about what I had already studied.

Furthermore, my stay in Rotterdam offered me the opportunity of using the world-famous University Library of the EUR, gaining access to more than 16,000 scholarly journals, including those that were relevant for me and inaccessible in Hungary. An additional positive return of my stay was to discover that the Erasmus Institute of Philosophy and Economics is the European acropolis of rhetorical economics, offering me the unique opportunity to conduct professional consultations with Prof. Dr. Uskali Mäki⁴, one of McCloskey’s greatest reviewers and Prof. Dr. Arjo Klamer⁵, McCloskey’s main collaborator.

My third PhD-year was the hottest: winning the Huygens grant offered me another research opportunity in the Netherlands for four months (from October 2005 to January 2006). This was the time of systematizing: setting up the exact structure of the dissertation, determining the concrete issues of analysis, and selecting the relevant corpus of literature supporting them.

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³ Prof. Deirdre McCloskey (English, History and Economics), University of Illinois at Chicago, USA and Tinbergen Professor of the Erasmus University Rotterdam, the Netherlands
⁴ Prof. Uskali Mäki (Philosophy), Academic Director of the Erasmus Institute of Philosophy and Economics, Erasmus Universiteit Rotterdam, the Netherlands
⁵ Prof. Arjo Klamer (Arts and Culture in Economics), Erasmus Universiteit Rotterdam, the Netherlands.
Literature supporting the issues of analysis is a more limited set of publications than those included in the Chapter *Bibliographical overview*. As mentioned in Section 1.2, I restricted the relevant corpus of literature to books and articles by Deirdre McCloskey and to reviews on her work in the field of rhetorical economics. A landscape of McCloskey’s life-work classified according to her fields of interest can be found at the end of her latest book on rhetoric (McCloskey 2001: 350-364). In Part V. of Knowledge and Persuasion in Economics (McCloskey 1994), McCloskey spent 160 pages on reflecting to reviews written on The Rhetoric of Economics (McCloskey 1985). The ‘List of works cited’ in Knowledge and Persuasion in Economics provided the primary source of literature on her critics. Besides, I asked her personally which other reviews she considered important. I collected what was accessible in the University Library of the EUR, conducted consultations with the professors mentioned above and made notes on both.

Building on my notes I determined the concrete issues of analysis. In order to make a systematic analysis, the method of my research was comparative analysis based on five concrete areas selected (see Section 2.1), which were scrutinized from the aspects of all contributors. The dissertation dedicates to each of the above issues an individual chapter, applying the following structure: The rhetorical standpoint contains an analysis of McCloskey’s ideas; Refutation contains an analysis of the opinions of her critics, and Conclusions will first summarize the different perspectives, then my conclusions drawn from the above contributions concerning the issue discussed will follow. The synthesizing results, theses of my research, practical applicability and proposals for further research will be included in Comprehensive evaluation of rhetorical economics.

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6 Before the rhetorical project, McCloskey’s main concern was economic history; now she is working on a project on ethics in economics.
2. BIBLIOGRAPHICAL OVERVIEW

As all sources of the dissertation come from books and written studies, a detailed bibliographical overview as the solid basis of the paper is inevitable. Beginning with the ‘Foreground of rhetorical economics’, a chronological overview from the ancient Greeks to economists and other scientists perceiving a rhetorical aspect of their disciplines will be provided. Then a summary of Deirdre McCloskey’s thoughts on the rhetorical approach of economics comes, followed by a thorough overview on reviews on her works. The last section will contain all the material written by either McCloskey or her critics classified on the basis of certain areas that I considered to be important issues of the rhetorical approach of economics, which will be discussed in detail in Chapter 3.

2. 1. Foreground of rhetorical economics

In the first section of the Bibliographical overview, the dissertation aims to outline the background of rhetorical economics. Roots of the discipline can be found in the original interpretation of ‘rhetoric’ by ancient Greeks and Romans, in the natural language of economics used in classical economics and in the literary criticism of economic texts. Beyond the main representative of economic rhetoricians, other economists will be mentioned, and, a complete overview necessitates enumerating scientists discovering rhetoric in their disciplines other than economics as well.
2.1.1. The original interpretation of ‘rhetoric’

The original interpretation of ‘rhetoric’ had two versions: the Platonian and the Aristotelian. As Plato was more a philosopher than a rhetorician, he meant ‘rhetoric’ always in the narrow sense, being ‘pure rhetoric’ or ‘empty rhetoric’. He divided substance from style, i.e. divided philosophy from rhetoric, allowing only ornamentation and advocacy for the latter. Later, Cicero attempted to bring the two together in order to avoid the abuse of rhetoric.

The Aristotelian definition interprets ‘rhetoric’ in a broad sense. Aristotle defined rhetoric as “the faculty of observing in any given case the available means of persuasion” (Arisztotetelész 1999: 32). He divided rhetoric into three parts according to the task of the orator: i.e. argumentation (inventio), style (elocutio) and arrangement (compositio) (Arisztotetelész 1999). It is important to mention that before Aristotle, all orators were concerned only with the technical formation of rhetoric, and not the content or the speech.

Both Aristotle and Quintilian were keen on the perspicuity of their argumentation and the clarity of the words used. The Ciceronian ideal was „defined by Cato as „vir bonus dicendi peritus,” the good man skilled at speaking” (McCloskey 1983: 510). In Quintilian’s words: “he who would be an orator must not only appear to be a good man, but cannot be an orator unless he is a good man?“.

Deirdre McCloskey, founder and main representative of rhetorical economics leads back the roots of the discipline to the Aristotelian interpretation of rhetoric emphasizing the unity of argumentation, style and composition.

7 [Quintilian, M. F. (c. 100 AD) (1920) Institutio oratoria XII, 1, 3.]
2.1.2. Natural language in economics

Few people know that besides raising economics to the level of established scientific disciplines, Adam Smith was a man highly qualified in ancient Classics and gave lectures on rhetoric at the University of Edinburgh between 1748 and 1763. Based on a manuscript by one of his students on his lectures found 200 years after Smith’s death, a book with the title ‘Lectures on Rhetoric and Belles Lettres’ (1985) appeared containing Adam Smith’s lectures on rhetoric.

Similarly to Aristotle, he advocated the triumvirate of arrangement, style and composition. Based on Quintilian, Smith considered perspicuity to be the main ingredient of style. It depends largely on the words applied: they have to fit in with society and the traditions of the given group of people. He supported the use of appropriate periods, the correct use of tropes and figures of speech and for good and harmonious sound recommended “avoiding harsh clashing of consonants or the hiatus arising from the meeting of many vowels. Vowels and diphthongs make the language sweeter” (Smith 1985: 22).

For arranging the arguments, Smith borrowed the number three from Aristotle. A statement should be supported by three main arguments, each of which should be supported by three supporting arguments (Smith 1985: 142-143). In addition to the unity of interest, time and place, the propriety of character is worth mentioning as well.

Alfred Marshall (1920) was the first to emphasize that building a bridge between the levels of economic discourse is inevitable. He differentiated three levels of economic discourse: the highest level is a discourse among economists: this is scientific language. Good economics is expressed in natural language, so it can be labeled as literary economics. The middle level is the academic discourse among businessmen. This language is professional, but scientifically not precise. Finally, the lowest level is the lay language used in the discourse among common people.
All the three levels of economic discourse describe the same real economy but to a different extent. Unfortunately, literary economics does not play an important role in the everyday activities of businessmen. As far as common people are concerned, they use a simple, imprecise language, which is far away from the scientific and the professional languages. Usually, economists are isolated, businessmen are misled and common people remain ignorant of the relevant questions of economy. He sees the cure in educational reforms, understanding business, recommendations for economists and above all, in the establishment of the correct terminology. Even at present, it is a great challenge for us to build a bridge between the three levels of economic discourse.

Generations of politicians and economists were impressed by the graceful fluency in English of John Maynard Keynes. For The General Theory of Employment (1937), he adopted a non-formal, ordinary language for the composition. The journalistic style of his article of 1924, Foreign Investment and National Advantage, in The Nation and Athenaeum (35: 584-578) was much like the “speech habits as specialized as those of professional diplomats or professional burglars” (McCloskey 1994: 118).

Because of the multiple definitions and concepts of words in economics, Keynes stated that “translating thought into the precise and unequivocal terms of symbolic-mathematical language is an obstacle to the further development” (Gotti 1994: 185).

As regards creating a common academic language in economics, two facts are worth mentioning: the establishment of the Political Economics Club of London in 1821 and the appearance of Definitions in Political Economy by T. R. Malthus seven years later. L. Fraser (Economic Thought and Language, 1937) took the first important steps to pass beyond the dominant statistical language in economics (Klamer et al. 1988). “The book by F. Machlup (Essays on Economic Semantics, 1963) can be regarded as the first detailed analysis of economic language where the author criticized its inconsequences, the extreme role of individual values and biases and the crowding out of multilingualism through extreme formalism” (Nagy 1997: 85).
2.1.3 Literary criticism of economic texts

The positivist methodology of economics was attacked by scholars of different disciplines. Based on McCloskey’s article in Volume 4 of the New Palgrave (Eatwell 1987: 174), the dissertation mentions briefly the most important literary critics of economic texts. Methodological critics of economics like Frank Knight (1940), George J. Stigler (1977), Wassily Leontief (1971) and Thomas Mayer (1975) and Edward Leamer’s rhetorical criticism of econometrics (1978) can be mentioned as the precursors of literary criticism of economic texts (Eatwell at al. 1987).

The literary critic Wayne Booth (Modern Dogma and the Rhetoric of Assent, 1974) speaks of “stable irony”, which is to say irony in such a context that it can be reliably interpreted. “We know only what we cannot doubt, and cannot really know what we can merely assent to” and “the only real knowledge is, in common parlance, “scientific”, that is, knowledge tested by certain kinds of rigorous skepticism (McCloskey 1985: 5).

C. Perelman and L. Olbrechts-Tyteca in The New Rhetoric (1958) emphasize what is called by Aristotle “ethos or ethical appeal”, i.e. the character of the speaker being an important factor in interpreting texts.

2.1.4. How economists seek to persuade

Besides the scientific activity of Deirdre McCloskey (see detailed in Section 2.2), the findings of Arjo Klamer in his Conversations with Economists (1984) and David Colander are of major importance.

David Colander (2001) arrived at the conclusion that first-year-students of economics are unfamiliar with the technical language of economics and students skilled at mathematics found economics boring and too simple. The problem is due to the way of teaching, the lack of stories and the use of an inappropriate language.
According to him (1996), good rules of teaching economics include going beyond the material written in the textbook, the teaching of economics and not techniques, talking the students’ language and using examples related to the students’ life in order to enable them to understand economic models.

Arjo Klamer introduced the concept of “new conversation” (Klamer et al. 1988: 3), i.e. economists are willing to argue about each other’s models, so “they have begun a conversation on their conversation” (1988: 4). When analyzing spoken discourses (1984), he found a range of arguments (choosing the right words, philosophical arguments, commonsense arguments, meta-arguments and considering the personal and social factors) economists used besides empirical and epistemological arguments. He agreed with McCloskey on several points: on rejecting “the Samuelson program in modern economics” and on supporting “the scientific tetrad of fact, logic, metaphor and story” (Klamer and McCloskey 1989: 147).

The aspects of economic writing are discussed by representatives of philosophy, literary theory and discourse analysis in ‘Exploring the Language and Rhetoric of Economics’ (Backhouse et al. 1993), and works edited by Warren J. Samuels in ‘Economics as Discourse’ (1990) and Willie Henderson’s ‘Economics as Literature’ (1995) are important in the discipline as well.

2.1.5. Rhetoric in other disciplines

McCloskey in Knowledge and Persuasion in Economics makes an argument that representatives of other disciplines than economics have noticed that “scientists and scholars use analogies, tell stories and adopt a persona” and that “economists should join the conversation” (McCloskey 1994: 36). Because of the limitations of the dissertation, only authors of certain disciplines with the year of appearance of their referred articles or books will be included in the following list based on McCloskey’s list on the scientists concerned (1994).

Antropologists: Renato Rosaldo (1987), Clifford Geertz (1988) and James Clifford and George E. Marcus (1986);

Rhetoricians: Robert Scott (1967) and John Lyne and Michael McGee (1987);

Sociologists: Richard Harvey Brown (1977, 1987 and 1989) and Albert Hunter (1990);

Psychologists: Kenneth J. Gergen and Mary M. Gergen (1980) and Michael Billig (1987);

Theorists: Milner S. Ball (1985) and David Klemm (1987);


Mathematicians: Philip J. Davis and Reuben Hersh (1981);

Political scientists: John Nelson (1983) and Robert Boynton (1989 and 1990);

General historians: J. Hayden White (1973) and Allan Megill and Donald N. McCloskey (1987);


The Rhetoric of the Human Sciences by Nelson et al. (1987) represents most of the academic disciplines in the humanities and social sciences. The authors of the articles included show us brilliant examples of using the elements of the rhetorical tetrad, providing an analogy of the rhetorical approach in their discipline to the rhetorical approach of economics.
2.2. General views on rhetorical economics

Because of the limitations in length of the PhD dissertation, this Section of the Bibliographical overview will focus on the scientific activity of Deirdre McCloskey, exploring her main tenets of rhetorical economics. Other scientists of the rhetorical approach of economics are mentioned in Section 2.1.4.

2.2.1. Introducing McCloskey

Deirdre McCloskey is a Distinguished Professor of English, History and Economics of the University of Illinois at Chicago (USA) and Tinbergen Professor of The Erasmus Universiteit Rotterdam (the Netherlands).

An overview of McCloskey’s schools, previous research activity and some knowledge of her life-philosophy offers us guidelines for understanding her tenets. She spent her early research years from 1964 until the end of the 1970s as a young economist engaged in the “received views” of mainstream economics (i.e. the traditional positivist approach of economics) at the University of Harvard and the University of Chicago (Nagy 1997). She wrote her dissertation on “Economic Maturity and Entrepreneurial Decline: British Iron and Steel, 1870-1913”, examining whether “Victorian Britain did fail”. In the early 1980s she accomplished thorough studies in epistemology, methodology and hermeneutics.

After a “positivist youth” (McCloskey 1994: 3), her academic life saw an interesting turn. Influenced by Paul Feyerabend’s Against Method, Wayne Booth’s Modern Dogma and the Rhetoric of Assent, Michael Polanyi’s Personal Knowledge and Stephen Toulmin’s The Uses of Argument, she began working on the Project on Rhetoric of Inquiry, out of which a book was born (Nelson, Megill and McCloskey, 1987) (McCloskey 1998). “The character “McCloskey” is a mixture of ideas of
“Rorty, Toulmin, Feyerabend, Booth, Kuhn and Kenneth Burke); but at least I deserve some credit for stealing them” (McCloskey 1994: 271).

In an interview conducted at the Park Plaza Hotel in Boston, March 16, 2002, she said about herself as follows: “I was a communist, I was a man\(^8\), I was a mathematical economist. I was all these things, now I am not” and “I describe myself as a postmodernist, free market, quantitative English professor, Chicago School, feminist, Episcopalian female”.


2.2.2. Defining ‘rhetorical economics’

First of all, we have to give a clear definition of the concept of ‘rhetoric’ in McCloskey’s interpretation. McCloskey does not stand for the Platonian definition of rhetoric (see Section 2.1.1). What she advocates is the Aristotelian, i.e. the broad interpretation of rhetoric: “an ability in each [particular sense] to see the available means of persuasion” (Aristotle, The Rhetoric, I. II. 1. Kennedy translation, quoted in McCloskey 1994: 40) and the rhetoric of Cicero and Quintilian.

In Aristotle’s interpretation rhetoric contains the entire art of argumentation, i.e. argumentation, style and composition at the same time, not only the latter two elements. McCloskey adds the requirement of Quintilian (see Section 2.1.1). Applied to economics, if somebody wants to be a good economist, he himself not only has to be clever and skilled at economics but he has to be a good man as well.

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\(^8\) in 1996 McCloskey had a sex-change; from Donald N. she became Deirdre N.
McCloskey advocates the recovery of rhetoric from its abuse as one of the essential components of classical rhetoric, argumentation, was later restricted to logic by the „Cartesian dogma” (McCloskey 1983: 484). Rhetoric, reduced to the remaining two of its components (style and arrangement) became empty advocacy and trope and was a powerful device easily diverted by evil ends (McCloskey 1985).

Taking into account Aristotle’s and Quintilian’s tenets and projecting them onto economics, we arrive at McCloskey’s interpretation of the concept ‘rhetorical economics’ that can be found under the entry ‘rhetoric’ in The New Palgrave Dictionary of Economics (see Chapter 1). Contrasted with the narrow interpretation of rhetoric, McCloskey welcomes “the whole art and science of argument, the honest persuasion that is good conversation” in economics (Klamater and McCloskey 1988: 10).

2.2.3. Criticizing modernism⁹

Deirdre McCloskey states that

“The credo of Scientific Method, known mockingly among its many critics as the Received View, is an amalgam of logical positivism, behaviorism, operationalism, and the hypothetico-deductive model of science ..... it is best labeled as “modernism”, that is the notion that we know only what we cannot doubt and cannot really know what we can merely assent to” (McCloskey 1983: 484).

Modernists legitimate scientific knowledge based on the Cartesian dogma, free from morals, metaphysics, personal beliefs and convictions. Michael Polanyi sees no difference between scientific knowledge and other personal knowledge (Polanyi 1962 in McCloskey 1983). If we want to make it different instead of trying to make it

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⁹ See also Reply to Caldwell and Coats (1984); Sartorial Epistemology in Tatters: A Reply to Martin Hollis (1985b); Thick and Thin Methodologies in the History of Economic Thought (1988c); Why I Am No Longer a Positivist (1989)
simply better, it will be the death of science (McCloskey 1983). Similarly, using modernism in economics does not lead to applicable economics but stops progress. Falsification, another method of modernism is rejected by rhetorical economics as well. It is not a key method any more as an experiment usually has an alternative, so we cannot decide through falsification alone whether to accept or reject a statement (McCloskey 1985).

McCloskey sees one of the main problems of modernism in narrowing the whole scale of arguments to the rules of epistemology that are included in the Methodology of economics. McCloskey does not believe in a rule-bound Methodology being the only rules valid in economics. According to her, lower case methodology, i.e. methodology with a small m is the “box of tools” in everyday practice of economists, and these are low-brow technical rules. She believes also in high-brow methodology that she calls “Sprachethik” based on Habermas, providing the ethical rules of conversations (Habermas 1973: 110 in McCloskey 1985: 24). Upper case Methodology, i.e. Methodology with a capital M is in the middle: “it serves chiefly to demarcate Us from Them, demarcating science from non-science” but includes neither technical nor moral rules (McCloskey 1985: 26).

The word ‘science’ is interpreted by modernists in British academic usage (see Section 3.2.1.1), where arts and humanities are demarcated from sciences whose scope is nature. According to the ‘received views’, the world can be demarcated into scientific and non-scientific halves, determining the source of scientific knowledge being exclusively the scientific (objective) half (see Section 3.2.1.2). What matters when deciding on the scientific value of a statement was its source, not its meaning (McCloskey 1983).

The simplifying rule of positivism worked well in modern economics, so economists simplified everything to primitive formulas. This results from another canon of positivism, ‘parsimony’, that is, the merit of simple theories over complex theories. But any theory, however simple on the surface, involves an unbounded set of side conditions for it to apply in any historical case. The simplicity of positivism was attractive to the young who wanted quick success without hard work. The positivist method required no tiresome involvement of all the sources. Only the formation of an
observable implication of our higher-order hypothesis is necessary, and then we can proceed to test it. Most of the facts of the matter could be ignored, since most could be constructed as not bearing on the hypothesis under testing (McCloskey 1994). “To put the point harshly, positivism is a “3x5”-card philosophy of science, which the young can read in a minute and understand in a day” and “no tacit knowledge is necessary, no sense of the landscape, no feel for the story” (McCloskey 1994: 9).

2.2.4. Literary criticism in economics

McCloskey puts emphasis on the study of the pragmatic function of the language in economics, i.e. she is engaged in analyzing “how economists actually persuade each other and the world” (McCloskey 1994: xv). By the concept of “literary criticism” she means “an inquiry into what economic scientists do in their actual work” (McCloskey 1994: 281).

In the everyday practice of seminars and in textbooks economists claim to use the official rhetoric of economics. They build on operationalism, positivism and behaviorism as they regard only these methods as scientific. In their scientific work, however, they use economic metaphors, historical precedents, symmetry and they refer to authority and morality, i.e. the tools of the unofficial rhetoric but they do not do that in a conscious way. These latter elements are regarded by positivists as “meaningless”, or “nonscientific” or “just matters of opinion” (McCloskey 1983: 482).

Models from physics and mathematics are not appropriate in economics as the belief in a hypothesis comes from other sources than statistical evidence by using tests consistent with the hypothesis. Beliefs can come from “introspection (what would I do?); from thought experiments (what would they do?); from uncontrolled cases in point (such as the oil crisis);

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10 See also Storytelling in Economics (1990b); How to Do a Rhetorical Analysis of Economics and Why (1998d); History, Differential Equations, and the Problem of Narration (1991b); The Rhetoric of Scientism: How John Muth Persuades (1998b); The Lawyerly Rhetoric of Coase’s „The Nature of the Firm” (1998c); The Literary Character of Economics (1984); The Consequences of Rhetoric (1988a) and How Economists Persuade (1994b)
from authority (Alfred Marshall believed it), from symmetry (a law of demand if there is a law of supply); from definition (a higher price leaves less for expenditure, including this one); and above all, from analogy (if the demand curve slopes down for chewing gum, why not for housing and love too?)” (McCloskey 1983: 482).

All in all, the range of arguments is wider than the official, formalized language of economics allows.

Most tools of rhetoric are neither recognized nor analyzed but applied unaware. This results in misunderstanding among economists as there is no commonly accepted set of standards in the conversations of economists. McCloskey sees the solution in a methodology based on “honesty, clarity and tolerance” not in “the clinging to the Scientific Method” (McCloskey 1983: 482).

The birth of the “new conversation”, “the conversation about the conversation” improved the situation as now economists have grasped more or less that besides facts and logic they are using figures of speech – “their talk is rhetorical” – and they are willing to discuss each other’s methods (Klammer and McCloskey 1988: 3 and 4).

McCloskey states that besides facts and logic, economists use metaphors (models) and they tell stories (economic history). All the four parts of the rhetorical tetrad are necessary, only their proportion varies in texts. Therefore, all pieces of economic writing could be analyzed as a piece of literary writing and literary criticism can provide guidelines in evaluating a text. Each part of the rhetorical tetrad provides control over another part; the static metaphor should be fitted into the dynamic story, or, facts constrain the story (McCloskey 1990: 83-96). Metaphors and stories help to answer the question why. Metaphors (models) are for predicting, stories for understanding and explaining what happened in the past. Allegories combine metaphors and stories so “economics as a whole ..... is an allegory of self-interest” (McCloskey 1990: 12).

What kinds of metaphors are used in economics? The metaphors in economics are non-ornamental and usually come from a non-economic context like “depression” or “competition” (McCloskey 1983: 503). When we say that economics is
metaphorical, we mean models (e.g. the Marshall cross) and expressions like ‘aggregate capital’ or ‘the invisible hand’ referring to the market. These metaphors collect the characteristics of a given object that are the same for the modifier. Other characteristics of the modifier will be left out. Metaphors serve to help readers in understanding a text, try to make it transparent and make a thought more acceptable for society. In order to avoid the use of metaphors for bad ends we have to take care when applying them as they can contain some political message or can be abused (McCloskey 1983).

“The alternative of modernism is not irrationalism”, as rhetorical economics does not mean to change epistemology for flower language (McCloskey 1985: 36). On the contrary, it aims to forget the artificially limited irrational formal reasoning and to choose all rational arguments that man of flesh and blood can.

2.2.5. The Vices of Economists

McCloskey published a book in the Netherlands with the title ‘The Vices of Economists – The Virtues of the Bourgeoisie’ (1996). The book covers three faults of the present economic practice: (1) mathematical thinking instead of economic thinking; (2) using statistical significance in the technical sense as the same as scientific significance and (3) overemphasis on predictions in economic policy making. Each of ‘the vices’ is labeled with a name of a great economist; the ideas of whom resulted later in the given deficiency.

2.2.5.1. Blackboard economics\textsuperscript{11}: the vice of the Samuelsonian

The vice of regarding “blackboard proofs of existence” as scientific is related to Paul Samuelson, to his students and to his students’ students (McCloskey 1996: 17).

\textsuperscript{11} See also Their Blackboard, Right or Wrong: A Comment on Contested Exchange (1990c) and Economic Science: A Search Through the Hyperspace of Assumptions? (1991)
McCloskey is not against the presence of mathematics in economics as she admits that with it the discipline made bigger progress than without it (McCloskey 1994).

What she disapproves is espousing the “intellectual values of the math department” (McCloskey 1994: 131). Instead of analyzing questions that mattered for the economy, i.e. questions of magnitudes or approximation, economists were concerned with proving existence theorems, using assumptions borrowed from mathematics and physics (McCloskey 1994).

Concentrating exclusively on the latest professional literature and dedicating little attention to gaining knowledge about the history of economic theories, economists soon regarded mathematical formulas and equations as constituting the official language of economics, which crowded out the natural language of classical economics. Furthermore, they substituted mathematical thinking for economic thinking (McCloskey 1994).

McCloskey’s advice is that instead of searching through the hyperspace of A-Prime C-Prime theorems, economists should tell how much the deviation from the initial assumption matters for the concrete economic situation (McCloskey 2000).

2.2.5.2. Significance testing\textsuperscript{12}: the vice of Lawrence Klein

The Kleinian vice, i.e. ignoring the difference between statistical and economic significance should not be left out either, though many economists do so. Modernist economists handle statistical significance as economic significance. Establishing the economic significance of an error is not a question of mathematics. As we do not have any idea about ‘how large is large’, consequently on a certain level of significance (after which results are regarded as significant statistically) we cannot decide whether it matters for the concrete economic situation or not. What is worse is that economists give advice for policy making based on the statistically significant result of a t-probe without knowing whether the result matters for the economy at all. Rhetorical

\textsuperscript{12} See also The Loss Function Has Been Mislaid: The Rhetoric of Significance Tests (1985c); The Bankruptcy of Statistical Significance (1992b) and The insignificance of Statistical Significance (1995b), with Stephen Thomas Ziliak: The Standard Error of Regressions (1996b)
economics advises thinking about data more seriously and not making research based on statistical significance when pursuing economic studies and discoveries (McCloskey 1996).

2.2.5.3. Social engineering\textsuperscript{13}: the vice of Jan Tinbergen

The vice of Tinbergen is “prevoir pour pouvoir\textsuperscript{14}”, “predict in order to control” (McCloskey 1996: 99). Economists desire knowledge as an instrument of control, business as done by machines, handling the economic actors as ‘homo economicuses’ i.e. “social engineering” (McCloskey 1996: 97). Besides, logical positivism states that having predictive power is a crucial criterion when judging a theory as Scientific with Capital S. As Economics is a Science with Capital S, it has to predict. In economics, however, there are only conditional predictions. At some levels, economists are good at predicting but McCloskey does not believe in profitable predictions. The American Question is best for illustrating the situation: “If you are so smart, why ain’t you rich?” (McCloskey 1990: 111). If economists could foretell the future, they would all be millionaires.

2.2.6. Aunt Deirdre’s\textsuperscript{15} advice for economists

In one of her most recent books on rhetorical economics (2000) McCloskey gives 15 rules of being a good economist. The most important ones are:

- “Be Who You Are Even if an Economist” (p. 1);

\textsuperscript{13} See also The Art of Forecasting, Ancient to Modern Times (1992c)
\textsuperscript{14} The expression comes from the French positivist philosopher August Comte
\textsuperscript{15} In The Vices of Economists – The Virtues of the Bourgeoisie McCloskey uses the Aunt Deirdre persona. In her lecture held at the Erasmus Universiteit Rotterdam in October 2005, which I attended, when speaking of the norms of academic writing, she introduced her tenets as “Aunt Deirdre’s advice.
• “Make Your Economics Courageously Part of Your Identity, and Vice Versa” (p. 17);
• “Get Ethics Beyond “Have a Nice Career”” (p. 43);
• “Work and Pray” (p. 91);
• “Watch Your Words and the Work They Do” (p. 111);
• “Learn to Write at Least Completely” (p. 131);
• “Don’t Specialize Without Intellectual Trade” (p. 149);
• “Read More Widely” (p. 161);
• “Learn Price Theory, Which Is No Easy Task” (p. 173);
• “Don’t Be Silly About Statistical “Significance”” (p. 187);
• “And Don’t Be Silly about A-Prime, C-Prime “Proofs” in Economics, Either” (p. 209);
• “Simulate, Simulate, Calibrate, Calibrate” (p. 247);
• “Yet Don’t Be Too Certain of Your “Expertise” (p. 265).

2.2.7. How rhetoric can improve economics\textsuperscript{16}

Rhetorical economics has several advantages. As the style of economics is neither beautiful nor understandable, rhetorical economics could have a key role in improving the language and style of economics. Rhetorical economics could be a great help in the teaching of economics as well: instead of focusing on axioms and verification, concentration on practice, on the solution of a problem and on scientific discourse between teachers and students should be more efficient. Because of the modernist methodology of economics, economics was misunderstood and disliked by both humanists and scientists. With rhetoric in economics, better relationships with other disciplines could be established (McCloskey 1983: 512-515).

\textsuperscript{16} See also The Good of Rhetoric in Economics, Chapter 10 in The Rhetoric of Economics (1985) 1\textsuperscript{st} edition pp. 174-185.
2.3. Criticism of rhetorical economics

When McCloskey first published her striking ideas in the Journal of Economic Literature, giving her paper the title ‘The Rhetoric of Economics’ (1983), it caught the attention of the society of scientists at once. Pretty soon the book version of the paper appeared with the same title (1985), resulting in numerous reviews, in majority aimed at the criticism of individual ideas, to which McCloskey reflected in invited replies\(^\text{17}\). In response to other books by her, studies were born and more than ten years after the JEL-article, the first comprehensive evaluations of her work appeared.

2.3.1. Criticizing individual ideas of McCloskey

The first critiques appeared just after the JEL-article, which was followed by a boom of reviews on its book version; studies of both categories concentrated, however, on single points of the book, not on all the ideas or on the work as a whole.

2.3.1.1. Reviews on the JEL article (1983)

The first reviews reacting to the JEL-article were written by Bruce J. Caldwell and A. W. Coats (1984) asking for a more precise definition of concepts, a better knowledge on post-positivist literature and demarcation between true and false, and by Martin Hollis (1985) asking for criteria of good arguments in order to pursue truth.


2.3.1.2. Reviews on the book version of ‘The Rhetoric of Economics’


In 1988, the next symposium appeared in the Journal of Economic Literature, beginning with the Editors’ Introduction who emphasized that all knowledge should be built on standards (Hausman and McPherson 1988) and publishing seven studies, including two by each author (Mäki 1988a and 1988b; Rappaport 1988a and 1988b and Rosenberg 1988a and 1988b) and accompanied by McCloskey’s reply to all the three authors in one paper (McCloskey 1988b). All critics had objections against disregarding the issue of truth. Uskali Mäki would welcome reference to the real world; Steven Rappaport regarded McCloskey’s rhetoric as a poor one while
Rosenberg defended modernism and emphasized the importance of predictions in economics and joined Butos concerning the accusation of ‘anything goes’.

2.3.1.2.2. BOOKS INCLUDING PAPERS ON ‘THE RHETORIC OF ECONOMICS’

‘The Consequences of Economic Rhetoric’, edited by Arjo Klamer, Donald N. McCloskey and Robert M. Solow (1988), contains a rich collection of reviews on McCloskey’s book. Besides the studies by the editors, the most important contributions are those from the following: Stanley Fish (1988) claiming that there are absolute claims and emphasizing an antifoundationalist need for standards; Robert M. Solow (1988) declaring Klamer and McCloskey to be too permissive concerning arguments; Robert L. Heilbroner (1988) emphasizing the role of ideology in persuasion and asking for more attention on substance; A. W. Coats stressing that the “Klamer/McCloskey agenda” is lacking in “depth of insight and evidential richness” and a sociological and historical context should be added (Coats 1988: 64 and 65); Philip Mirowski (1988) stressing the contradiction between advocating rhetoric and neoclassical economics at the same time; Frank T. Denton’s remarks on significance testing (Denton 1988); and papers of Craufurd Goodwin (1988) and David Warsh (1988).

In ‘Economics as Discourse’, edited by Warren J. Samuels (1990), three papers are of special importance concerning the criticism of ‘The Rhetoric of Economics’. Jack Amariglio (1990) underlined that McCloskey cared too much about style and too little about substance, Philip Mirowski and Pamela Cook stressed that “McCloskey has ‘not taken the lessons of literary criticism sufficiently to heart’ (Mirowski and Cook 1990: 190), while Jane Rosetti (1990) discussed deconstruction in economics.

In ‘Economics and Language’, edited by Willie Henderson, Tony Dudley-Evans and Roger Backhouse (1993), we will find two precious reviews. In the first article, the authors joined the camp of ‘saying too much about how but too little about what’, and see a lacking study of style, genre and linguistic structures (Backhouse et al. 1993), while Uskali Mäki (1993) provided a thorough analysis of criticizing McCloskey’s ideas on truth.

26
In ‘The Post-Popperian Methodology of Economics: Recovering Practice’, edited by Neil de Marchi, two important studies were published in 1992. Jane Rosetti (1992) – a representative of deconstruction – stressed that McCloskey did not bother about analyzing why certain techniques are more persuasive than others and would welcome a wider framework of conversations and Philip Mirowski (1992) emphasized his point mentioned above in more detail (Mirowski 1988).

2.3.1.2.3 OTHER REVIEWS

Beyond the above, McCloskey’s book (1985) invited a great deal of response, which cannot be connected to either symposia or books published in the field of the rhetorical aspect of economics18. Arjo Klamer sees the role of rhetoric in bringing ideological and cultural differences to the surface and not in offering the ideal solution in the form of a commonly accepted set of arguments of economic reasoning (Klamer and McCloskey 1989). Hans-Herman Hoppe accused McCloskey of relativism, of not having a standard of truth, therefore McCloskey’s rhetoric is nothing but chatter, emotion and entertainment (Hoppe 1989). Bill Gerrard (1990) could not interpret what McCloskey labeled ‘modernism’ and stressed that McCloskey rejected falsification tout court by slipping into ‘anything goes’. Peter Munz (1990) reviewed ‘The Rhetoric of the Human Sciences’ (Nelson et al. 1987) and characterized rhetoric as ‘the study of irrationality’, since true statements were accepted without employing any rhetoric, which therefore was necessary only in the case of non-true statements. Alexander Rosenberg (1992) criticized McCloskey’s objections against modernist requirements and her ideas on prediction and raised his voice against closing out truth from science. Mark Blaug (1992) could not accept McCloskey’s ideas on small-m and Big-M methodology and Sprachethik, and claims all economic practice to be based on some prescribed methodology. Thomas Mayer (1995) discussed McCloskey’s ideas on positivism and prediction in detail. Uskali Mäki and Jack Vromen (1998) made an inquiry into what extent McCloskey built her Sprachethik on the Diskursethik of Habermas. Then Mäki (2000) published an account on how McCloskey abused her

18 In this paragraph longer studies considered important by Deirdre McCloskey are listed
self-proposed rules, and in his recent article (Mäki 2004) gave a thorough evaluation of McCloskey’s ideas on truth. Fabienne Peter (2001) contrasted the ideas of Uskali Mäki, Don Lavoie and Deirdre McCloskey on prescriptive methodology and prediction in economics.


2.3.2. Comprehensive evaluations of McCloskey’s work

Thomas A. Boylan and Pascal F. O’Gorman (1995) are the authors of the first comprehensive review on McCloskey’s ideas. Their special points of analysis were the following: (1) whether McCloskey abandoned scientific method, (2) McCloskey’s ideas constituting global or local rhetoric, (3) the relation between Habermas’ and McCloskey’s ideas on knowledge, (4) differences between scientific models and literary metaphors. Uskali Mäki in his Diagnosis (1995) covered McCloskey’s ideas on truth, rhetoric and McCloskey’s puzzled assessment of economics. The latest contribution comes from Benjamin Balak (2006), focusing on the consequences of the literary criticism of economic models.
2.4. Issues of analysis

After having read the ample literature published in the field of the rhetorical approach of economics by Deirdre McCloskey and her critics, I considered the following issues worth putting under thorough discussion and analysis:

1. **On the methodology of economics in general;**
2. **Legitimating scientific knowledge;**
3. **The vices of economists;**
4. **Rhetoric and the literary character of economics;**
5. **The concept of truth in economics.**

The first three areas are closely related and all can somehow be connected to economic methodology; but the second and third issues deserve an individual chapter each within the larger category. ‘Rhetoric and the literary character of economics’ contains McCloskey’s revolutionary ideas in the discipline and the item of truth cannot be evaded as it is among the most important questions of economics.

2.4.1. On the methodology of economics in general

In order to give free way to her ideas, McCloskey first had to clear away the canons of the contemporary methodology of economics. She dedicated Chapters II. and III. of her first paper on *The Rhetoric of Economics* (McCloskey 1983), the first three chapters of its book version (McCloskey 1985) and Chapters 1, 2 and 8 of *Knowledge and Persuasion* (McCloskey 1994) to criticizing the methodology of mainstream economics.¹⁹ She has objections against all prescriptive methodologies (McCloskey 1985, 2002). What she acknowledges are low-brow technical rules and high-brow moral rules of conversations (McCloskey 1985: Ch. 2 and 1988b) and the

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¹⁹ See also Why I Am no Longer a Positivist? (McCloskey 1989).


2.4.2. Legitimating scientific knowledge

McCloskey built all her ideas on the interpretation of the word ‘science’ when determining the criteria of scientific knowledge (McCloskey 1994: Ch. 5). She criticized the modernists’ standpoint on legitimating the sources of scientific knowledge, the demarcation between science and non-science (McCloskey 1983: Ch. VIII. and 1985: Ch. 3). She emphasized the social construction of knowledge (McCloskey 2002) and the role of the conjectives defined by Klamer (1990) (Klamer and McCloskey 1989). She also analyzed the style of scientism (McCloskey 1990: Ch. 2 and 1994: Ch. 9) and gave examples (McCloskey 1985: Ch. 6 and 1998b).

Alexander Rosenberg found that McCloskey’s ideas on scientific knowledge constituted a degradation of the concept of science (Rosenberg 1988a, 1988b and 1992). Uskali Mäki was not content with the criteria of determining scientific knowledge proposed by McCloskey (Mäki 1993, 1995, 2004 and Peter 2001) and saw a lack of insight into the social and institutional framing of the social construction of knowledge (Mäki 1992 and 1993b). Thomas A. Boylan and Paschal F. O’Gorman
(1995) noted that McCloskey failed to divide human knowledge into the three domains of science, hermeneutics and critical theory as Jürgen Habermas did and espoused a universalization claim of rhetoric instead.

2.4.3. The vices of economists

The Samuelsonian vice or ‘blackboard economics’, i.e. the reign of mathematical thinking in economics, was widely discussed by McCloskey (1990c, 1991, 1994: Ch. 10-13, 1996: Ch. 3, 2000: Ch. 11, 2002b). Besides thinking about data more seriously, McCloskey proposed to evaluate economic models according to the criteria of literary criticism (McCloskey 1983 Ch VI., 1985, 1994), which resulted in a serious review by Thomas A. Boylan and Paschal F. O’Gorman (1995) and less sharp reviews by Uskali Mäki (1988b), Mary S. Morgan (2002) and Benjamin Balak (2006).

On the Kleinian vice, i.e. regarding statistical significance in the technical sense the same as scientific significance without providing a loss function that tells us about the economic significance of magnitudes, was also widely written (McCloskey 1985: Ch. 9, 1985c, 1992b, 1996: Ch. 2, 1996b, 2000: Ch. 11 and 2002b). As using statistical significance was one of the most persuasive practices of economists’, some remarks by Mark Blaug (1992) and Frank T. Denton (1988) were the only comments on it.

In the foreground of criticizing the Tinbergenian vice, i.e. ‘predict in order to control’ or ‘social engineering’, is McCloskey’s poor opinion on forecasting in economics, which she compared to wizardry (McCloskey 1990: Ch. 7 and 1992c) and illustrated the situation with the American Question (McCloskey 1983: Ch. II., 1985: Ch. 1, 1990: Ch. 8 and 1994: Ch. 6). Building on the futility of the overemphasis on predictions in economics, she criticized the arrogance of social engineering (McCloskey 1996: Ch. 4 and 2002b).

As the predictive power of economic models is of crucial importance, McCloskey’s ideas evoked sharp disapproval. Alexander Rosenberg (1988a and 1992) dedicated long pages to refutating McCloskey’s ideas on prediction, while Bruce J.
Caldwell (1982) and Mark Blaug (1992 [1980]) stressed prediction as being the central aim of modern economic.

2.4.4. Rhetoric and the literary character of economics


A significant group of reviewers stressed that McCloskey’s rhetoric was almost exclusively about style and hardly about substance (Amariglio 1990, Backhouse et al. 2002, Boylan and O’Gorman 1995, Heilbroner 1988 and Mäki 1995) and a precise definition for the concept of ‘rhetoric’ was lacking (Blaug 1992, Caldwell and Coats 1984 and Mäki 1995). Others regarded McCloskey’s rhetoric as a poor approach because of disregarding the issue of truth (Hoppe 1989, Mäki 1993, 1994 and 2004, Munz 1990 and Rosenberg 1988a, 1988b and 1992). The way she built on the heritage of Aristotle (Boylan and O’Gorman 1995) and on the Diskursethik of Habermas (Mäki and Vromen 1998) was also criticized. Finally, even her main collaborator saw the
appearance of cultural differences as a consequence of economic rhetoric (Klammer and McCloskey 1989).

2.4.5. The concept of truth in economics

Unlike in the other areas, McCloskey did not dedicate whole books, nor even chapters to her ideas on the issue of truth. Truth-talk pervades several of her writings (McCloskey 1983, 1985 and 1994) and it can be found more concentrated when replying to her critics after having been sharply criticized (McCloskey 1985b, 1988b, 1995, 2002).

3. **A CRITICAL EVALUATION OF THE MAIN ISSUES OF RHETORICAL ECONOMICS**

Chapter 3 constitutes the bedrock of the paper by providing a thorough analysis in the main questions of rhetorical economics:

1. On the methodology of economics in general;
2. Legitimating scientific knowledge;
3. The vices of economists;
4. Rhetoric and the literary character of economics;
5. The concept of truth in economics.

Each of the five fields will be assessed through a comparative analysis of Deirdre McCloskey’s and her critics’ ideas; outlined in *The rhetorical standpoint* and *Refutation*, then *Conclusions* will first summarize the different perspectives, next the results of my research based on the above contributions concerning the issue discussed will follow.

**3.1. On the methodology of economics in general**

Each scientific discipline has its own methodology that distinguishes it from other sciences. In the case of economics, the canons of contemporary methodology are based on the ‘Received Views’, the prescriptive rules of epistemology. McCloskey objects to any ‘rule-bound methodology’ and provides a sharp critique on the methodology of economics that she labels as ‘modernism’ (McCloskey 1983 and 1985). What she offers instead is varying bundles of arguments according to the purpose and audience of conversations taken from a common storeroom without any prescribed rules (McCloskey 2002). The majority of economists even beyond modernists do not seem to be pleased with McCloskey’s proposal (Blaug 1980 [1992],

3.1.1. The rhetorical standpoint

McCloskey is not content with the present methodology of economics. Among its deficiencies she emphasizes narrowing artificially the applicable bundle of arguments to ‘the observable’ and pure facts and logic. Instead, she proposes to broaden the relevant scale of arguments and take into account the ‘whole art of argumentation’ without any prescribed methods, ‘timelessly true’ and ‘universally valid’.

3.1.1.1. Criticizing the methodology of mainstream economics

According to McCloskey, the official methodology of economics is built on the intellectual values of different branches of philosophy, above all, however, on the tenets of logical positivism (see Section 2.2.3). Modernism includes contributions by philosophers like Descartes, Hume, Compte, Russell, Hempel and Popper. The prescriptive rules of mainstream economics are contained in Methodology.

What counts among the tenets of ‘modernism’? McCloskey mentions Ten Commandments and Golden Rules in economic and other sciences:

1. “Prediction and control is the point of science.
2. Only the observable implications (or predictions) of a theory matter to its truth.
3. Observability entails objective, reproducible experiments; mere questionnaires interrogating human subjects are useless because humans might lie.

4. If and only if an experimental implication of a theory proves false, is the theory proved false.

5. Objectivity is to be treasured; subjective “observation” (introspection) is not scientific knowledge, because the objective and the subjective cannot be linked.

6. Kelvin’s Dictum: “When you cannot express it in numbers, your knowledge is of meagre and unsatisfactory kind"."

7. Introspection, metaphysical belief, aesthetics, and the like may well figure in the discovery of a hypothesis but cannot figure in its justification; justifications are timeless, and the surrounding community of science irrelevant to their truth.

8. It is the business of methodology to demarcate scientific reasoning from non-scientific, positive from normative.

9. A scientific explanation of an event brings the event under a covering law.

10. Scientists – for instance, economic scientists – ought not to have anything to say as scientists about the oughts of value, whether of morality or art” (McCloskey 1985: 7-8).

McCloskey perceives several deficiencies of ‘modernism’.

A) Modernism is “obsolete in philosophy” and “other sciences do not follow modernist methods” (McCloskey 1985: 11 and 1983: 491)

Davis and Hersch (1981) show us that modernism is undesirable even in mathematics. They state that

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20 Kelvin 1883, 1:37, quoted in Kuhn 1977, pp. 178n, 183n. An approximation to this version is inscribed on the front of the Social Science Research Building at the University of Chicago in McCloskey 1985: 7.
“informal mathematics is mathematics. Formalization is only an abstract possibility which no one would want or be able actually to carry out”. Real proofs “are established by ‘consensus of the qualified’” and are “not checkable ..... by any mathematician not privy to the gestalt, the mode of thought in any particular field. ..... It may take generations to detect an error” (Davis and Hersch 1981: 349 and 354 in McCloskey 1983: 492).

B) Using modernism in economics does not lead to applicable economics but stops progress

Regarding assertions built on the „Cartesian dogma” claiming that “only the indubitable is true” as the exclusively acceptable basis of scientific knowledge will stop progress in all sciences (McCloskey 1983: 484). McCloskey refers to Polanyi (1962) when stating that there is no difference between scientific knowledge and other kinds of human knowledge (cp. Section 2.2.3). The Keynesian revolution would not have happened if only the prescribed rules of modernism were to be followed alone (McCloskey 1983 and 1985).

C) Modernism in economics is based on wrong intellectual values

By this statement, McCloskey means the pervasiveness of intellectual values of mathematics in economics. She does not mind the presence of mathematics in economics, as it provided a good system for classifying arguments and made a whole scale of arguments perspicuous. What she is against is the dominance of mathematical thinking in economics, which can be seen by the mathematicized language of economics in textbooks and papers and by scrutinizing questions that are of mathematical importance rather than of economic importance (cp. Sections 2.2.5.1. and 3.3.1.1.1).

D) “Falsification is not cogent” (McCloskey 1983: 487)

Falsification, claimed as a key method of modernism for deciding on the veracity of a theory, should not be regarded as a key method any more. Testing observations is based on hypotheses. As any hypothesis can have an alternative, it can
be substituted any time. A slight change in any of the hypotheses can spoil the crucial experiment by leading to an opposite conclusion; consequently, we cannot decide through falsification alone whether to accept or reject a statement (McCloskey 1985).

E) Modernism narrowed the whole scale of arguments to the rules of epistemology

McCloskey states that “any method is arrogant and pretentious”, consequently, any rule-bound methodology is objectionable (McCloskey 1983: 490). According to her, rules of epistemology included in the Methodology with Capital M of economics contain an extremely narrow range of arguments accepted for economic reasoning. By claiming that “it is the business of methodology to demarcate scientific reasoning from non-scientific, positive from normative”, modernists want to spare time, attention and bothering about arguments that they do not wish to see (McCloskey 1985: 8). At the same time, in order to give a better description and explanation of the economy the whole range of arguments would be necessary (McCloskey 1985).

F) “Prediction is not possible in economics” (McCloskey 1985: 15)

McCloskey seems to be extremely pessimistic concerning predictions in economics. She disapproves the canon of logical positivism placing an overemphasis on predictions and connecting the scientific value of a theory to its predictive power. She sees making a fortune through pursuing economic forecasts a hopeless job. As an example we refer to the American Question. (On this issue see Sections 2.2.5.3 and 3.3.1.3 for more details.)

3.1.1.2. The methodology of McCloskey’s rhetoric

McCloskey is against rule-bound Methodology with Capital M in economics that she identified as a middle-brow layer between the low-brow technical rules of small-m methodology and the high-brow rules of Sprachethik. The latter two are both desirable and inevitable according to McCloskey, but she regards the first one as harmful rather than achieving an important role. Denying prescriptive methodology
does not mean abstaining from all kinds of standards: Sprachethik, the overlaps of conversations and defined moral entry points of joining a conversation together constitute the standards of scholarly conversations.

3.1.1.2.1. NO PRESCRIPTIVE METHODOLOGY

From the above it is evident that McCloskey is against any kind of prescriptive methodology (see Section 3.1.1.1). She cannot accept the rules of epistemology that prescribe rules for choosing among rival theories and for verification. She claims that these narrow artificially the range of arguments that matter.

Besides, there are no timelessly true arguments that Methodologists are claiming exist. McCloskey imagines all arguments put into the common storeroom. These contain beyond the rules of epistemology based on facts and logic other arguments: stories and metaphors as well, i.e. the missing parts of the rhetorical tetrad. For the purpose of a conversation, anyone could choose arguments from this common storeroom. Therefore, the bundles of arguments are not eternal: they vary according to the choice of the economists and the purpose and circumstances of a given conversation (McCloskey 2002).

The requirement of pursuing truth is not necessarily prescribed: “Rhetoric does not deal with Truth directly; it deals with conversation” and “if we de decide that the quantity theory of money or the marginal productivity theory of distribution is persuasive, interesting, useful, reasonable, appealing, acceptable, we do not also need to know that it is True” (McCloskey 1985: 28 and 47).

McCloskey prefers the word ‘right’ to ‘true’. She claims that a statement is neither true nor false in itself; it can only be right or wrong according to the purpose of a conversation and the audience. For supporting her claim, McCloskey borrowed a brilliant example from Austin:

“France is hexagonal”. “Well, if you like up to a point ..... it is true for certain intents and purposes. It is good enough for a general, perhaps, but not for a geographer ..... But then someone says, ..... “it has to be true or false – it’s a statement, isn’t it?” How can one answer? ..... It is a rough
description; it is not a true or a false one. ..... “true” and “false” ..... do not stand for anything simple at all; but only for a general dimension of being a right or proper thing to say ..... in these circumstances, to this audience, for these purposes and with these intentions” (Austin 1975: 143 and 145 in McCloskey 1985: 151, McCloskey’s italics).

Morris Kline, the historian of mathematics, supports McCloskey’s claim about denying universally acceptable standards:

“There is no rigorous definition or rigor. A proof is accepted if it obtains the endorsement of the leading specialists of the time and employs the principles that are fashionable at the moment. But no standard is universally acceptable today” (Kline, 1980: 6 and 315 in McCloskey 1985: 32).

Instead of following rules of a narrowly defined scale, McCloskey proposes to take into account all possible arguments. She would put emphasis on the everyday practice of economists who are practising persuasion to make their audiences (fellow scholars, businessmen, governmental policy makers, readers of their books and articles, students and the public) accept their proposals. By broadening the acceptable scale of arguments beyond the rules of epistemology, she does not mean to run into irrationality. On the contrary, rhetoric in McCloskey’s sense aims to forget the artificially limited irrational formal reasoning and to choose all rational arguments that may persuade serious people (McCloskey 1985).

3.1.1.3.2. ON HIGH-BROW, LOW-BROW AND MIDDLE-BROW RULES

What rules are there to regulate economics? McCloskey does not believe in a rule-bound Methodology providing the only rules valid in economics. The low-brow technical rules constitute the small m methodology of economics: these are a “box of tools” in the everyday practice of economists. These keep applied economics running, practised by economists worldwide, therefore, they are inevitable.
Equally important are the high-brow rules of “Sprachethik” derived from Jürgen Habermas (Habermas, 1973: 110 in McCloskey 1985: 24). The ethical rules of scholarly conversations represent the top layer of scientific rules acceptable by McCloskey. These prescriptions are:

“Don’t lie; pay attention; don’t sneer; cooperate; don’t shout; let other people talk; be open-minded; explain yourselves when asked; don’t resort to violence or conspiracy in aid of your ideas. We cannot imagine good conversation or good intellectual life deficient in these. They are the rules adopted by the act of joining a good conversation [...]” (McCloskey 1988c: 251 and 1985: 24 in Mäki 1995: 1310).

Between the high-brow moral constraint and the low-brow technical rules of small-m methodology can be found Big-M Methodology, the middle layer. As a result of including neither technical nor moral rules, Big-M Methodology does not constitute either the utility of small-m methodology or the prestige derived from Sprachethik (McCloskey 1985). McCloskey sees the source of disagreement among economists and schools of economics in the lack of a commonly accepted rhetoric of economists other than Big-M Methodology.

3.1.1.3.3. STANDARDS OF SCHOLARS’ CONVERSATIONS

According to McCloskey, there is no commonly accepted standard for the rhetoric of economics, which led to disagreement among economists and schools of economics. What should be the standard?

First of all, Arjo Klamer and Deirdre N. (Donald, at that time) McCloskey laid down the moral entry points of joining a conversation:

“The Maxim of Presumed Seriousness” means that “as serious scholars we must presume, until sound evidence contradicts it, that others are serious, too” and the “Principle of Intellectual Trade” means that since “other scholars read different books and lead different lives it would be economically remarkable, a violation of economic principles, if nothing
could be learned from trading with them” (Klamer and McCloskey 1989: 141).

McCloskey states that “good science is good conversation” (McCloskey 1985: 27). Standards of good reasons come from the conversations of practitioners themselves in their laboratories, conference rooms and seminar rooms. If something has proved to be persuasive in one conversation, if it occurs in conversations in neighboring fields, found again persuasive, etc., then, the overlaps of conversations and the overlaps of overlaps provide the standards for good arguments (McCloskey 1985).

Discourses taking place in the community of economic scholars are disciplined and are based on a broader and more sophisticated set of standards than Marxism or positive economics allows (Klamer and McCloskey 1988). Consequently, the “chaos argument ‘anything goes’” does not stand (Klamer and McCloskey 1988: 16). Denying that there is no universal law that fits everything; claiming that the prescriptive rules of methodology are too narrow does not mean that everything is allowed and there are no standards at all. There are standards, but not prescribed laws, universal and timelessly true.

The question arises: How can we protect ourselves from merely plausible, not true, arguments? For this reason, McCloskey ‘prescribes’ the requirement of Quintilian (see Section 2.1.1). This should ensure that a person, practising persuasion not only has to be trained in rhetoric or economics, but he has to be a good man.

Richard Lanham calls the ‘good man skilled at speaking’ the “Weak Defense” of rhetoric. What he offers instead is the “Strong Defense”, the “sprezzaturatore”, where the man skilled at speaking can freely move from reading the lines to reading beyond the lines and vice versa (in McCloskey 1994: 293).

“To read economics as McCloskey suggests is always to be toggling between looking at the prose and through it, reading it “rhetorically” and reading it “philosophically”, and this toggling attitude toward utterance is what the rhetorical paideia was after all along. Train someone in it and, according to Quintilian’s way of thinking; you have

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trained that person to be virtuous” (Lanham 1993, Chapter 7, p. 22. in McCloskey 1994: 294).

Another criterion that ensures uncoerced persuasion is the requirement of obeying the rules of Sprachethik. McCloskey agrees with Habermas that no philosophical intervention is necessary to tell us about ethics, “because Sprachethik, i.e. the ethics of conversation, will suffice” (McCloskey 1985: 28).

Therefore, the “Hitler-and-Other-Irrationalists Argument: ‘according to the rhetorical approach, everything is relative, so Hitler would be irrefutable’” can be rejected as well, because “he was no vir bonus, however much a dicendi peritus” (Klammer and McCloskey 1988: 17).

Finally, McCloskey assures us that her rhetorical approach is not machine breaking but machine building: “Be not afraid: the alternative of modernism is not irrationalism. ..... it is an invitation to leave the irrationality of an artificially narrowed range of arguments and to move to the rationality of arguing like human beings” (McCloskey 1983: 509).

3.1.2. Refutation

As the majority of economists belong to the mainstream and acknowledge the contemporary methodology of economics, McCloskey received sharp reviews on abandoning the ‘Received Views’. Most of them claim that economics is in need of prescriptive methodology or standards and the pursuit of truth while McCloskey’s rhetoric allows ‘anything goes’. Thomas A. Boylan and Paschal F. O’Gorman (1995) doubt whether McCloskey accepts scientific method at all.
3.1.2.1. Defending the methodology of mainstream economics

Mark Blaug sees the most important task of methodology in prescribing standards for accepting and rejecting theories and models.

“What methodology can do is to provide criteria for the acceptance and rejection of research programs, setting standards that will help us to discriminate between wheat and chaff. The ultimate question we can and indeed must pose about any research program is the one made familiar by Popper: what events, if they materialize, would lead us to reject that program? A program that cannot meet that question has fallen short of the highest standards that scientific knowledge can attain” (Blaug 1980: 264 in McCloskey 1985: 21).


Alexander Rosenberg claims openly to be a modernist and that he agrees with all the ten commandments of modernism. Furthermore, he finds the relation between positivism and modernism more complex and sophisticated than McCloskey imagines (Rosenberg 1988a). McCloskey sees the mathematisation of economics as a consequence of logical positivism. In fact, the merits of logical positivism were “to downgrade the importance of mathematics in economics, not to rationalize it” through the pioneering positivist work of Hutchinson and others (Rosenberg 1988a: 134). Rosenberg claims to be a modernist but not an advocate of logical positivism. Mark Blaug confirms also that some of McCloskey’s propositions labeled as modernism have “absolutely nothing to do with the philosophical movement known as logical positivism” (Blaug 1992: xviii).

Steven Rappaport is an advocate of epistemology. In his article ‘Economic Methodology: Rhetoric or Epistemology’ (1988a) he contrasts the two approaches. The epistemological view is neither modernist nor is rule-bound methodology
logically implied; therefore the two accusations do not stand that would lead McCloskey to reject the methodology of epistemology. Epistemology says that “the task of economic methodology is to set out the kinds of arguments usable in economics to justify acceptance or rejection of theories”, but “does not imply that one must sharply distinguish the context of justification and the context of discovery” (Rappaport 1988a: 112).

The reason why epistemology could offer a better methodology of economics than rhetoric is that it “preserves the connection between economics and the pursuit of truth” (Rappaport 1988a: 123).

3.1.2.2. On high-brow, low-brow and middle-brow rules

Mark Blaug does not see any difference between McCloskey’s small-m methodology and Big-M Methodology. Distinguishing between the two is lacking reasons as “McCloskey never provides such a basis”. He is absolutely cynical about the canons of Sprachethik, since it prescribes “little things” (Blaug 1992: xix).

Daniel M. Hausman and Michael S. McPherson in ‘Standards’ (1988) turn out to be more permissive: they agree with McCloskey that the “modernist ritual”, “narrowly rule-bound” is dead (Hausman and McPherson 1988: 6 in McCloskey 1994: 183). They even recognize a middle layer between the low-brow technical rules called small-m methodology by McCloskey and the high-brow moral rules of Sprachethik: a middle layer necessary to be determined – contrary to McCloskey – in order to provide standards for specific scholarly discourses. This is McCloskey’s Big-M Methodology, which McCloskey thinks unnecessary. If she could sweep out formulas and the oversimplified epistemological views, what would still remain is “the exercise of informed judgment, guided by broad and evolving principles of assessment, which in turn still rest on the implicit or explicit epistemological theories”, which belongs to the realm of Methodology (Hausman and McPherson 1988: 6).
According to the authors of ‘Standards’ the “McCloskey-ish” scholarly standards are “partly tacit and much more flexible” than the received Methodology, however, they still need to rest on epistemology, which McCloskey denies (Hausman and McPherson 1988: 6 in McCloskey 1994: 182).

3.1.2.3. ‘Anything goes’


Uskali Mäki defends McCloskey against the accusation of ‘anything goes’ (Mäki 1995). Anything goes is not a valid accusation since McCloskey proposed a moral and a social constraint on the relevant sets of arguments. He agrees with her even in the matter of rule-bound methodology, i.e. it has to be substituted by something else. But he does not agree in the way of how it should be done. He finds McCloskey’s constraints on legitimating good argument and scientific knowledge weak. They provide “no safeguards against arbitrariness” (Peter 2001: 583). McCloskey “replaces the classical notion of basing knowledge upon privileged, unquestioned epistemic foundations by the idea of basing knowledge on privileged, unquestioned social foundations” (Mäki 1993: 35). Fabienne Peter makes the same point by claiming that the modernist set of arguments should be broadened but not at any rate (Peter 2001).
3.1.2.4. Where is the truth?

Peter Munz suggests that ‘rhetoric is the study of irrationality’ (Munz 1990). His reason for making such a claim has its roots in McCloskey’s negligence of the issue of truth. Munz makes a fundamental distincton between persuasion and truth, and consequently, between rhetorical persuasion and persuasion by truth. Munz believes people can be persuaded of the truth of a statement without rhetoric when there are reasonable or rational grounds for a statement. “The heart of the matter is that when a statement can be shown to be true, no rhetoric is required to persuade people to give their assent” and “science does claim that it provides discoveries which are not in need of rhetoric” (Munz 1990: 122 and 127). Therefore, “rhetoric without control from a non-rhetorical sense becomes free-wheeling” (Munz 1990: 135). Munz sees the most likely non-rhetorical control in meaning. He was surprised why none of the contributors of The Rhetoric of the Human Sciences discussed the semantic status of rhetoric (Munz 1990).

Alexander Rosenberg makes a similar point when emphasizing an assumed connection between good argument and truth (Rosenberg 1988a). If there were no connection between justification and truth, there would be only convincing and unconvincing arguments. Unfortunately, “one of the special virtues of McCloskey’s doctrine is that it excludes the very idea of a sound argument for the modernist’s view by banishing truth from science” (Rosenberg 1988a: 138).

Steven Rappaport made a comparison between rhetoric and epistemology from the aspect of which is more suitable to provide the methodology of economics. The reason why epistemology was found better is that it maintained the connection between economics and the pursuit of truth (Rappaport 1988a).

Uskali Mäki has a poor opinion on both ‘elites’ and ‘angels’ proposed by McCloskey as constraints on coherence of her idea of truth (Mäki 1995). Elites are the majority of the economists’ profession, whose voice matters (McCloskey’s social constraint); angels are all those who obey the canons of Sprachethik (McCloskey’s moral constraint) (see Sections 3.5.1.5 and 3.5.2.3). Since McCloskey conflates truth with plausibility and claims that both build on coherence, which results in her
constraints on truth and plausible arguments being the same. In McCloskey’s view, both persuasive or plausible arguments and truth can be interpreted as morally and socially constrained coherence. Unfortunately, her constraints are not strong enough to prevent economics from becoming self-referential, therefore indefensible. And, we *should not abstain from pursuing truth*; it does not exclude that economics has a rhetorical aspect (Mäki 1995).

3.1.2.5. Boylan and O’Gorman: A comprehensive evaluation

After the appearance of The Rhetoric of Economics, several reviews were born, concentrating only on special aspects of the writing, though. The first comprehensive evaluation was written by Thomas A. Boylan and Paschal F. O’Gorman (Beyond Rhetoric and Realism in Economics 1995). Related to the issue of the methodology of economics, two issues are worth discussing:

a) Whether McCloskey abandons scientific method and to what extent;
b) Classifying McCloskey’s tenets into the system of global and local economic rhetoric.

3.1.2.5.1. DOES MCCLOSKEY ABANDON SCIENTIFIC METHOD?

Thomas A. Boylan and Paschal F. O’Gorman (1995) find McCloskey extremely ambiguous about this question. They find support for both sides of the debate; more for abandoning scientific method, though.

*Why does McCloskey not abandon scientific method?* Claiming that modernist philosophy is redundant and the philosophical search for absolute foundations is to be abandoned does not imply the rejection of scientific method. Besides, she has no objection to mathematical models in economics.

*Why does McCloskey abandon scientific method?* Claiming that “any rule-bound methodology is objectionable and ‘that any methodology other than honesty,
clarity and tolerance has nothing to offer” and denying the predictive power of economics and the applicability of models borrowed from physics and mathematics to economics mean the total abandonment of scientific method (McCloskey 1983: 482 in Boylan and O’Gorman 1995: 44). McCloskey does not mind the presence of mathematical models in economics, whose main virtue is their predictive power, though. She sees their merits, however, elsewhere: they are non-ornamental metaphors to be evaluated by the criteria of literary criticism (McCloskey 1983). This implies that McCloskey suggests a way of evaluating economic models not in terms of scientific methodology, by abandoning “scientific method for the tools of literary criticism” (Boylan and O’Gorman 1995: 44). By suggesting that she advocates global economic rhetoric (see Section 3.1.2.5.2), she seems to imply the total abandonment of scientific methodology (Boylan and O’Gorman 1995).

3.1.2.5.2. GLOBAL AND LOCAL ECONOMIC RHETORIC

Boylan and O’Gorman (1995) distinguish between global and local economic rhetoric. Global economic rhetoric claims that “any philosophy of science which accommodates any method other than the standards of literature has no relevance to the philosophy of economics”. Global economic rhetoric is not without standards: its “standards are those of good literature” (Boylan and O’Gorman 1995: 44). Global economic rhetoricians “assimilate rhetoric to literary criticism and to it alone, advocate the total abandonment of scientific methodology and advocate as it were a poetics of economics” (Boylan and O’Gorman 1995: 45). Consequently, they suggest getting rid of every methodology of science that is based on any philosophy of science that models itself on physics.

Local economic rhetoricians, on the other hand, acknowledge a more limited role of rhetoric. They do not accept “the subsumption of economics under the umbrella of rhetoric understood as a literary means of examining conversations” and “prior to their rhetorical efforts, some scientific investigations into the appropriate truths or probabilities of their specialized domains occur”. Local economic rhetoricians find the
status of pure economics as science and a limited role of rhetoric compatible. They also claim that “economics belongs to the scientific range of conversations or language-games other than those of poetry, drama or literature” (Boylan and O’Gorman 1995: 45 and 46).

There are three issues that local and global economic rhetoricians handle in a different way. The first is the claim that “all rules have their limits” (Feyerabend 1978b: 32 in Boylan and O’Gorman 1995: 47). While global economic rhetoricians celebrate case studies and “see in them the vindication of their abandonment of scientific methodology” “tout court for the tools of literary criticism”, local economic rhetoricians regard case studies as part of scientific development while fully acknowledging their accuracy (Boylan and O’Gorman 1995: 47). McCloskey’s standpoint is not unambiguous; she seems to be closer to global economic rhetoric than to local economic rhetoric (Boylan and O’Gorman 1995).

The second issue is the proliferation of theories. According to the epistemological anarchist, “proliferation is beneficial for science, whereas methodological uniformity impairs its critical powers” (Boylan and O’Gorman 1995: 48). This does not mean that any absurd idea should be proliferated. Proliferation must be accommodated but limited by many factors. Global economic rhetoric rejects all methodology, including critical pluralism. While advertising pluralism, McCloskey is not fully consistent when speculating “whether pluralists ‘can in fact keep their toleration and balance for long in a conversation about my Truth and thine. As Rorty might say, they haven’t yet’, which is clearly in the spirit of global rhetoric” (McCloskey 1985: 26 in Boylan and O’Gorman 1995: 48).

The third issue is rejecting the distinction between ‘context of justification’ and ‘context of discovery’, a canon of contemporary methodology. McCloskey stands clearly for erasing this distinction by appealing to the persuasiveness of assertions, theories and models, which does not have much to do with the demarcation of the world into scientific and non-scientific halves (McCloskey 1983 and 1985).
‘demarcation’ is the basis of every methodology, and the “abandonment of the distinction between the context of discovery and the context of justification leaves us with ‘anything goes’” (Boylan and O’Gorman 1995: 49). Local rhetoricians, on the other hand, hold the distinction but in a modified form, considering it in the context of a dynamic scientific rationality. McCloskey clearly turns out to be a global economic rhetorician in this respect (Boylan and O’Gorman 1995).

3.1.2.6. What is missing

Uskali Mäki claims that there does not yet exist a theory of economic rhetoric (Mäki 1988b). McCloskey’s rhetorical meta-theory of economics does not constitute a complete and elaborate system, a theoretical framework is missing. It contains “a few illuminating applications what may some day become a theory or a set of rival theories” (Mäki 1988b: 169).

Mäki sees it inevitable for a theory of economic rhetoric to contain at least the following elements:

“a theory of economists as rhetorical agents”; “an account of rhetorical situations typical of economics including the social and cultural foundations of meaning”; “a distinction between effects and ethics of economic persuasion”; “an account of the relation between persuasion and truth”; “a refined concept of truth” and “a meta-theory of how to make a reasonable choice among potential competing theories of economic rhetoric” (Mäki 1988b: 169).

These components have not been provided by McCloskey yet. Mäki can imagine carrying out the elaboration of such a theory of economic rhetoric in cooperation with the philosophy and sociology of economics.

Roger Backhouse, Tony Dudley-Evans and Willie Henderson in their article (Exploring the language and rhetoric of economics, 2002) give us an overview of the different perspectives on language from the aspects of applied linguistics, literary
theory, critical hermeneutics, rhetoric and pragmatism and the sociology of science. When discussing rhetoric and the study of language, they claim that McCloskey’s approach ignores the linguistic aspect and the study of style and genre are not integrated (Backhouse et al. 2002). In their opinion, the only example of scientific style analyzed in McCloskey’s work is the article by Muth. An analysis of linguistic structures and exploring the reasons why these have been adopted cannot be found in McCloskey’s writing, either. Without understanding about these items, our understanding of different genres and the reasons for the adoption of different styles is necessarily limited (Backhouse et al. 2002).

3.1.3. Conclusions

In short, this chapter is about the battle of the contemporary methodology of economics based on the rules of epistemology and McCloskey’s proposal on a broader set of arguments that do not follow prescribed rules but vary according to the purpose of the conversation and build on Sprachethik and the overlaps of conversations. For preparing the floor for her ideas, McCloskey criticized the canons of the ‘Received Views’, as a result, she was rewarded by numerous reviews.

3.1.3.1. Summing up the perspectives

The majority of the economists’ profession seems to be content with the contemporary methodology of economics. McCloskey is not among them: she offers a sharp critique on the prevailing methodology of economics that she labels as ‘modernism’ (McCloskey 1983 and 1985). After having listed the Ten Commandments of modernism, she enumerates several deficiencies of modernism, especially narrowing artificially the applicable bundle of arguments to ‘the observable’
and pure facts and logic. McCloskey differentiates three levels of rules: she acknowledges the merits of small-m methodology that provides low-brow technical rules to everyday economic practice and the merits of Sprachethik, the high-brow moral rules of conversation but not those of Big-M Methodology that serve only to ‘demarcate science from non-science’ (McCloskey 1983 and 1985).

Being opposed to all kinds of rule-bound methodology, McCloskey proposes to broaden the relevant scale of arguments and take into account the ‘whole art of argumentation’ without any prescribed methods, ‘timelessly true’ and ‘universally valid’ (McCloskey 2002). She is not without standards: the standards of scholarly discourses are implicit, containing the overlapping of conversations from neighboring fields, and the standards of literary criticism are there as well.

McCloskey’s program on economic methodology was criticized in several fields both by modernists and other economists. Mark Blaug (1992) sees the most important task of methodology in prescribing standards for accepting and rejecting theories and models, which McCloskey denies. Alexander Rosenberg (1988a) claims openly that he agrees with all the Ten Commandments of modernism. Both Blaug and Rosenberg agree that the relation between positivism and modernism “is far more tangential and more complex than McCloskey suggests” (Rosenberg 1988a: 134).

Blaug sees no difference between McCloskey’s small-m and Big-M methodologies and does not acknowledge the role of Sprachethik, either (Blaug 1992 [1980]). Daniel M. Hausman and Michael S. McPherson (1988) see, however, the validity of a middle layer that has to be based on the rules of epistemology.

For denying the distinction between scientific and non-scientific, and claiming that any methodology is arrogant and pretentious, McCloskey was accused of accepting the principle of ‘anything goes’ by Alexander Rosenberg (1988a), A. W. Coats (1984), Peter Munz (1990), Thomas A. Boylan and Paschal F. O’Gorman (1995). Uskali Mäki (1993) found ‘anything goes’ too sharp an accusation; he only found McCloskey’s constraints on constructing a good argument and scientific knowledge weak.

McCloskey’s critics find the criterion of the pursuit of truth inevitable. Why epistemology could offer a better methodology of economics than rhetoric is the fact
that it “preserves the connection between economics and the pursuit of truth” (Rappaport 1988a: 123). Peter Munz sees no role for rhetoric when a statement can be shown to be true, therefore he considers rhetoric as ‘the study of irrationality’ (Munz 1990). Alexander Rosenberg assumes a relation between good arguments and truth; if McCloskey banishes truth from science, this implies the rejection of “the very idea of a sound argument for the modernist’s view” (Rosenberg 1988a: 138).

Thomas A. Boylan and Paschal F. O’Gorman (1995) found McCloskey ambiguous in the question of abandoning scientific method, and found her an advocate of global economic rhetoric rather than of local economic rhetoric.

Uskali Mäki (1988b) denies that McCloskey’s rhetoric constitutes an elaborate system. A theoretical framework and basic requirements are missing. Roger Backhouse, Tony Dudley-Evans and Willie Henderson (2002) consider the analysis of style and genre from a linguistic perspective a crucial item for a theory of economic rhetoric that is also missing from McCloskey’s program.

3.1.3.2. Supplementary remarks

McCloskey’s recognition that economics has a rhetorical perspective is a relevant achievement. But the form in which McCloskey published her ideas is not mature yet to be regarded as a complete, elaborate system with a theoretical framework but can only be treated as some scattered illuminating ideas (see Mäki 1988b). A great deal of work has to be accomplished for her concepts to graduate as a rival methodology to the rules of epistemology, if it should happen at all.

When elaborating her rhetorical theory I would advise McCloskey not to leave out the issues of pursuing truth and accountability to reality. Besides, precise and conscious definitions of concepts and clear and defensible standards are needed to support her theory. She should pay attention to the philosophy and sociology of economics (see Mäki 1988b) and supplement her views with the analysis of style and genre from a linguistic perspective (see Backhouse et al. 2002). Economists need prescriptions providing standards for accepting and rejecting theories, research
programs, models and assertions. Although the rules of epistemology are far away from being perfect and irrefutable, they have provided solid and unquestionable norms for legitimating scientific knowledge. Through following them, the relation between economics and the pursuit of truth could be preserved, which has always been a crucial point for the majority of economists, including not only modernists.

Therefore, I consider the demarcation between scientific and non-scientific a necessary issue that has to be provided by the methodology of economics. It can be done in a moderate way, as done by local economic rhetoricians (see Boylan and O’Gorman 1995). Otherwise, how can we tell what counts as a scientific result and what has no scientific value? The proliferation of theories is desirable, but not at any rate. Some requirements, limitations and standards are needed to tell which voices should be heard.

What I propose is closest to Uskali Mäki’s approach: an argumentative theory of economic rhetoric aimed at the pursuit of truth, applying a broader scale of arguments than proposed by epistemology, but supported by strong and defensible standards on what counts as scientific and what does not.

3.2. Legitimating scientific knowledge

It has always been a crucial issue for economists to determine the valid criteria of scientific knowledge; what the sources are and how we can differentiate scientific knowledge from other kinds of knowledge. The rules of epistemology provided a solid but narrow basis for specifying scientific knowledge. McCloskey in her rhetorical approach doubts the necessity of separating science from other parts of the world and bases her ideas about knowledge on agreements in shared conversation.
3.2.1. The rhetorical standpoint

McCloskey sees the crux of modernism in its solipsistic theory of knowledge based on the British academic usage of the word ‘science’, and in restricting scientific knowledge on looking for indubitably and timelessly true things, i.e. justified true belief, which is the watchword for Knowledge, Big-K, in the modernist sense.

McCloskey sees no difference between scientific knowledge and other kinds of knowledge as both are born in shared conversations of humans. She emphasizes the social construction of knowledge based on conversations of well-educated economists who obey the canons of Sprachethik.

3.2.1.1. Interpreting ‘science’

The word ‘science’ is interpreted “in British academic usage – arts and Sciences, the “arts” of literature and philosophy as against the “Sciences” of chemistry and geology” (McCloskey 1994: 56). In the terminology of English speaking countries the word ‘science’ can only be found in the name of natural sciences like physical science, biological science, and there are humanities. By comparison in German, besides natural sciences, the word ‘science’ can be found in nominating humanities as well: Geistewissenschaft, where Wissenschaft means science. In Italian, if a mother says to her son, “mio scienziato”, she means “my learned one”. Besides Italian, other languages (French, Spanish, German, Dutch, Swedish, Norwegian, Polish, Hebrew, Hungarian, Finnish, Turkish, etc.) use the word ‘science’ in the sense of “systematic inquiry” (McCloskey 1994: 56).

In British academic usage, science and humanities represent two cultures. Physical and biological scientists are put in command.
3.2.1.2. *Legitimating scientific knowledge modernist style*

Building on the British academic usage, modernists use the word ‘science’ for their purposes, “erecting a positivist scientism and a priesthood to go with it” and “the word ‘science’ has since become a cudgel with which to assail the arguments that the modernists do not wish too hear” (McCloskey 1994: 56 and 57). There are requirements for being scientific derived from the characteristics of sciences in British academic usage: science must enumerate; it must be mathematical; it must experiment and it must be about the physical world. Besides political philosophy, anthropology and history do not fulfil the above requirements. The last requirement, i.e. ‘being about the physical world’, “excludes everything but the modern, English-speaking definition of the word” (McCloskey 1994: 57).

Consequently, ‘being Scientific’ in the modernist sense means being different from the rest of society. The main project of the positivist movement was to demarcate science from other thinking. As Table 1 shows, we can see how the world is divided into objective and subjective, scientific and humanistic and hard and soft halves. Naturally, all our scientific knowledge comes from the scientific half. According to the ‘received views’, the world comes nicely divided along such lines.

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*Table 1 Dividing the world into scientific and non-scientific halves*  
(McCloskey 1983: 510)

In order to maintain the scientific status, the scientists’ most important job is to classify propositions into one of the halves, either into the scientific (hard), or into the non-scientific (soft) half. Modernists labeled the scientific half as “context of justification” and things like metaphor, fashion, case study, authority, etc. belonging to
the other half were labeled as “context of discovery” (McCloskey 1983: 511). Nothing was said about whether those propositions are useful for understanding or changing the world. This implied that economists had not recognized that the scientific value and the persuasiveness of an assertion depended not on its classification but on its meaning. In order to have the meaning of a statement, we have to think about it (McCloskey 1985).

What are the criteria of legitimating scientific knowledge in the modernist sense? Above all, knowledge can only come from the “context of justification”, from the objective, scientific half of the world. The content of this half should comply with the rules of epistemology. This implies that in the modernist sense, scientific knowledge is different from other kinds of knowledge. Echoing the Cartesian dogma that ‘only the indubitable is true’,

“modernism promises knowledge free from doubt, metaphysics, morals, and personal convictions; what it delivers merely renames as Scientific Method the scientist’s and especially the economic scientist’s morals, metaphysics, and personal convictions” and “it cannot, and should not, deliver what it promises” (Polanyi 1962 in McCloskey 1983: 488).

Knowledge, Big-K is defined by modernists as “justified true belief”. McCloskey interprets modernists’ Knowledge as “whatever it is that is in the mind of God” or “what we will know at the end of the history” or “what we will never, ever come to disbelieve” (McCloskey 1994: 190). Modernists are looking for timelessly true things. Unfortunately, epistemology was unable to solve its self-imposed problem.

McCloskey labeled the modernist theory of knowledge as “solipsistic theory of truth (knowledge)”, i.e. “the privileged form of knowing, that is knowing by the lone person himself, solus ipse”, “what we could come to believe after lonely study” (McCloskey 1985: 99).
3.2.1.3. Legitimating scientific knowledge à la McCloskey

McCloskey contrasts the modernist approach of legitimating scientific knowledge with her ideas on the social construction of knowledge where rhetoric and human conversations play a key role. In discussing the rhetoric of scientism, she offers fine examples for formalistic reasoning, establishing the ethos of the Scientist and using common and special topics for appealing to the audience.

3.2.1.3.1. Criticizing the Modernist Standpoint

McCloskey is against the monopolization of the word ‘science’ by modernists and furnishing it with weapons in order to exclude humanities from the class of sciences by building on the British academic usage of the word.

According to McCloskey, ranking sciences is also lacking grounds. Modernists ranked sciences according to their merits: the queen of sciences is physics, followed by mathematics; then economics, and humanities are not in the queue as they are not considered to be sciences. The higher rank a science has, the more arrogant its practitioners are. McCloskey rejects all hierarchy between science and non-science in the modernist sense (McCloskey 1994).

She is against the demarcation between science and non-science. Demarcating the world into objective (scientific) and subjective (non-scientific) halves is also lacking grounds. Placing an assertion into this chart, she says, gives us no clue whether it matters for understanding or changing the economy. It offers no guidance whether the assertion is persuasive or not (McCloskey 1983 and 1985).

Finally, McCloskey finds the item of Knowledge, Big-K in the modernist sense hopefully inoperational as nothing was provided about Knowledge defined by epistemology after 2500 years of trying (McCloskey 1994).
3.2.1.3.2. THE SOCIAL CONSTRUCTION OF KNOWLEDGE

McCloskey’s conceptualization of knowledge is based on the idea that **scientific knowledge is not different from other kinds of knowledge**, as both are created in shared human conversation.

“Scientific knowledge is no different from other personal knowledge” (Polanyi 1962 in McCloskey 1983: 488).

“Good science is not good Method; it is good conversation in the laboratory and in the conference hall” and “the alleged ‘standards’ of philosophical empiricism ..... have persuaded some scientists to spurn whole classes of evidence ..... the real standards, after all, reside, where they should, on the lips of men and women of science conversing together” (McCloskey 1994: 100 and 101).

McCloskey connects the social construction of truth to the **social construction of science and knowledge**. McCloskey highlights the social character of knowledge, i.e. knowledge is created in human conversations, from the combination of different beliefs of different people found persuasive and plausible by others, emphasizing “what is at stake in science is what persuades human scientists, not God’s plan for Reality or Logic” (McCloskey 1994: 214) and quoting Rorty “we understand knowledge when we understand the social justification of belief” (Rorty 1979: 170 in McCloskey 1994: 194).

On magnitudes, evaluating and grading creatures, humans decide in conversations. “The criteria are social, not solipsistic. They are written in conversations, not in the stars” (McCloskey 2002: 334). Even objectivity has a necessarily social definition: ”something becomes objective as soon as we are persuaded that it exists in the mind of others in the same form that it does in ours, and that we can think about it and discuss it together” (Borel, 1983: 13 in McCloskey 2002: 334). Furthermore, an agreement in today’s conversations can be the only test of historical facts. This implies that historical facts belong to the realm of rhetoric, and do not directly refer to the real world but to our beliefs about it (McCloskey 2002).
As all our knowledge is created in shared discourse, instead of demarcating the world into scientific and non-scientific halves, McCloskey proposes a different demarcation of the realm of discourse into unknowable subjectives and objectives on the one hand, and Conjectives on the other, the things we Know together” (McCloskey 2002: 339). Arjo Klamer illustrated the realm of induction and deduction, i.e. the objective with squares and the realm of will and feeling, that is, the subjective with circles (Klamer 1990), and the conjunctive being “the social soup in which the square and the circle float”, a realm beyond objective and subjective, accommodating both by virtue of conversation (Klamer and McCloskey 1989: 145).

The demarcation proposed by McCloskey implies a classification based on the criterion of attainability. She is not for Knowledge, Big-K, she advocates only the attainable and operational small-k knowledge, born in shared conversation as socially justified belief (McCloskey 1994).

What criteria warrant the validity of scientific knowledge? As mentioned before, “the real standards reside on the lips of men and women of science conversing together” and “the rhetoric of conversation, not the logic of inquiry, provides the standards for science” (McCloskey 1994: 101 and 1985: 153). Scientific knowledge in economics has to fulfill the criterion of “accountability to peers”, i.e. well-educated economists have to agree on the scientific value of an assertion, theory or economic model (Peter 2001: 584). Economists can only rely on the arguments offered in the conversation by their fellow economists and on nothing else as “we economists have no way to get outside our human conversations and get into the mind of God” (McCloskey 1994: 387). So that the persuasion should remain uncoerced, affected economics should obey the canons of Sprachethik, offering a moral constraint.

To sum up, according to McCloskey, science depends on persuasion: “If science means indubitable, than there is no science in science, if it means ‘very persuasive’, then much clear and honest thinking is scientific” (McCloskey 1985: 111).
3.2.1.4. *The rhetoric of scientism*

Samuelson’s and his followers’ contribution had argumentative consequences: the *formalistic reasoning* seemed natural; it *made economic texts seem more scientific*. Journals in economic newspapers saw a growth in technical vocabulary, far away from the vocabulary of common culture. The jargon of economics is more conscious than ordinary language, only people socialized within the community of economics can understand it. The style was borrowed from mathematics by using expressions like ‘it is assumed that’; ‘Y is a maximizer of X’; ‘given these limiting assumptions’; ‘it follows that’, etc., (McCloskey 1994).

The arrangement was borrowed from physics, containing sections “entitled ‘Data’ or ‘Results’” and “the proper arrangement of an empirical essay is Introduction, Outline of the Rest of the Article, The Theory, The (Linear) Model, The Results, Suggestions for Future Research (since nothing ever works), and (again) Summary” (McCloskey 1994: 124). Invention, the main part of the Aristotelian rhetoric arises from metaphors and stories of economists’ making up the content of the article. Content cannot be separated from style and arrangement, as the form determines in what spirit an argument should be interpreted (McCloskey 1994).

The rise of the scientific ethos is remarkable: now the implied author of an article establishes the *ethos of the Scientist* in the British academic usage, i.e. an ethos of the mathematician using theorems and proofs or the ethos of a bench scientist, using controlled experiments; but no way the ethos of an economic historian (McCloskey 1994). Needless to say that the official language of scientific papers is English.

The suppression of the ‘I’ in science serves the purpose of facilitating the scientist to disappear behind a “third-person narrative of What Really Happened” (McCloskey 1994: 122). No one questions the reliability of third-person narratives; therefore the scientist is not responsible for the assertions. Besides,

“the plot of a historical narrative is always an embarrassment and has to be presented as ‘found’ in the events rather than put there by narrative techniques” (J. H. White 1973: 20 in McCloskey 1990: 32).

Analyzing Muth’s article, McCloskey offers a statistic on the annual citations of the article (McCloskey 1998b). While from 1966 to 1974 the article was cited between 2-10 times annually; from 1977 to 1979 41-44 times annually, there were 71 citations in 1980; 56 citations in 1981 and 74 citations in 1982.

The reason for the low number of citations is because it is “ill-written”, “not masterful or influential”, “badly organized with ill-motivated digressions and leaps large claims to lame examples”, there is “no distinction between minor and major points” and “Muth’s main points can be expressed in English” (McCloskey 1998b: 52-53 and 54).

Unreadable to the public on the one hand, Muth’s article is an appeal to the Scientific Method of modernism and to the community of scholars, on the other. The modernist style was used in a conscious way, which brought success later to the article as a scientific paper (McCloskey 1998b).

In the case of Fogel’s book, McCloskey puts emphasis on the ethical appeal depending on the audience. Most of his readers will be economists, therefore he establishes the “ethos of the Sharp Scientist”, but others will be historians, therefore he appeals to “the character of the historical scholar” as well (McCloskey 1985: 123). His book is extremely rich in rhetorical devices: he uses common topics like anaphoras, paramologia, commoratio, tautology, apophasis21, etc., and special topics from “the storeroom marked ‘Economists Only’” (McCloskey 1985: 130). Common topics contain figures of speech familiar to everyone; they can be used for persuading any kind of audience who do not possess any special knowledge or represent different professions. Special topics cover the jargon of a certain profession that only its practitioners (specialists, economists here) or people educated in that profession can understand.

21 For an explanation, see Glossary of Literary and Linguistic Terms
3.2.2. Refutation

McCloskey’s ideas on legitimating scientific knowledge were attacked above all on three fronts by Alexander Rosenberg and Uskali Mäki. Rosenberg (1988a, 1988b and 1992) considers it unreasonable to equal science with persuasiveness. Uskali Mäki is more permissive: he agrees with McCloskey that the Popperian framework dominating mainstream economics should be substituted by something else, but finds McCloskey’s warrants of scientific knowledge inappropriate (Mäki 1993, 1995, 2004 and Peter 2001). Besides, by emphasizing persuasiveness and rhetoric related to the item of the social construction of knowledge, McCloskey fails to recognize that the rhetorical approach is only one aspect of the social construction of knowledge, not the ultimate and only possible one (Mäki 1992 and 1993b).

3.2.2.1. Science = artful presentation?

Although Alexander Rosenberg sees some deficiencies of the positivist methodology, he states that *positivism had undeniable merits in the field of certification of knowledge*: positivism

“held in proper esteem the role of observational testing in the certification of knowledge: a role which no discipline that claimed the attention of policymakers, public and private, could openly afford to degrade” (Rosenberg 1988a: 131).

Rosenberg also holds the *modernist demarcation between science and non-science, based on the rules of epistemology* (Rosenberg 1988a). Building on the sharp demarcation between sciences and humanities and considering economics belonging to the scientific half of the world, he rejects McCloskey’s claims such as

“Economics is a collection of literary forms, not a science. Indeed, science is a collection of literary norms, not a science. And literary forms
are scientific” and “all science is humanism (and no ‘mere’ about it) because that is all there is for humans (McCloskey 1985: 55 and 57 in Rosenberg 1992: 39).

Rosenberg interprets ‘science’ in the British academic usage, suggesting that regarding it only as ‘disciplined inquiry’ and nothing more or less is a degradation of the concept (Rosenberg 1988a and 1992). His greatest objection against McCloskey’s ideas is incurred by her closing out truth from science (see Section 3.1.2.4). Why truth has its proper role in science is that Rosenberg sees a connection between good arguments and truth constituting scientific knowledge, whether tacit or openly asked. Leaving out truth from science leaves room only for convincing and unconvincing arguments but for nothing else (Rosenberg 1988a and 1992).

3.2.2.2. No safeguards against arbitrariness

As McCloskey conflates truth with justification, and theories of truth with theories of knowledge (Mäki: 2000), her constraints are valid for both: the social and the moral constraints are therefore to be applied for legitimating scientific knowledge. Accountability to peers, i.e. McCloskey’s social constraint, however, is “left without theorized grounding, moral, or otherwise. The door is open for rightness or plausibility or truth being conditioned by any kind of social factors, pure political power included” (Mäki 1993: 35).

The social constraint “offers no safeguards against arbitrariness”, and economics can become “self-referential” (Peter 2001: 583 and 585). When asked by Mäki to show how to choose the relevant group of economists, McCloskey offered no clue (Mäki 1995).

Even if we can choose the economists concerned, Sprachethik, i.e. McCloskey’s moral constraint, the only meta-theoretical framework offered, cannot be measured; the ideal speech community of Habermas exists only in theory, but not in practice. Herrschaftsfrei conversation in the sense of Habermas cannot be observed among economists (Mäki 1995). McCloskey’s “open, plural, and pragmatic society”
will not warrant it (McCloskey 1985: 41), as society and economics belong to different realms, “nor is one realm a mirror image of the other” (Mäki 1993: 45). In order to justify the above postulation, analyses of the institutional structures and processes of economic inquiry would be essential (Mäki 1993).

To sum up, the moral constraint proposed by McCloskey to ensure uncoerced and herrschaftsfrei conversation and persuasion in order to agree on scientific knowledge is unattainable.

Uskali Mäki agrees with McCloskey that the “Popperian framework dominating mainstream economics is an inadequate account of science” and should be substituted by something else (Peter 2001: 581). Mäki does not agree with McCloskey in the way of substitution, as McCloskey “replaces the classical notion of basing knowledge upon privileged, unquestioned epistemic foundations by the idea of basing knowledge on privileged, unquestioned social foundations” (Mäki 1993: 35). But rejecting the Popperian framework and claiming that economics has a rhetorical perspective, however, should not mean that we should abstain from accountability to reality and the pursuit of truth, which are inevitable for acquiring scientific knowledge (Mäki 1993).

Thomas A. Boylan and Paschal F. O’Gorman are more strict: they stand for the canon of contemporary methodology by claiming that “abandonment of the distinction between the context of discovery and the context of justification leaves us with ‘anything goes’,” which implies that McCloskey abandons scientific method (Boylan and O’Gorman 1995: 49).

3.2.2.3. Rhetoric is not the ultimate aspect of the social construction of scientific knowledge

Regarding the social construction of scientific knowledge, Uskali Mäki accuses McCloskey of caring only about the rhetorical devices and not dedicating any attention to the social and institutional framing of rhetoric and knowledge. The process of acquiring knowledge, like rhetoric, is embedded in a larger cultural and
institutional context. McCloskey said nothing about the cultural setting of either acquiring scientific knowledge or rhetoric. 

Mäki would reformulate ‘the social construction of science’ for “science is socially conditioned” (Mäki 1993b: 65). He interprets the word ‘social’ in three meanings:

1) ‘social’ as “an attribute of the contents of elements within individual scientists’ actions; that is, their goals and beliefs about means” like careerism, pursuit of power, concern for efficient workings of the economy, which are social states or processes as goals of scientists;

2) ‘being social’ “attributed to elements within scientific communities” like “research traditions and paradigms”, “norms of action and networks of communication” and “structure of authority and power”;

3) ‘social’ “within society at large” denoting social, political, and economic structures and interests, cultural meanings and norms” (Mäki 1992: 81).

Mäki states that “several kinds of social factors can condition different aspects of science” (Mäki 1992: 82). McCloskey, however, concentrated only on the study of the use of language, especially on its pragmatic function; and claimed knowledge (in the sense of social) was only a matter of justification by economists practising rhetorical persuasion. But nothing was said about the cultural and institutional setting of acquiring scientific knowledge.

3.2.2.4. On the heritage of Habermas

Similarly to the universalization thesis of classical positivism (claiming that the physical sciences constitute the one and only one method of attaining knowledge of all domains); that of post-modern hermeneutics says that hermeneutical philosophy is the

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22 Uskali Mäki’s opinion expressed in personal consultation on 16 December 2005, Erasmus Universiteit Rotterdam.

23 Uskali Mäki’s opinion expressed in personal consultation on 16 December 2005, Erasmus Universiteit Rotterdam.
one and only one aspect of understanding. **Thomas A. Boylan and Paschal F. O’Gorman** observed such a universalization thesis of McCloskey emphasizing that “all science is humanism” (McCloskey 1985: 57), articulated in the spirit of contemporary hermeneutics’ universalization claim (Boylan and O’Gorman 1995).

Contrary to McCloskey, **Jürgen Habermas** rejects the universalization thesis of hermeneutics by *declaring human knowledge to be dividable into science, hermeneutics and critical theory* in accordance with the domains of human interests it serves and claiming that none of the three components of human knowledge can be reduced to constituting the other two (Habermas 1981), as

> “science serves the interest of prediction and control and within this interest the scientific method is not reducible to either hermeneutics or critical theory. Hermeneutics is concerned with the human interest of understanding ourselves and others and is not reducible to the other two. Finally, critical theory is concerned with our emancipatory interests, in particular, the kind of society which facilitates the realization of unrestricted, non-distorted communication and also this domain is not reducible to the others” (Habermas 1981 in Boylan and O’Gorman 1995: 58).

Boylan and O’Gorman (1995) think that the neo-Habermasian threefold division characterizes economics better than either the universalization thesis of positivism or those of hermeneutics or rhetoric. Unfortunately, McCloskey does not stand for the threefold division of Habermas but for a universalization claim of rhetoric driven by the spirit of the universalization of post-modern hermeneutics. Though all the three domains associated by Habermas with the division of human knowledge appear in economics, and there are even overlaps; McCloskey fails to recognize that they “in Wittgensteinian terminology constitute distinct but overlapping language games”, which necessitate different, sometimes overlapping criteria for evaluation used in the various language-games (Boylan and O’Gorman 1995: 60).
3.2.3. Conclusions

Interpreting the word ‘science’ provides the key for theories of knowledge and ways of certifying scientific knowledge. Advocating the social construction of knowledge contrary to the modernist theory of truth, McCloskey allocates a huge role to rhetoric, not only in the process of acquiring knowledge but to rhetoric constituting knowledge as well, evoking severe critiques by Uskali Mäki (1993, 1995 and 2004), Alexander Rosenberg (1988a, 1988b and 1992) and Thomas A. Boylan and Paschal F. O’Gorman (1995).

3.2.3.1. Summing up the perspectives

The word ‘science’ in the British academic usage was espoused by modernists, resulting in separation of the world into objective (scientific) and subjective (non-scientific) halves. The former contained natural sciences with their methods and characteristics; humanities and everything else were classified into the latter half. Modernism promised knowledge free from doubt, defined as ‘certified true belief’ that could only originate from the scientific half (McCloskey 1983, 1985 and 1994).

McCloskey sees no difference between scientific knowledge and other kinds of knowledge as both are born in shared conversations of humans. She considers the scientific/non-scientific demarcation of the world lacking in point. What she proposes instead is demarcating the realm of discourse into unknowable objectives and subjectives and Conjectives (McCloskey 2002). This implies the criterion of attainability of knowledge and the denial of the ‘solipsistic theory of knowledge’ modernist style (McCloskey 1985). She emphasizes the social construction of knowledge based on conversations of well-educated economists who obey the canons of Sprachethik.

Alexander Rosenberg sees McCloskey’s greatest sin in erasing truth from science. Advocating the British academic usage of the word ‘science’, science cannot constitute an artful presentation, as McCloskey tries to persuade the readers
(Rosenberg 1988a, 1988b and 1992). Uskali Mäki is more permissive: he agrees with McCloskey that the Popperian framework dominating mainstream economics should be substituted by something else, but finds McCloskey’s warrants of scientific knowledge inappropriate and would supplement or substitute them with accountability to reality (Mäki 1993, 1995, 2004 and Peter 2001). Besides the role of rhetoric in the social construction of scientific knowledge, Mäki would have welcomed a detailed description of the social and institutional framing of scientific knowledge (Mäki 1992 and 1993b). Thomas A. Boylan and Paschal F. O’Gorman see in McCloskey’s claim aimed at erasing the demarcation between scientific and nonscientific the total abandonment of scientific method (Boylan and O’Gorman 1995).

3.2.3.2. Supplementary remarks

Alexander Rosenberg claimed openly to be a modernist (Rosenberg 1988a). His declaration implies that he will show all symptoms of modernism: he defends the claims of modernism concerning the modernist legitimating of knowledge; he demands a prescriptive methodology for economics to tell what is scientific and what is not; he advocates the pursuit of truth as a warrant for making a bit of science and denies artful presentation aimed at the same end, regarding it as non-scientific. Similarly, he interprets science in the British academic usage, typical of modernists (Rosenberg 1988a and 1992). It is not a surprise at all that he reacts to McCloskey’s work in the sharp voice of the modernists and finds McCloskey’s idea on the certification of knowledge totally unacceptable.

McCloskey is right in that knowledge is socially constructed. Besides emphasizing the role of rhetoric in the creation of knowledge, she should have dedicated more attention to the social and institutional framing of scientific knowledge, not to rhetoric alone.

In my opinion, McCloskey should have emphasized the role of rhetoric in the process of gaining knowledge, not rhetoric as constituting knowledge. Although she built in some constraints (accountability to peers obeying Sprachethik) for legitimating
scientific knowledge, she should not have left out the pursuit of truth and accountability to reality from her criteria of legitimating scientific knowledge. Without these, the discipline of economics could run into self-reference, and the concerned economists’ intellectual game-playing with their science far away from reality and the economy itself requiring practical guidance.

What McCloskey calls ‘demarcating science from non-science’ or ‘differentiating between context of confirmation and the context of discovery’ should have its proper place in the scientific discipline of economics. Without such clearly prescribed criteria, how can we decide what counts as scientific and what does not?

McCloskey made a mistake when building on the universalization thesis of hermeneutics by claiming to use the criterion-system of literary criticism for all that constitutes science, instead of recognizing the three domains identified by Habermas with their own but overlapping criterion-systems that are appropriate for evaluating the three domains.

3.3. The vices of economists

McCloskey identified three projects in economics prospering in the 1940s and labeled them “the vices”, i.e. “the three bad intellectual habits into which modern economics was led by the three greatest of its leaders” (McCloskey 1996: 17). Each of the three vices is related to an economist giant:

1. Regarding the “backboard proofs of existence” as scientific is the Samuelsonian vice (ibid: 17);
2. Regarding statistical significance in the technical sense as the same as scientific significance is the vice of Lawrence Klein;

3. Building on the two former beliefs, giving advice to economic policy makers, “prévoir pour pouvoir”\textsuperscript{25}, “predict in order to control” (ibid: 99) is the vice of Jan Tinbergen.

3.3.1. The rhetorical standpoint


3.3.1.1. Economic models and theories

McCloskey has objections against the reign of the intellectual values of mathematics in economics; resulting in blackboard proofs and existence theorems as scientific results. What she proposes instead is to look at questions that really matter for economics related to magnitudes, and to look at economic models as metaphors and assess them through the criteria of literary criticism.

3.3.1.1.1. ON BLACKBOARD ECONOMICS

McCloskey is not against the presence of mathematics in economics: she admits that with it the discipline made bigger progress than without it.

\textsuperscript{25} The expression comes from the French positivist philosopher August Comte
“Mathematics has brought transparency to many hundreds of arguments ..... the ideas of economics would rapidly become muddled without mathematical expression” (McCloskey 1994: 128).

What she disapproves is espousing the intellectual values of mathematics. She connects the vice of regarding “blackboard proofs of existence” as scientific to Paul Samuelson, to his students and to his students’ students (McCloskey 1996: 17).

Questions that matter for economics are ignored in favor of questions of mathematics: they answer on/off, exists/does not exist questions instead of questions of magnitude and approximation. Assumptions in physics and mathematics work well. Led by the spirit of mathematics, economists are driven by theorems that are to be verified by axioms. They use blackboard equations without having a clear knowledge about the matter concerned. Existence theorems are proved on the blackboard but we do not know whether knowing that they exist matters for a concrete question of economics or to what extent it matters (McCloskey 1994). Lovers of the blackboard, however, think that “Truth comes from a piece of chalk” and they attribute crucial scientific importance to proving existence theorems instead of answering concrete questions of the economy (McCloskey 1996: 63).

“And don’t be silly about A-Prime, C-Prime “proofs” in economics”, warns McCloskey (McCloskey 2000: 209). Her advice is that instead of searching through the hyperspace of A-Prime and C-Prime theorems, economists should say how much the deviation from the initial assumption matters for the concrete economic situation (McCloskey 1994). A ‘slight’ change in the preliminary assumptions can result in completely opposite conclusions. The conclusions depend on preliminary assumptions; however, these can be manipulated until the equation is true. General assumptions are not directly concerned with the point the economist wants to state and these assumptions do not contain information about the considered circumstances either (McCloskey 1994).

As economists read only the latest professional literature and many of them have only a limited knowledge about the history of economic theories, it could happen
that economics becomes the victim of mathematics and the formalized equations of mathematics becomes the language of economics (McCloskey 1994).

3.3.1.1.2. ECONOMIC MODELS AS METAPHORS

McCloskey states that “each step in economic reasoning, even the reasoning of the official rhetoric, is metaphor” (McCloskey 1983: 502). For interpreting metaphors, McCloskey builds on Max Black’s interpretation:

“a memorable metaphor has the power to bring two separate domains into cognitive and emotional relation by using language directly appropriate to the one as a lens for seeing the other” (Black 1962: 236 in McCloskey 1983: 503).

Besides concrete examples originating from non-economic spheres listed in Section 2.2.4, McCloskey mentions the concept of “human capital”, invented in Chicago by Theodore Schultz, as the favorite metaphor of Gary Becker.

“In the phrase “human capital” the field of economics treating human skills was at a stroke unified with the field treating investment in machines. Thought in both fields was improved” (McCloskey 1985: 77).

Becker’s other bizarre metaphor is to state that “children are durable goods” (in McCloskey 1983: 503). These metaphors collect the characteristics of a given object that are the same for the modifier. Other characteristics of the modifier will be left out.

Robert Solow, in the aggregate production function in the function form $Q= A(t) f(K,L)$ applies four master tropes: metaphor, metonymy, synecdoche and irony. The aggregate production function suggests that

“the making of our daily bread is like a mathematical function”; “the K and the L in the equation are metonymies, letting a thing merely associated with the thing in question stand as a symbol for it, as the White House does for the presidency. The L reduces the human attentiveness in making bread to an hour of work” (McCloskey 1985: 84). “The
identification of $A(t)$ with “technical change” is another of the master
tropes, synecdoche, taking the part for the whole”. Irony is shown in
labeling “rationally designed econometric studies ..... as a mere wrinkle and
as “elementary”, “so elementary a wrinkle that no one had thought it before
and after Solow an intellectual industry arose to exploit it” (ibid: 85).

Metaphors serve to help readers in understanding a text, make it transparent and
make a thought more acceptable for society. In order to avoid the use of metaphors for
bad ends we have to take care when applying them as they can contain some political
message or can be abused. As metaphors appear both in economics and poetry,
McCloskey proposes to apply the criteria of literary criticism to the assessment of
economic metaphors, i.e. of economic models (McCloskey 1985).

3.3.1.2. On significance testing

McCloskey connects the issue of handling statistical significance in the
technical sense the same as scientific significance to Lawrence Klein.

“Klein believed that the very statistics used to estimate the effects
of the minimum wage could be used to decide whether it really mattered,
whether a rise in unemployment from 6% to 7% of the workforce was
worth getting excited about.” That implied that “pretty soon everyone in
economics thought that statistical significance was the same thing as
scientific significance, that you could skip that last step of scientific work,
the human assessment of largeness or smallness” (McCloskey 1996: 31).

To put it in different words, we do not know “how Big is Big” (ibid: 34). A loss
function should be provided that speaks of substantive significance, i.e. whether the
magnitude of the coefficient matters for real economy at all.
“The question is how the weight function\textsuperscript{26} should be determined, is not a mathematical or statistical one.” The scientist, not the statistician, has to answer it. “It depends entirely on the special purposes of his investigation” (Wald 1939: 302 in McCloskey 1996: 38).

McCloskey also adds that “there is no ‘absolute sense’ in which a description is good or bad. The sense must be comparative to a standard, and the standard must be argued” by the economists depending on the purpose of their investigation (McCloskey 1985: 157).

The word ‘significance’ is hard to resist. Computers made the process of regression analysis cheap and quick, suitable for mass production. Journals, on the other hand, wanted to have publishable articles, and this implied that economists easily dropped statistically insignificant variables or a variable that damaged the regression (specification error, see Leamer 1983). Statisticians are only concerned with sampling errors, while “the specification error leaves no trace of its evil presence” and “the precision of the statistical estimates therefore does not increase with the sample size” (McCloskey 1985: 162). McCloskey’s cure therefore is to take other kinds of evidence, not more evidence of the same kind (McCloskey 1985).

Even leading statisticians warn that statistical significance “is not designed to see whether the difference is important” (Freedman, Pisani and Purves 1978: 487 in McCloskey 1996: 39) and “significance tests ..... are not legitimately used for any purpose other than of assessing the sampling error of a statistic designed to describe a particular population on the basis of a probability sample” (Morrison and Henkel 1970: 186 in McCloskey 1996: 40). Some of McCloskey’s fellow economists (Gordon Tullock 1959, Edward Ames and Stanely Reiter 1961, Edgar Feige 1975, Edward Leamer 1978, Thomas Mayer 1980, Michael Lovell 1983, Frank Denton 1985) share the point that “even under classical conditions the t-test is irrelevant much of the time” (McCloskey 1985c: 201).

\footnote{\textsuperscript{26} the weight function is the same as McCloskey’s loss function}
Statistical significance was overemphasized and overused: economists give advice for policy making based on the statistically significant result of a t-probe without knowing whether the result matters for the economy at all (McCloskey 1996).

McCloskey with Stephen Ziliak (1996b) tested the assertion whether “statistical significance has nothing whatever to do with oomph” (McCloskey 2000: 203). They examined 182 articles of the American Economic Review from the 1980s and found that

“70 percent of the papers did not mention any other criterion of importance or oomph beyond statistical significance and that 96 percent misused statistical significance, even if some of these 96 percent [namely 96 - 70 = 26 percent of the whole] recognized that something beyond Student’s-\(t\) should figure in a scientific life” (McCloskey 2000: 203-4).

To conclude, McCloskey’s rhetorical approach advises thinking about data more seriously and not making research based on statistical significance in the technical sense when pursuing economic studies and discoveries (McCloskey 1996).

3.3.1.3. Prediction in economics

First, McCloskey claimed that „prediction is impossible in economics” (McCloskey 1983: 487). She does not agree with the claim of logical positivism that in order to regard economics as a Science, prediction is a necessary and definitive criterion (McCloskey 1985). For supporting her point, she gives the examples of sciences like paleontology and history that do not predict (McCloskey 1994). By quoting Ludwig von Mises, she states that predicting the economic future is “beyond the power of any mortal man” (von Mises 1949: 867 in McCloskey 1985: 15). In her article ‘The Art of Forecasting, Ancient to Modern Times’ (1992c) she compares economic forecasting in detail with Roman practices of augury. She concludes that predicting the future has always been related to magic and wizardry (McCloskey 1990 and 1996).
There are only conditional predictions made by economists that do not result in a special return; the costs of education in economics and statistics will be recovered. In cocktail-party chatter, economists can say clever things and explanations about the past listened to by non-economists with honor. They sell advice; they sell stock-market tips, but do not make themselves rich through their knowledge but live more modestly on having sold advice (McCloskey 1990). As an example we refer to the American Question.

Later, she made some permission that at some levels, economists were good at predicting (McCloskey 1994) but she did not believe in profitable predictions. McCloskey does not believe in predictions that provide forecasts “better than the market” (McCloskey 1996: 104).

Compared to modernists, McCloskey does not see the “summum bonum” in prediction; it is only one of the numerous possible merits a science can have and not the ultimate and definitive one (McCloskey 1994: 234).

Based on the overemphasis of economic predictions, McCloskey related the vice of “prévoir pour pouvoir”, i.e. “predict in order to control” to Jan Tinbergen (McCloskey 1996: 99). The reason why economists want predictions is that they see in them an instrument of control that helps them manage business as if it were done by machines. They handle the economic actors as ‘homo economicuses’ by performing “social engineering” (McCloskey 1996: 97). McCloskey has a poor opinion on “people engineering” and on reducing all the virtues to utility as the only motivation of human action (McCloskey 1996: 115). McCloskey advises economists to be more modest (McCloskey 1992c), not to hurt people with economic policies and “help the economy devise non-dragging institutions and then let them work” (McCloskey 1996: 124).

### 3.3.2. Refutation

McCloskey’s views on two of the three vices of economists’ were criticized; namely, concerning economic models by Uskali Mäki (1988b), Mary S. Morgan (2002) and Thomas A. Boylan and Pascal F. O’Gorman (1995) and her opinion on
prediction in economics by Alexander Rosenberg (1988a, 1988b, 1992) and Mark Blaug (1992). Her view on significance testing is an odd opinion within her rhetorical theory of economics; it is more conservative and more realistic. This implied that not the concept itself but its consistency with her rhetorical theory was criticized (see Mäki).

3.3.2.1. On economic models

Uskali Mäki emphasizes the reference function of economic models to the real world. While McCloskey thinks that in constructing economic models, many economists do not refer to the world but instead “to a model, a metaphor, making a blackboard point about it”, Mäki claims that the importance of these models for the majority of economists appears in the representation of some aspects of the real world in a simplified form (Mäki 1988b: 167).

Mäki27 thinks that McCloskey’s account on models is underdeveloped: with her “sweeping claims” McCloskey commits the same mistakes that she accuses modernists of: she provides no empirical data either. She simplifies everything to metaphors, instead of simplifying to ‘the observable’ of modernists’ or to utility (cp. Boylan and O’Gorman 1995: 182 and Section 3.2.2.4).

Mary S. Morgan (2002) analyzed the role of models and stories in economics. She arrived at the conclusion – contrary to McCloskey – that

“an economic model cannot be accurately characterized as either a metaphor or structures, for both labels fail to fully describe models and prevent us from fully understanding how models function” (Morgan 2002: 182).

According to Morgan, economic models necessitate the usage of both structures (she means metaphors) and stories. She sympathizes with McCloskey’s approach but

27 Uskali Mäki’s contribution expressed in personal consultation at the Erasmus Universiteit Rotterdam, 16 December 2005 13.00 p.m.
claims that in McCloskey’s view, an explanation on why stories are important for models and on the way how stories relate to metaphors in economic models is lacking (Morgan 2002).

**Thomas A. Boylan and Paschal F. O’Gorman** (1995) claim that there are several differences between scientific models and literary metaphors, which McCloskey failed to recognize. An evocative metaphor in poetry facilitates the transference of feelings and mood and an oscillation between sense and sound, neither playing a role in theoretical models. Contrary to scientists who create models, poets and novelist are allowed to create their own imaginary world and reference to the real world is not required in their writings (Boylan and O’Gorman 1995).

When McCloskey proposed to use the requirements of literary criticism for evaluating scientific models, she disregarded the fact that reference in scientific models is quite different from that in literature, as “theoretical models distinguish between actual and non-actual entities postulated by the model”, which cannot be stated for “powerful literary metaphors” (Boylan and O’Gorman 1995: 183). Furthermore, Boylan and O’Gorman claim descriptive adequacy to be the constraint on scientists’ imagination when constructing economic models, which does not apply to literary imagination either.

Building on the above observations, Thomas A. Boylan and Paschal F. O’Gorman accuse McCloskey of replacing “modernism’s colonial expansionist aspirations, which reduced everything to reason as characterized by science, by another post-modern colonial expansionist philosophy, namely, the reduction of everything to literary rationality” (ibid: 182).

As features of metaphors in poems are fairly different from features of metaphors appearing in theoretical models, therefore their criteria of assessment are far away from each other as well. Consequently, *criteria of literary criticism are inappropriate for assessing theoretical models* (Boylan and O’Gorman 1995).
3.3.2.2. On significance testing

**Mark Blaug** (1992 [1980]) welcomes McCloskey’s good statistical practice, but claims that its standards have to be based on some prescribed methodology. Contrary to him, McCloskey states that

„the literary criticism that I advocate would allow us to consider ..... tests of significance, too” and „no Methodology tells us about statistical significance. Only the conversation of statisticians and empirical workers does, small-m methodology” (McCloskey 1994: 285 and 305).

**Frank T. Denton** in ‘The Significance of Significance: Rhetorical Aspects of Statistical Hypothesis Testing’ (1988) emphasized the role of “biased information filtering”, i.e. delivering well-constructed arguments to those we intend to persuade (Denton 1988: 164). Biased information filtering labeled as “data mining” of only the best statistical results for reporting is a common practice in journals (ibid: 180). He sees ‘data mining’ both a natural and unavoidable phenomenon essential for increasing the sales ratio of journals. On the one hand, Denton sees the negative consequences of biased information filtering in claiming that

“the nonrandom filtering of information about hypothesis tests can cause large discrepancies between significance levels appropriate for journal readers and the nominal ones reported by the author” (Denton 1988: 180).

On the other hand, he sees a probable positive return of allowing the ‘subjective’ for evaluating statistical results depending on whether different ways of handling data lead to similar conclusions or to quite different ones (Denton 1988).

There is an agreement between McCloskey and Denton in the possibility of looking at arguments based on the results of hypothesis testing as rhetorical devices. Denton connects their acceptance to the

“acceptance of the framework developed by statisticians for drawing inferences from experimental data and of the interpretation of that
framework by econometricians in ways that are appropriate for the kinds of
data they must use” (Denton 1988: 179).

Uskali Mäki’s first question concerning McCloskey’s ideas on significance
testing was: ‘But how does it relate to her concept of rhetoric? On what standards is it
based on?’ Until that time, the ultimate standard for McCloskey was persuasiveness.
Ironically enough, the economic practice of statistical significance contributes to the
most persuasive proofs in economics. Why to criticize it, then?

3.3.2.3. On prediction in economics

Alexander Rosenberg dedicated long pages to refuting McCloskey’s claim that
“prediction is unnecessary and absent in many theories” (Rosenberg 1992: 36). All the
sciences mentioned by McCloskey as not predictive (evolutionary theory, branches of
biology, geology and astronomy) are shown by Rosenberg to predict (Rosenberg
1988a). Rosenberg claims that

“no theory has predictive content all by itself”, only when conjoined to
“initial or boundary conditions”; “once these conditions are specified, it is
in the nature of the theory that it makes only generic, not specific,
predictions” (Rosenberg 1992: 45 and 46).

Why do sciences need predictive power? Rosenberg gives the following
reasons: first, he observed that sciences with predictive power are the first in the rank
of sciences and the most valued ones, second; it is people who need predictions,
independent of science requiring forecasts. In McCloskey’s claim stating prediction
being impossible in economics (McCloskey 1983), Rosenberg sees the worst
degradation of both governmental economic policy and individual policy (Rosenberg

28Uskali Mäki’s contribution comes from a personal consultation at the Erasmus Universiteit Rotterdam, 16
December 2005 13.00 p.m.
Rosenberg does not stand for claiming prediction as the summum bonum of science; what he believes is

“what science demands by way of predictive success is at least systematic improvement of earlier predictions, and at most the prediction of a startling and quite unexpected occurrence with a great deal of precision” (Rosenberg 1988a: 147).

Mark Blaug speaks about mainstream economists considering basic importance of the predictive power of economic theories who “refuse to take any economic theory seriously if it does not venture to make definite predictions about economic events, and they ultimately judge economic theories in terms of their success in making accurate predictions (Blaug 1992: xiii). Bruce J. Caldwell also claims that according to most modern economists “predictive adequacy is often the most important characteristic a theory can have” (Caldwell 1982: 124 in Blaug 1992: xiv). Blaug thinks that “the central aim of economics is to predict and not merely to understand” (Blaug 1992: 246). Although “orthodox economics can indeed boast that it has increased the economist’s capacity for making predictions”, he sees how limited this capacity is even now (ibid).

Uskali Mäki29 thinks that there is a gap concerning the issue of prediction in economic methodology. Economic philosophy and methodology put little emphasis on prediction. He proposes that above all we need a classification of predictions: it is necessary to distinguish between qualitative and quantitative prediction and further classification within both areas, like point and interval prediction in quantitative forecasting and direction of change and likelihood of the state of the affairs in qualitative forecasting. He thinks it important to know whether different disciplines could predict and to what extent, but ranking sciences based on their predictive power should not mean a rank of scientificity (cp. Rosenberg 1992).

He shows disagreement with McCloskey concerning the interpretation of the American Question and the idea of ‘prediction in order to control’. According to Mäki,

29 Uskali Mäki’s contribution comes from a personal consultation at the Erasmus Universiteit Rotterdam, 16 December 2005 13.00 p.m.
economists when making predictions could be driven by other motives beyond making money, e.g. intellectual curiosity. Contrary to McCloskey, he does not think that money is the ultimate measure of a human being, or that smartness can be only measured in terms of income and wealth.

*Prediction in order to control* is not always bad provided it is used for good purposes. To put the question in the simplest way: if the policy makers can predict that event A will result in event B, then if the government does not want B to happen, they will not allow A to happen. Furthermore, in a country with a democratic system, it is the people who elect a party based on its program that the people want to have. If the party wins and carries out its program, it cannot be regarded as managing people, because people gave the party power.

Prediction can happen without the aim of control. Stockbrokers use models to predict exchange rates in order to make money but what are they controlling if not their clients’ money?

### 3.3.3. Conclusions

McCloskey’s ideas on ‘the three vices of economists’ were published both in the first (1985) and the second edition (1998) of ‘The Rhetoric of Economics’, as they form an integral part of her rhetorical approach in the broad sense. Her ideas on significance testing received so much support even from mainstream economists that hardly any critical reviews were written about it.

#### 3.3.3.1. Summing up the perspectives

scientific results. What she proposes instead is to look at questions that really matter for economics related to magnitudes, and to look at economic models as metaphors and assess them through the criteria of literary criticism. **Uskali Mäki** (1988b) emphasizes the reference function of economic models to the real world and sees McCloskey’s account of models as underdeveloped; furthermore, by simplifying everything to metaphors without supporting empirical data, she commits the same sin as the one she accuses modernists of. **Thomas A. Boylan and Paschal F. O’Gorman** (1995) make the same point when describing the differences between economic models and metaphors implying that the rules of literary criticism are unsuitable for assessing economic models. **Mary S. Morgan** (2002) emphasizes the role of stories in models.

Concerning **significance testing**, **McCloskey** (1985, 1985c, 1992b, 1995b, 1996, 1996b, 2002b) criticized the economists’ practice of handling statistical significance in the technical sense in the same way as handling scientific significance. What she proposes instead is to offer a loss function that tells us ‘how large is large’; thinking about data more seriously and not making research based on statistical significance in the technical sense when pursuing economic studies and discoveries. **Mark Blaug** (1992 [1980]) welcomed McCloskey’s good statistical practice, but he claims that its standards have to be based on some prescribed methodology. **Frank T. Denton** (1988) emphasized the role of “biased information filtering” (Denton 1988: 164) and the role of the ‘subjective’ in evaluating statistical results. As the practice of statistical significance contributes to the most persuasive proofs in economics, **Uskali Mäki** does not see on what basis McCloskey criticizes it.

predictive powers. Bruce J. Caldwell (1982) and Mark Blaug (1992 [1980]), on the one hand, claim that the central aim of modern economics is to predict and not merely to understand. Uskali Mäki, on the other hand, thinks that there is a gap concerning the issue of prediction in economic methodology. He would welcome a classification of predictions. He disagrees with the claim that the only measure of smartness is wealth, which results from the American Question. Furthermore, if prediction is used for control in the good sense, it is not harmful at all.

3.3.3.2. Supplementary remarks

McCloskey is right in that there was a tendency in economics aimed at blackboard theorizing, i.e. making careers in front of the blackboard based on the intellectual values of mathematics, for it made the discipline of economics look more scientific, instead of looking at practical questions of everyday business expressed in natural language with all the details of phenomena present in the real economy. But this was not an unconscious process, it was not theorizing for the sake of theorizing. The reason behind was to provide a forecast on future expectations and get a more reliable knowledge about certain aspects of the economy modeled. McCloskey seems to question a widely accepted and fairly typical practice of scientific theorizing: the issue of abstraction resulting in the disregard of certain empirical data not considered as important for the question of analysis. These abstract models, the simpler they are, the better they point out certain issues, the more manageable they are; so they are direct means of progress in economics and inevitable starting points of developing principles. Following such solid theoretical principles, we will not be lost in a jungle of facts, with important and unimportant being present at the same time in real world situations. Including as many details as possible should belong to a further phase of research, to the further-development-of-the-model phase; but the first steps of catching the essence of an economic phenomenon usually happen when certain empirical facts are consciously ignored.
In my opinion, the aim of good economic models and theories should be to refer to the real economy, offer explanations and predictions. McCloskey’s idea that ‘economic models are metaphors’ is an interesting approach; she even provides some examples of economic models as non-ornamental metaphors based on Max Black’s interpretation (see Section 3.3.1.1.2). The master tropes in Solow’s aggregate production function (see Section 3.3.1.1.2) are impressive as well. Unfortunately, McCloskey does not provide either an elaborate theoretical framework on economic models as metaphors, or sufficient empirical data to support her theory. I have to agree with Thomas A. Boylan and Paschal F. O’Gorman (1995) on the issue that theoretical (economic) models and literary metaphors belong to different domains, and the standards of literary criticism are unsuitable for assessing economic models.

The issue of significance testing is a harder nut to crack: the basic idea, i.e. a loss function should be provided for statistical significance in order to answer the question to what extent it matters for real economy, is a splendid one. It looks so realistic, so much aimed at “truth pursuing”. It is shocking news that it comes from McCloskey, who – in her rhetorical theory of economics – suggests that truth-pursuing is not a very important issue (see Section 3.5.1.6), what matters is persuasiveness to all concerned. Unfortunately, the practice of statistical significance contributes to the most persuasive proofs in economics, therefore, for an advocate of persuasiveness, there should be no reason to attack it (cp. Mäki). In my opinion, if McCloskey’s ideas were based on human agreement where humans pursue truth and refer to reality, they would be a great contribution.

Most modern economists overvalue the issue of prediction in economics, while McCloskey seems to undervalue it. Alexander Rosenberg overemphasizes the issue of prediction in sciences; he even proposes to classify sciences based on their predictive power in the rank of sciences, which I find hard to accept, as sciences have many other merits beyond predictive power, so there I agree with McCloskey.

McCloskey is against social engineering, a vehicle of which is economic prediction. In my opinion it is important for economics to make predictions, because they are essential for good economic policy making. If a prediction drawn from economic models is used for good ends by the governmental policy makers, it is good
for society. Social engineering is only harmful when it is used for evil ends. But people elected their government; they voted for a particular party’s program; so they agreed, even wanted to make that economic policy happen. McCloskey is driven by values of the ‘Good Old Chicago School’, where free market policy rules. Such a cultural background may be the reason for her rejection of “prévoir pour pouvoir” (McCloskey 1996: 99).

I would paraphrase the expression ‘predict in order to control’ in the following way: ‘rhetoric is a means of control’. If McCloskey is against “people’s engineering” (McCloskey 1996: 115), she should have some words against manipulating people by rhetoric rather than by prediction. Rhetoric may be more harmful than predicting on the basis of economic models that, at least, has a chance to prevent catastrophies from happening or, in the worst case, to protect societies from economic catastrophes.

As a final remark, we should not leave out the function of predictions that has nothing to do with either control or practical utility. Predictions are important for pure epistemological reasons: they are useful means of testing the veracity of a theory. Therefore, predictions are vehicles of searching for truth, which issue should be among the aims of ‘serious economists’ who are striving for reliable knowledge on the real economy.

In certain issues, we cannot make reliable predictions and we are aware of that fact. Our former, predictively successful theories have led to the conclusion that regarding indeterministic processes or the chaotic movement of a pendulum, we cannot predict. Consequently, predictions are important in understanding why we cannot make predictions in certain issues.

3.4. Rhetoric and the literary character of economics

McCloskey’s most important and most striking ideas are discussed under the issue of ‘rhetoric and the literary character of economics’. Actually, when first publishing The Rhetoric of Economics (1983), she wanted to draw attention to the
actual practice of economists, building on the unofficial rhetoric of economics rather than on the official one; how they persuade fellow colleagues, politicians and the public, on economic models as non-ornamental metaphors, on literary devices used by economics, etc., not on issues of economic methodology. Unfortunately, she did not get many reviews on her work concerning this issue, because the majority of her critics were engaged in defending the prevailing methodology of economics (see Chapter 3.1) and in the pursuit of truth (see Sections 3.5.1.6, 3.5.2.5 and 3.5.3.6), heavily criticized by McCloskey.

3.4.1. The rhetorical standpoint

Emphasizing the role of the unofficial rhetoric of economics, McCloskey characterizes her concept of rhetoric in the contexts of conversation, persuasion and the whole art of argumentation. She highlights the literary character of economics and the rules of literary criticism for evaluating economic models as they are non-ornamental metaphors, and suggests regarding economic texts as some kind of writing. Economists are storytellers and poets. The role of persuasion is extremely undervalued, although it pervades almost every field of the economy, from teamwork in the firm to advertising, from stock exchange chatter to chatter on future expectations, even scientific activity.

3.4.1.1. Official and unofficial rhetoric

McCloskey distinguishes between the official and unofficial rhetoric of economics. She observed that although the official rhetoric is emphasized and required for scientific activity, it is the unofficial rhetoric that brings economists together and closer to their audiences. The official rhetoric does not acknowledge all the four parts
of the rhetorical tetrad (facts, logic, stories and metaphors) which constitute the applicable arguments in economics, only the former two, regardless of the everyday practice of economists. Unofficial rhetoric is practiced is seminars, but not yet in a conscious way.

3.4.1.1.1. THE OFFICIAL RHETORIC OF ECONOMICS

In the everyday practice of seminars and in textbooks economists claim to use the official rhetoric of economics. They build on operationalism, positivism and behaviorism as they regard only these methods as scientific. In their scientific work, however, they use economic metaphors, historical precedents, symmetry and they refer to authority and morality, i.e. the tools of the unofficial rhetoric, but they do not do so in a conscious way. These latter elements are regarded by positivists as “meaningless”, or “nonscientific” or “just matters of opinion” (McCloskey 1983: 482). The official rhetoric of economics, i.e. rule-bound Methodology is too narrow: it narrows artificially the scale of arguments and ignores a lot of possible and useful arguments. They build on models from physics and mathematics, simplifying everything to utility, i.e. “Max U and Max Expected U” (Klammer and McCloskey 1989: 153) and to “observable implications” (McCloskey 1994: 15) that constitute the Scientific Method and spare a lot of time.

McCloskey is of the opinion that the official rhetoric of economics covered in Methodology serves no other purpose than “demarcating Us from Them” (McCloskey 1985: 26) and parsimony, a canon of positivism, by disregarding whole scales of arguments that modernists do not wish to see (McCloskey 1994).

3.4.1.1.2. THE UNOFFICIAL RHETORIC OF ECONOMICS

The unofficial rhetoric of economics, the workaday rhetoric consists of what economists actually do in their everyday practice. Most tools of the unofficial rhetoric are only vaguely recognized and scarcely analyzed but applied unaware. McCloskey
sees that real proof and evidence comes from other sources than models built on physics (see Section 2.2.4). This implies that the range of arguments is wider than the official, formalized language of economics allows. Even modernists like Samuelson rely on stories and analogies, appeal to authority, which are other rhetorical tools than acknowledged by the official rhetoric of economics (McCloskey 1985: 69-72).

“Economists agree or disagree – but they do not know why” (McCloskey 1983: 493). McCloskey sees the roots of bad temper, arrogance and misunderstanding among economists and schools of economics in the fact that there is no commonly accepted rhetoric for economics. McCloskey sees the solution in a methodology based on “honesty, clarity and tolerance” not on “clinging to the Scientific Method” (McCloskey 1983: 482). It is good news that economists have begun to discover that their rhetoric goes beyond the official rhetoric of economics and show willingness to discuss each other’s methods, which Arjo Klamer calls “the new conversation” (Klammer and McCloskey 1988: 3).

3.4.1.2. McCloskey’s concept of rhetoric

McCloskey has a clear idea about her rhetoric but offers no comprehensive definition anywhere. Instead, she provides scattered hints on the concept of rhetoric according to the context. She distinguishes between the narrow and the broader definitions of rhetoric. McCloskey stands not for the Platoian definition of rhetoric, but for the Aristotelian, i.e. the broad interpretation of rhetoric based on the unity of argumentation, style and composition, and for the rhetoric of Cicero and Quintilian. As the merits of rhetoric were not always acknowledged, McCloskey announced the program of recovering rhetoric from its abuse by the Cartesian dogma as well (see Section 2.2.2).

McCloskey builds also on the definitions given by Wayne Booth in Modern Dogma and the Rhetoric of Assent on the concept of rhetoric:

“the art of probing what men believe they ought to believe, rather than proving what is true according to abstract methods”; it is “the art of
discovering good reasons, finding what really warrants assent, because any reasonable person ought to be persuaded”; it is “careful weighing of more-or-less good reasons to arrive at more-or-less probable or plausible conclusions – none too secure but better than would be arrived at by chance or unthinking impulse”, “it is the art of discovering warrantable beliefs and improving those beliefs in shared discourse”; its purpose must not be “to talk someone else into a preconceived view; rather, it must be to engage in mutual inquiry” (Booth 1974: xiii, xiv, 59 and 137 in McCloskey 1983: 482-483).

McCloskey characterized rhetoric in terms of *conversation and persuasion*:

“rhetoric is disciplined conversation” and the study thereof, as “the whole art and science of argument, the honest persuasion that is good conversation” (McCloskey 1983: 482 and Klammer and McCloskey 1988: 10).

“the rhetorical concern, in short, is how we really do convince each other, not “what is true according to abstract methods’””

being the main concern of scientists to persuade as they want to bring a particular debate to a conclusion (McCloskey 1994: 106).

Derived from the above assertions and focusing on the pragmatic function of language and on the everyday practice of economists, McCloskey offers us some clues to her interpretation of her rhetorical approach of economics in The New Palgrave Dictionary of Economics (see Chapter 1). Besides, she claims that broadening the range of economic reasoning beyond the rules of epistemology does not exclude rationality (McCloskey 1985).

### 3.4.1.3. Literary character of economics

The idea of the literary character of economics comes from McCloskey’s recognition that *both economics and literature contain metaphors and stories*. By claiming that rhetoric “is a literary way of examining conversation, the conversation of economists and mathematicians as much of poets and novelists” and “it can be used
for a literary criticism of science” (McCloskey 1985: 28), McCloskey suggests looking at economics as a conversation or text with the eyes of a literary critic. As economics is poetics containing stories and metaphors and economists are poets and storytellers, if we accept the rhetorical approach of economics, we should apply the norms of literary criticism when evaluating and ranking economic theories and models (cp. Section 2.2.4).

McCloskey wishes to see the word ‘science’ in a different meaning than its British academic interpretation (see Section 3.2.1.1). Her claim is that “all science is humanism, because that is all there is for humans” and “economics is a collection of literary forms, not a science; indeed, science is a collection of literary forms, not a science; and literary forms are scientific” (McCloskey 1985: 55).

Unfortunately, fields where economics and literature overlap are not much explored and literary devices used in economics are only vaguely recognized. They are, however, often used by economists in their everyday practice, in their seminar rooms, in their lecture halls, even in their academic writing.

3.4.1.3.1. THE RHETORICAL TETRAD

McCloskey claims that instead of limiting the scale of relevant arguments consistent with the Methodology of economics to facts and logic, the whole art of argumentation – which allows more insight into the economy – contains metaphors (models) and stories (economic history) as well. All the four parts of the rhetorical tetrad are necessary, only their proportion varies in different genres. Therefore, all pieces of economic writing could be analyzed as pieces of literary writing and literary criticism can provide guidelines in evaluating a text. Each part of the rhetorical tetrad provides control over another part; the static metaphor should be fitted into the dynamic story, and facts constrain the story (McCloskey 1990: 83-96). Metaphors and stories help to answer the question ‘why’ in different ways. Metaphors (models) serve for predicting the future, stories for understanding and explaining what happened in
the past. Allegories combine metaphors and stories so that “economics as a whole ..... is an allegory of self-interest” (McCloskey 1990: 12).

Table 2 The rhetorical tetrad: the four devices
Based on McCloskey 1994: 62.

Table 2 shows the four parts of the rhetorical tetrad: fact, logic, story and metaphor in the dimensions of impersonality and particularity. According to McCloskey, economists regarded only the impersonal components, i.e. facts and logic as accepted parts of the official rhetoric of economics. Story and metaphor, the personal components of the rhetorical tetrad, should be given the same attention, since in human argumentation, even in economic argumentation they are not sub-ordinate to either facts or logic, only their proportion varies depending on the aim of the persuader.

McCloskey ranked logic and metaphor on the one hand on the axis of similarity since both appeal to similarity as
“a logic or metaphor will apply if one accepts a similarity of, say, ordinary reasoning to first-order predicate logic or of wolves to men. ‘Men are wolves’ asserts a similarity between the realm of men and the realm of wolves” (McCloskey 1994: 63).

On the other hand, facts and stories appeal to ‘hanging together’ i.e. closeness, not a comparison of one realm of discourse to another (McCloskey 1994).

3.4.1.3.2. STORIES AND METAPHORS IN ECONOMICS

In If You’re So Smart – The Narrative of Economic Expertise (1990) McCloskey tells us that

“any economist tells stories” and “the economist, like a novelist uses and misuses stories”. Furthermore, “not gods but people tell stories”. “Stories can go wrong” and “we swim all day in wrong stories told by liars, incompetents, and the self deluded”. “Economic snake oil sells ...... because the public wants it” and “the public does not know the limits of economic storytelling” (McCloskey 1990: 1-3).

Economists disagree, but they do not know why. If the disagreement among economists were analyzed from a literary perspective, it should provide more helpful ways of understanding than “saying that one economist has divergent material interests from another, or a different ‘crucial experiment’, or another ‘paradigm’” (McCloskey 1990b: 10 in McCloskey 2001: 209).

McCloskey therefore proposes to “take economics as a kind of writing” or “story” (McCloskey 1990b: 13 and 15 in McCloskey 2001: 212 and 214). This would explain the disagreement among economists: economic texts are not transparent, explicitness is lacking and therefore they can be easily misread even by fellow economists. If the reader does not come from the same environment, from the same culture speaking the same language, with the same qualifications, he will not grasp what the author wanted to say. Why do not students want to go to lectures of
economics? Because the motivation is missing: they need a story behind the mass of mathematicized formulas but they do not get it.

Louise Rosenblatt distinguishes between “aesthetic and efferent reading”. (Rosenblatt 1978 in McCloskey 1990b: 16 in McCloskey 2001: 215). The latter concentrates on model-building and science, emphasizing the essence while the former helps the reader to focus on his/her experience at the time of the reading, which is supposed to characterize storytelling and art. The pleasure of a text comes from its meaning. All stories are selective: they do not include all characteristics, only those that we consider important. Stories are told by us, they did not exist before. As not everything is written down, the meaning is created in the interaction between author and reader. “The student of the rhetoric of economics faces the challenge of speaking about the outspoken, filling in the “missing text” in economic discourse” (Klamer 1987: 175 in McCloskey 1990b: 19-20 in McCloskey 2001: 218-19).

In her writings McCloskey focuses on metaphors. She regards economic models as metaphors (for more details see Section 3.3.1.1.2). She declares that “both mathematical and nonmathematical reasoning in economics rely on metaphors” (McCloskey 1985: 79). Beyond concrete examples originating from non-economic spheres listed in Sections 2.2.4 and 3.3.1.1.2, her central metaphor is the model of literary criticism, which she would use for evaluating and assessing economic models (McCloskey 1985).

McCloskey considers the disagreement in economics to be literary problem. Her “literary solution to this literary problem” is that economists should use stories and metaphors to criticize each other and put limits on each other (McCloskey 1990: 4). “Metaphors and stories, models and histories are two ways of answering the question ‘why’” (McCloskey 1990b: 5 in McCloskey 2001: 204). Finally, McCloskey concludes that “economics should come back into the conversation of mankind” and “could get their gods from poetry or history of philology and still do much the same
job of work, with a better temper and with better results” (McCloskey 1990b: 21 in McCloskey 2001: 220).

3.4.1.3.3. THE POETICS OF ECONOMICS

The poetics of economics constitutes an important part of a rhetorical analysis. McCloskey claims that economists “are not so much different from poets and novelists” (McCloskey 1990b: 21 in McCloskey 2001: 220). In her first published and most provoking article (The Rhetoric of Economics 1983), she claims that “economic metaphors constitute the poetics of economics” and “what is successful in economic metaphor is what is successful in poetry and is analyzable in similar terms” (McCloskey 1983: 504).

How to analyze economic theories and models through literary criticism, then? McCloskey offers us examples for identifying economic concepts as various literary devices. Her writings contain examples for metaphors: human capital, children as durable goods, the market as the invisible hand, etc. in Max Black’s interpretation (see Section 3.3.1.1.2) taken from non-economic spheres and being non-ornamental. She interprets allegory as “merely long-winded metaphor” and as a combination of metaphor and story and offers the example of the economics of education using human capital (McCloskey 1983: 505). McCloskey identifies the concepts in Robert Solow’s aggregate production function with various master tropes of metonymy; synecdoche and irony (see Section 3.3.1.1.2). Economists use analogies like “if the demand curve slopes down for chewing gum, why not for housing and love too” (McCloskey in Eatwell 1987: 174) or “‘aggregate capital’ involves an analogy of ‘capital’ (itself analogical) with something – sand, bricks shmoos – that can be ‘added’ in a meaningful way” (McCloskey 1983: 505-506).

What McCloskey disregards is the fact that metaphors (models) in economics are to highlight the essence of a phenomenon with the aim of making predictions for the future and literary metaphors want neither to persuade nor to predict, just to decorate. This leads her to the idea of evaluating economic theories and models
according to the criteria of literary criticism because of the appearance of metaphors both in economics and in literature.

What strikes me is that all of McCloskey’s examples contain only the identification of certain economic expressions as metaphors, common or special topics, etc., but for assessing them we find hardly any concrete recommendations, only the general criterion that they should be assessed through the criteria of literary criticism, and the aptness and rightness of the metaphor depending on the persuader’s aim and the circumstances of the conversation are what decide on the value of a metaphor but no scale of assessment is provided. Except for some illuminating examples from here and there, McCloskey makes general claims and an elaborate and applicable theoretical framework on applying the criteria of literary criticism for economic models and theories is missing.

3.4.1.3.4. Economists using literary devices

McCloskey gives us examples for how economists (even modernists) use literary devices. On two pages randomly chosen (pp. 122 and 123 in Samuelson’s The Foundations of Economic Analysis 1947) McCloskey found five types of rhetorical devices applied by Paul A. Samuelson.

1. Samuelson’s skill in mathematics is “an air of easy mathematical mastery”, and he presents himself as an authority (McCloskey 1983: 500);
2. Six appeals to authority (C. E. V. Leser, Keynes, Hicks, Aristotle, Knight and Samuelson);
3. Relaxation of assumptions;
4. Appeals to hypothetical toy economies, constrained to one or two sectors;
5. One explicit appeal to analogy (McCloskey 1983).

John Muth’s article ‘Rational Expectations and the Theory of Price Movements’ (1961) and Robert Fogel’s book ‘Railroads and American Economic Growth’ (1964) are case studies for the rhetoric of scientism. While Muth’s article is an appeal to the Scientific Method of modernism and to the community of scholars (McCloskey 1998b), regarding Fogel’s book, McCloskey emphasizes the ethical
appeal depending on the audience and a rich variety both in common topics and special topics (McCloskey 1985), discussed in detail in Section 3.2.1.4. For Gary Becker’s metaphors and the master tropes used by Robert Solow, see Section 3.3.1.1.2.

3.4.1.4. Globalized view of rhetoric

Deirdre McCloskey and Arjo Klamer tell us that ‘one-quarter of GDP is persuasion’ (McCloskey and Klamer 1995).

“Out of 115 civilian workers it seems reasonable to assign 100 percent of the time of the 760,000 lawyers and judges to persuasion; and likewise all the public relation specialists and actors and directors. Perhaps 75 percent of time of the 14.2 million executive, administrative, and managerial employees is spent on persuasion, and a similar share of time of the 4.8 million teachers and the 11.2 million salespeople (excluding cashiers). Half of the effort of police, writers, and health workers, one might guess, is spent on persuasion. And so forth. The result is 28.2 million person-years, a quarter of labor force, persuading” (McCloskey 1998a: 312).

The statement that ‘rhetoric is all around us’ does not come from the 20th century. Adam Smith said in his lectures on jurisprudence, that

“every one is practicing oratory ..... (and therefore) they acquire a certain dexterity and address in managing their affairs, or in other words in managing of men; and this is altogether the practice of every man in most ordinary affairs..., the constant employment or trade of every man” (Smith 1978: 352 in McCloskey 1998a: 313).

John Wallis and Douglas North measured 50 percent of national income as transaction costs, the cost of persuasion being part of these (in McCloskey 1998a).
McCloskey speaks about talk being not cheap. Besides, *rhetoric pervades almost every field of economic life*: the specialized economy resulting from the division of labor; cooperation inside the firm; the realm of advertising and chatter on the stock market; future expectations and the realm of science (McCloskey 1994). She emphasizes the role of *persuasion in scientific activity*: “an idea without the persuasive words is just an idea” and “in order for an invention to become an innovation the inventor must persuade someone with a bankroll” (McCloskey 1994: 371). McCloskey sees economic scholars as sellers of their theories and models on the intellectual market of ideas and buyers, i.e. “intellectual bankers need to be persuaded as much as financial ones” (McCloskey 1994: 378).

### 3.4.2. Refutation

The main accusations against McCloskey concerning her ideas on rhetoric and the literary character of economics were the following:

1. Not giving a precise and comprehensive definition of her concept of rhetoric;
2. Saying too much on how, but too little about what;
3. Providing a poor theory of economic rhetoric resulting from leaving out the issue of truth;
4. Building on Aristotle’s Rhetoric in an ambiguous way;
5. Habermas’s Diskursethik is remote from the ideas of McCloskey’s Sprachethik.

The paper will discuss all these items in detail, including the contribution of Arjo Klamer, McCloskey’s main collaborator, who characterized rhetoric in terms of diversity and cultural differences rather than being a means of bringing groups together driven by common values.
3.4.2.1. No clear and conscious concept of rhetoric

When reading McCloskey’s numerous books and articles, we will find scattered remarks on her concept of rhetoric, interpreted in different contexts (see Sections 2.2.2 and 3.4.1.2). The accusation now is that McCloskey does not give a precise and comprehensive definition of her concept of rhetoric that is traceable, only some scattered ideas.

Uskali Mäki dedicated serious effort to collecting all relevant material on McCloskey’s concept of rhetoric and tried to create a full picture of the pieces (Mäki 1995: 1301-3). “Instead of giving a single, comprehensive definition of the concept of rhetoric, he provides various fragmented and scattered characterizations” (Mäki 1995: 1302). Mäki arrived in the end at a coherent notion of rhetoric based on McCloskey’s ideas:

“Rhetoric is a social process which involves
[i] a persuader (speaker, writer);
[ii] a persuadee or an audience (listener, reader);
[iii] the aim of the persuader to persuade the persuadee;
[iv] argument as the means to attain the aim;
[v] honest conversation as the social channel of persuasion” (Mäki 1995: 1303).

Mark Blaug grasped the essence behind McCloskey’s ideas on the rhetoric of economics but he would welcome a precise definition on it as well (Blaug 1992).

Caldwell and Coats (1984) also noted McCloskey’s “startlingly idiosyncratic use” of such terms as ‘modernism’, ‘rhetoric’ and ‘conversation’. They noted that “‘rhetoric’ is used in at least seven different ways, varying from the derogatory (e.g. “mere” rhetoric, p. 482) to the salutory (p. 483), from a narrow version which stresses its classical roots to a broader version that is virtually co-extensive with reason itself" (Caldwell and Coats 1984: 575)

30 Donald N. McCloskey that time
31 The pages quoted are from McCloskey’s The Rhetoric of Economics (1983)
3.4.2.2. Two much on how, too little about what

McCloskey received several critiques for not dedicating too much attention to the substance of economics on the one hand, but for caring too much about the style of economics on the other. Jack Amariglio, Robert L. Heilbroner, Roger Backhouse, Tony Dudley-Evans and Willie Henderson, Thomas A. Boylan and Paschal F. O’Gorman and Uskali Mäki all made the same point, however, put it in different words:

“McCloskey’s ‘rhetoric of economics’ stresses only the form of argumentation and leaves completely untouched the ‘content’ of economic theory” (Amariglio 1990: 25). Again, McCloskey’s approaches “include a tendency to explain too much in terms of persuasion, without going into detail on why certain arguments are more persuasive than others; and a tendency to reach broad, general conclusions on the basis of a relatively limited analysis of specific texts” (Backhouse et al. 2002: 314). Also, Uskali Mäki’s “objection to the rhetoric approach is that – at least so far – it has given too much attention to how economists argue, but too little to the question what they are arguing about” (Peter 2001: 582, Peter’s italics). Boylan and O’Gorman make the same point in (1995: 51) when discussing the two indispensable parts of the Aristotelian rhetoric, i.e. style and deliberation. “Ricoeur calls the former the how and the latter the what of any piece of discourse” (Boylan and O’Gorman 1995: 51, authors’ italics). Finally, Jack Heilbroner’s advice: “Donald McCloskey would, I believe, find much to write about if he turned his attention from the style of economics to its substance” (Heilbroner 1988: 43).

3.4.2.3. McCloskey’s rhetoric is a poor one

While McCloskey distinguishes between common topics and special topics (in Rappaport: “common rhetorical devices” and “special rhetorical devices” (Rappaport 1988a: 115), Steven Rappaport proposes to “distinguish between evidential rhetorical
*devices and non-rhetorical devices*” (ibid: 116). Evidential rhetorical devices are acceptable for a methodologist like Rappaport, as

“an evidential rhetorical device can be reconstructed as an argument in the logician’s sense – that is, a set of statements including at least one which purports to be a conclusion supported, in some sense, by the statements that precede it” (Rappaport 1988a: 116).

Non-evidential rhetorical devices like irony and sarcasm cannot be reconstructed as arguments in the logician’s sense; therefore they do not deserve a separate analysis unless embodied in arguments. In McCloskey’s view, the methodologist’s task includes the independent discussion of both evidential and non-evidential rhetorical devices (Rappaport 1988a).

If McCloskey claims that “we (Arjo Klamer and Deirdre McCloskey) are advocating the study of how economists actually persuade each other and the world” (McCloskey 1994: xv), she should include passions, sentiments and variations in mood in addition to rhetorical devices, because these constitute ‘what persuades serious people’ as well. Therefore, McCloskey’s rhetorical theory is a poor one in Rappaport’s opinion (Rappaport 1988a).

**Peter Munz** (1990), **Alexander Rosenberg** (1988a, 1988b and 1992), **Uskali Mäki** (1993, 1994 and 2004) and **Hans-Hermann Hoppe** (1989) complain about the lack of standards of truth and about leaving out the issue of the pursuit of truth from McCloskey’s rhetorical theory of economics, which results in a pure rhetorical theory in their opinion. The first three contributors see *a relation between truth and good arguments* (see Sections 3.1.2.4 and 3.5.2.5). If truth is left out from McCloskey’s rhetoric, what remains is ‘the study of irrationality’ (Munz 1990); “a convincing argument or an unconvincing one” (Rosenberg 1992: 40); “intellectual game-playing with no agenda” (Mäki 1988a: 108) and “entertainment, emotion, mere opinion, chatter” (Hoppe 1989 in McCloskey 1994: 318).

Concerning the issue why economists would accept the assertion that “the demand curve slopes down” (McCloskey in Eatwell 1987: 174), **Mark Blaug does not agree with her on the sources of rhetorical arguments** listed in Section 2.2.4
attributing an exclusive role to statistical evidence by using tests consistent with the hypothesis (Blaug 1992).

3.4.2.4. On the heritage of Aristotle

Thomas A. Boylan and Paschal F. O’Gorman (1995) analyzed the question to what extent McCloskey builds on Aristotle’s Rhetoric. They found three critical points where McCloskey diverges from Aristotle:

1. Aristotelian rhetoric presupposes method;
2. Aristotle does not assimilate rhetoric to literary criticism;
3. Aristotle’s rhetoric is local.

Concerning the first issue, Aristotle did not follow the Platoian concept of rhetoric; as Ricoeur puts it “it is always possible for “the art of saying it well” to lay aside all concern for “speaking the truth”” (Ricoeur 1986: 10). The Platoian concept of rhetoric is a pure oratorical theory of rhetoric, irrespective of telling the truth. Aristotle, on the other hand, oscillates between two poles: “namely, the degree to which the matter under discussion is true and the persuasive effectiveness of the case being made” (Boylan and O’Gorman 1995: 50). If the oscillation reaches in an extreme case the pole of persuasion, rhetoric can be reduced to pure oratory. If it reaches the other pole: rhetoric “is reduced to the domain of logic or philosophy called dialectical argumentation” (Boylan and O’Gorman 1995: 51). Besides syllogistic reasoning in demonstrative or deductive argumentation, Aristotle used enthymemes32, which he found even more persuasive than complete syllogisms. Boylan and O’Gorman claim that Aristotle’s rhetoric presupposes method, as “enthymemes are to rhetorical argumentation what syllogistic reasoning is to demonstrative argumentation” (Boylan and O’Gorman 1995: 51). In Aristotle’s words: the example is

32 An enthymeme is “an incompletely stated syllogistic inference where one of the premises is not explicitly stated because the speaker assumes that the audience already knows it” (Boylan and O’Gorman 1995: 51).
an induction, the enthymeme is a syllogism, and the apparent enthymeme is an apparent syllogism; rhetorical syllogism is called as enthymeme and rhetorical induction as example (Aristotelész 1999). Furthermore, Aristotle considers style and deliberation to be equally important parts of rhetoric, and considers deliberation to presuppose method, which McCloskey denies (Boylan and O’Gorman 1995).

McCloskey fails to recognize that poetics and rhetoric belong to different realms, “in Wittgenstein’s terminology, to different language-games” (Boylan and O’Gorman 1995: 52). Although both contain metaphors, the role of those metaphors in each discipline is completely different.

“The rhetorical use of metaphor occurs in the context of instruction/persuasion/conviction and its effectiveness is measured in that context, whereas the literary use of metaphor occurs in an entirely different context of poiesis/mimesis/catharsis and its success is evaluated relative to that language game” (Boylan and O’Gorman 1995: 52).

As Ricoeur puts it, “poetry does not seek to prove anything at all: its project is mimetic” (Ricoeur 1986: 13). Therefore, rhetorical metaphors cannot be evaluated through the standards of literary criticism. Besides, Aristotle’s rhetoric is interpreted only for the realm of rhetoric, but not in the context of poetry, therefore, it is local in Boylan and O’Gorman’s terminology.

3.4.2.5. Cultural differences and rhetoric

While McCloskey claims that if economists recognized the conjective, “sneering, the obstacle of conversations” would stop (McCloskey 1994: 348). Arjo Klamer sees the situation more pessimistically. “Klamer takes a European – even Dutch – view that emphasizes diversity and conflict as social factors” (Klamer and McCloskey 1989: 142). If economists recognized the conjective, ridiculing would not disappear, as you cannot erase cultural and ideological differences that are
embedded in metaphors and stories economists use. While McCloskey thinks that a commonly accepted rhetoric of economics will stop ‘sneering’, misunderstanding and disagreement among economists, Klamer thinks that a common language will bring to surface ideological differences that cannot be erased. What he offers instead is interpretative economics, where the rhetorical dimensions of economic life itself should be examined, i.e. the social, cultural and political contexts in which people make decisions, where the individual decision maker does not play a central role (Klamer and McCloskey 1989).

3.4.2.6. How far is Chicago from Frankfurt?

Sprachethik, the moral constraint of conversations in McCloskey’s interpretation and Diskursethik, its predecessor in the terminology of Jürgen Habermas was compared by Uskali Mäki and Jack Vromen (How far is Chicago from Frankfurt? 1998) in order to answer the question whether McCloskey’s characterization of Sprachethik represents Habermas’s Discursethik faithfully and accurately or not.

They arrived at the conclusion that “the ideas of McCloskey are quite remote from the ideas behind Habermas’s Diskursethik” (Mäki and Vromen 1998: 22). They discovered the following differences:

1. In McCloskey’s view, Sprachethik is applicable on a daily basis in order to constitute the ethical rules of civilized conversation. Habermas does regard Discursethik as the ethics of conversation; in his view, “persons only enter practical discourse if a tacit agreement on the rightness of a norm (that has prevailed in everyday life until then) breaks down” or “only if the rightness of a norm is questioned openly” (ibid: 11 and 12).

2. Habermas knows that his “presuppositions will never come true in actual conversations” and “modern societies should not (and cannot) be modeled after the ideal of die unbegrenzte Kommunikationsgemeinschaft; only science and parliament, as differentiated areas within modern society can be seen as
attempts to institutionalize theoretical and practical discourse respectively” (ibid: 15). McCloskey, on the contrary, would imply the behavioral rules of Sprachethik as feasible and crucial for honest and uncoerced conversation among economists.

3. The presuppositions of Habermas are obligatory for all those engaged in the conversation; for McCloskey, the behavioral rules of Sprachethik are recommended and optional.

4. “Habermas does not presume from the outset that a rationally motivated agreement can be reached” (ibid: 18); McCloskey, on the contrary, thinks that a conversation will end when the participants agree.

5. In Habermas’s notion “the best argument” means that all participants must accept the validity of the argument, “put their own interests in brackets” and “participants of a practical discourse engage in “ideal role taking” (after G. H. Mead) motivated by their concern for an impartial treatment of all interests” (ibid: 20 and 21). McCloskey sees discourses as “liberalism incarnate” (McCloskey 1994: 99), ruled by the rules of the free market where actors are driven by self-interest (Mäki and Vromen 1998).

If Sprachethik is considered to be the ‘ethics of everyday conversations’ by McCloskey, Mäki claims that she violates her own ideas on Sprachethik. In his article ‘Performance Against Dialogue, or Answering and Really Answering: A Participant Observer’s Reflections on the McCloskey Conversation’ (2000), Mäki offers several examples of how McCloskey violates Sprachethik: instead of engaging herself in a dialogue like a second-party audience with a second-party audience (who are experts of the topic, therefore can actively participate in the conversation unlike third-party audiences who can act only as observers having only a slight knowledge in the field), she gives apparent or evasive answers, or no answer at all appealing to the readers (third-party audiences) of the JEL by exploiting their lacking expertise in the topic (Mäki 2000).
3.4.3. Conclusions

This Section contains McCloskey’s and her critics’ ideas on the literary character and rhetorical aspects of economics in the strictest sense. The majority of these ideas of McCloskey constitute the striking novelty of her tenets. McCloskey’s first attempt in the Journal of Economic Literature (1983) and the book version of ‘The Rhetoric of Economics’ (1985) brought her an enormous reputation and numerous citations.

3.4.3.1. Summing up the perspectives

McCloskey distinguishes between the official and unofficial rhetoric of economics (McCloskey 1983 and 1985). The official rhetoric prescribes rules, but economists sell themselves with the help of unofficial rhetoric that is applied daily, but is recognized only vaguely if at all. McCloskey thinks that all the four parts of the rhetorical tetrad (facts, logic, stories and metaphors) constitute the argumentation in economics, not only the former two allowed by official rhetoric (McCloskey 1990, 1990b, 1994, Klamer and McCloskey 1989). McCloskey emphasizes the literary character of economics: models as non-ornamental metaphors, the role of economists as poets and storytellers (McCloskey 1983, 1985, 1990, 1990b, 1994, 1998d), and that of literary criticism (McCloskey 1985, 1990, 1998d). McCloskey claims that persuasion pervades almost every field of the economy, even scientific activity; however, the role of persuasion and rhetoric is not considered at its market value (McCloskey 1998a and McCloskey and Klamer 1995).

McCloskey’s ‘rhetoric and the literary character of economics’ did not receive many reviews compared to other issues of her work. Not giving a precise and comprehensive definition of her concept of rhetoric that is traceable but only some hints was criticized by Uskali Mäki (1995), Mark Blaug (1992), and Caldwell and
Coats (1984). Jack Amariglio (1990), Robert L. Heilbroner (1988), Roger Backhouse, Tony Dudley-Evans and Willie Henderson (Backhouse et al. 2002), Thomas A. Boylan and Paschal F. O’Gorman (1995) and Uskali Mäki (1995) all noted that McCloskey was devoting too much to the style of economics on the one hand, and caring too little about the substance of economics on the other. Peter Munz (1990), Alexander Rosenberg (1988a, 1988b and 1992), Uskali Mäki (1993, 1994 and 2004) and Hans-Hermann Hoppe (1989) complain about the lack of standards of truth and leaving out the issue of the pursuit of truth in McCloskey’s rhetorical approach of economics, which results in a pure rhetorical theory. Steven Rappaport (1988a) asks for an analysis of other than rhetorical devices as well. Unlike McCloskey, Arjo Klamer does not see the savior in the conjunctive (see also Section 3.2.1.3.2); only its result in cultural and ideological differences coming to the surface (Klamer and McCloskey 1989). Thomas A. Boylan and Paschal F. O’Gorman (1995) analyzed the question to what extent McCloskey built on Aristotle’s Rhetoric, while Uskali Mäki and Jack Vromen (1998) wanted to see whether McCloskey’s characterization of Sprachethik represents Habermas’s Diskurseethik faithfully and accurately or not.

3.4.3.2. McCloskey’s book was misread

When first publishing The Rhetoric of Economics (1983), McCloskey’s original aim was to write on rhetoric, not on economic philosophy. In order to prepare the floor for her rhetoric, she provided in the first three chapters in its book version (1985) a background by criticizing modernism and the rules of epistemology. Most of her critics did not read beyond that and were astounded at McCloskey’s idea ‘that truth does not matter so much’. In the second edition of The Rhetoric of Economics (1998), McCloskey added new chapters and reorganized the book to put more emphasis on her points on the rhetoric of economics.
3.4.3.3. On the literary character of economics

McCloskey is right in that the official rhetoric of economics is too restrictive considering the admissible tools of economic reasoning, and, beyond it, an unofficial rhetoric is practised in conferences, articles and seminar rooms. This helps economists to sell themselves to students and audiences listening to their narratives. I think a commonly accepted set of arguments – broader than the official rhetoric – could improve the temper of economists, the relation of economics with other disciplines, and economic teaching, but am not sure whether it would completely erase disagreement among economists, as ideological and cultural differences will not disappear (cp. Klamer and McCloskey 1989).

McCloskey is right again in that ‘economists tell stories’. She proposes to use metaphors and stories and the remaining two parts of the rhetorical tetrad to criticize each other, which provides limits on other parts of the rhetorical tetrad. My question is whether it is sufficient to prevent society from the “economic snake oil”, i.e. bad stories, or not (McCloskey 1990: 3).

It is an interesting approach to discover master tropes (metaphor, analogy, synecdoche, allegory) in economics. Here I have to agree with Thomas A. Boylan and Paschal F. O’Gorman (1995) in stating that the aims of metaphors in rhetoric and in poetry are completely different, therefore, the rules of literary criticism are inappropriate to assess rhetorical metaphors. The realm of rhetoric falls into a different use of language from poetics with its own rules, however overlapping they may be.

As a last remark, I should say that McCloskey has not offered us a complete program including an elaborate system of coherent rules or clues on how to assess economic models and theories through the criteria of literary criticism. Claiming that metaphors work in the same way both in poetry and economics and can be analyzed in similar terms and the recognition of some economic expressions as metaphors do not provide us with a set of applicable rules that could raise the rhetorical approach of economics to the level of sciences.
3.4.3.4. On the globalized view of rhetoric

Cultural differences between Europe and America are mirrored also in the different cultures of rhetoric. The American society is more rhetorical than the European cultures. Children advertise themselves from early school on, they display enormous self-confidence. American people are more direct, shameless and arrogant, which is well reflected in their TV-advertisements, their movies, their election campaigns. Even an American priest is a well-educated orator whose aim is to give the audience enthusiasm and light flame in their hearts. It is no surprise that the rhetoric of economics was born in the USA.

McCloskey is right in stating that rhetoric pervades almost every field of the economy. She is right again in that rhetoric is not taken seriously enough, whatever amount of added value it constitutes. Rhetoric is necessary for everyday business: you do not get what you deserve, you get what you negotiate. I think it is a good idea to consider rhetoric in everyday business life more seriously. Whether you want to get promoted or get a new job, in all phases of sales activities, for stock brokers, for the government to ‘sell’ its agenda to the public, in team-leading, in winning your subordinates to your point of view; rhetoric plays a crucial role in terms of persuading.

The main representative of the rhetorical approach is a Chicago (free-market) economist who sees economists as sellers on the market of economic theories. The theory of those who is the most persuasive and/or who sells himself the most efficiently will be accepted. We must not mix up, however, the everyday art of argumentation with deciding on the acceptance or rejection of an economic theory.

The process of accepting an economic theory should not have the character of marketing advertising. In science, the economic scholars’ task is not to sell their theory without modification, not to persuade others to accept it without modification, but to ask for pro and contra arguments, opinions, with the aim of improving the theory. Economic scholars have to keep in mind the welfare of the whole society, not only their own welfare and reputation. The whole society will reach the highest profit derived from the economic scientists’ activity if the outcome of the scholarly
conversation is a good theory that is as close to truth as possible, as true to reality as possible.

An economic theory or model, especially if ordered by economic policy-makers will have severe consequences for the population of a whole country. Therefore, I would give a role to rhetoric in the argumentative explanation and understanding of the theory but not as a decisive factor of acceptance. The greatest scholars are not always the best rhetoricians.

3.5. The concept of truth in economics

Representing the world, giving a true picture of real economy through models in order to provide reliable predictions, pursuing truth and taking reference to the real world into account when choosing among rival theories have always been among the aims of economists. Based on the importance of the issue, the paper will discuss McCloskey’s interpretation of truth, her relation to realism and ideas on the pursuit of truth. Her disregard of the issue of truth and the pursuit thereof, and her fuzzy claims on theories of truth evoked numerous critical reviews.

3.5.1. The rhetorical standpoint

Emphasizing the rhetorical aspect of economics, McCloskey’s interpretation of the concept of truth ranks low in her theory. To put the point roughly, an agreement in human conversation substitutes truth. Furthermore, degrading the importance of the issue of pursuing truth made her ideas on truth the weakest and most vulnerable points in her rhetorical approach of economics.
3.5.1.1. Interpreting truth and McCloskey’s terminology

McCloskey does not have a self-standing truth-theory, however, there is a great deal of truth-talk in her writing. She does not consider the reference function of language to be playing an important role; she emphasizes only the pragmatic function of language. She sees the role of rhetoric in the analysis of economists’ conversations and in persuasion not in pursuing truth (McCloskey 1985), degrading the issue of truth (McCloskey 1994).

In McCloskey’s writings we will find three truth concepts: small-t truth, Big-T Truth and objective truth. She does not offer concrete definitions for any of them, but provides scattered hints on each concept.

Small-t truth is:

“small-t truth ..... is what we use every day to get across the street or to detect another subatomic particle” (McCloskey 1994: 319);
“small-t truth is about social agreement, not God’s mind” (McCloskey 1995a: 1322);
“what is persuasive to good people is what is true” (McCloskey 1988b: 155);
“lowercase truth, which gives answers to questions arising now in the human conversations, requiring no access to the mind of God: on the Fahrenheit scale, what is the temperature in Iowa City this afternoon? On a historical scale, what is the quality of the President’s decisions in domestic affairs? You and I can answer such questions, improving our answers in a shared discourse” (McCloskey 1994: 92);
“for purposes of getting small-t truths it is the assumption of any civilized conversation, namely, that we can find small-t truth, as true as limited resources of human agreement can achieve, by justifying our beliefs” (McCloskey 1994: 189).

McCloskey makes only once a remark saying that „a rhetorical theory of truth is a theory of small-t not Big-T Truth”, but an elaborate theoretical grounding is missing (McCloskey 1995a:1322).
**Big-T Truth** is:

“Truth is a Platoic idea” and “Truth is only for God” (McCloskey 1994: 189);

“Big-T Truth is a philosopher’s construct, justifies true belief ..... (it) ..... is of no use to economic science” (McCloskey 1994: 319);

“assurance of Truth (is) somehow defined independently of human conversation” (McCloskey 1988b: 156);

“If we decide that the quantity theory of money or the marginal productivity theory of distribution is persuasive, interesting, useful, reasonable, appealing, acceptable, we do not also need to know that it is True” (McCloskey 1985: 47);

“[an argument is] whatever it is – persuasive, interesting, useful and so forth .. There is no reason to search for a general quality called Truth, which answers the unanswerable question “What is in the mind of God?” (McCloskey 1985: 47);

“There is no route aside from human persuasion to knowing whether the middle part of the definition applies: True. The True part is not in others’ eyes or in ours’, sincerely expressed, but in God’s, expressed however God chooses to express it. It is an ideal of a conversation with no time-constraints” (McCloskey 1994: 188);

“(Mäki) is correct when talking about Truth with capital T, I had in mind the certainty part” (McCloskey 1988b: 152).

**Objective truth** (small-o and small-t) is

“the agreement we all make for purposes of navigating the world and society” (McCloskey 1994: 319). Concerning Objective Truth, Big-O and Big-T, “its presence or absence would seem to be only knowable to God”, therefore it is questionable whether we could hold Objective Truth (ibid).
Small-t truth is created by humans, not by God, it is not written in the stars, it is the result of agreement in a human conversation limited in time. It is attainable and operationalizable. McCloskey states that even objectivity is a result of human agreement. Most of McCloskey’s remarks on small-t truth refer to a concept of truth interpreted in the sense of coherence theory of truth, i.e. “the truth of a statement consists in its coherence with a certain set of beliefs” rather than in its correspondence to reality (Mäki 1995: 1306).

Contrary to small-t truth, McCloskey does not think much of Big-T Truth. McCloskey finds Big-T Truth ‘God’s business’, unattainable by humans, something to be discovered, even questions its existence (McCloskey 1994). It can be best interpreted as small-t truth plus certitude. According to her, Truth, Objective Truth, Justification and Reality all would depend on a “safe meta-linguistic level” that does not exist, though (McCloskey 2002: 333).

3.5.1.2. Criticising methodologists and philosophers

According to McCloskey, the issue of truth was made important by philosophers and epistemology regarding the pursuit of truth as the main task of science. They claim that ‘you have to have a truth-theory’ and ‘you have to pursue truth’.

She sees “the crux of modernism in its solipsistic theory of truth”, i.e. truth not created in human conversation but attained after lonely study (McCloskey 1985: 99). She rejects the “timelessly True ..... dogma of Scientism” as well (McCloskey 1994: 68).

Methodologists are concerned with the pursuit of McCloskey’s Big-T Truth as “the Methodologists cleave to a search for timeless Truths”, which is unattainable by humans, as “outside evaluators (i.e. philosophers) have not come up with anything useful to say about Truth in 2,500 years of trying” (McCloskey 1994: 266 and 217).
She regards philosophers as ‘outsiders’ concerning the discipline of economics and she wants them not to intervene in economics arrogantly by prescribing the pursuit of Big-T Truth.

“Modernists think they know a thing or two about what God will reveal concerning progressive research programs and neoclassical economics at the Second Coming” and they regard moral judgements as unarguable, “just opinions” (McCloskey 1994: 195).

McCloskey believes only in small-t truth, but it is the business of economists, not that of outsiders.

McCloskey gives us the impression as if philosophers were only able to think in terms of capital letter concepts like Big-T Truth and Big-R Reality.

“The philosophers claim that their notions of Truth and Reality and a Brooklyn Bridge between the two are necessary to prevent “permissiveness” and, as they invariably put it, “anything goes”” (McCloskey 1994: 320).

According to McCloskey, concepts beginning with capital letters would depend on a ‘safe meta-linguistic level’ that is not even necessary to reach small-t truths that matter (McCloskey 2002).

Finally, McCloskey claims that modernists have given the word ‘truth’ a merely psychological value to provide the subject with an emotion and evoke the feeling of sincere affirmation: “I am really, truly persuaded of this, when I call it True.” (McCloskey 1988b: 153).

3.5.1.3. Attainability and operationalizability of truth

The main reason for McCloskey to abstain from Big-T Truth is its unattainability and unoperationalizability, both in the sense of correspondence to reality and in the coherence sense. For this reason, she even proposes to substitute the
word ‘right’ for ‘true’ (in the sense of her Big-T Truth), as what we can know from a statement is its rightness alone according to the purpose of the conversation. As an example we refer to the statement concerning the shape of France (see Section 3.1.1.2.1).

For McCloskey, \textit{attainability and operationalizability seem to be crucial criteria of truth}. These can be only fulfilled – according to McCloskey – by small-t truth in the sense of coherence with a set of beliefs attainable in the human conversation limited in time (McCloskey 1994).

This results in what economists should pursue is the \textit{conjective, small-t truth}, i.e. answers to straightforward, everyday questions that participants of human conversations can answer together. Furthermore, she declares that

“the ‘relation between persuasiveness and truth’ is not ‘incidental’.

The relation is close, \textit{as close as we poor humans are going to get}. What is persuasive to good people is what is true, for now” (McCloskey 1988b: 155, her italics).

From the above it follows that McCloskey assumes the requirement of attainability by humans in her ideas on truth.

Harré’s arguments support McCloskey’s standpoint: “Neither falsehood nor truth is an attainable epistemic ideal” (Harré 1986: 19 in McCloskey 1994: 95).

The knowable conjunctive is contrasted with the unknowable subjective and objective in McCloskey’s classification, which she finds a more appropriate demarcation of the world than the idea of demarcating between scientific and nonscientific halves, i.e. modernists demarcating between objective and subjective (McCloskey 2002, compare Section 3.2.1.3.2). McCloskey’s demarcation clearly serves the purpose of attainability.

\textbf{3.5.1.4. The social construction of truth and knowledge}

By claiming that being persuasive and social agreement constitute small-t truth, McCloskey does not imply reference to the real economy, only persuasiveness towards
the audience concerned. What this requires is human conversation taking place among members of society and the presence of some kind of audience that is to be persuaded, or that can agree (McCloskey 1988b and 1995).

Human conversations are the places where truth is created as the result of agreement among humans. The emphasiyes both the created quality of truth and human conversations as the place of creating truth,

“as we, economists have no way to get outside our own human conversations and get into the mind of God in order to tell whether such and such an argument is True. We have only ourselves to argue with” (McCloskey 1994: 387).

Referring to Richard Rorty and Williams James, McCloskey concludes that (small-t) “truth is partly social” and “rather made than found” (McCloskey 1994: 213 and 211).

“There is nothing to be said about either truth [he means Truth] or rationality [Rationality] apart from descriptions of the familiar procedures of justification [truth small t] which a given society – ours - uses in one or another area of inquiry” (Rorty 1987: 42, his italics in McCloskey 1994: 211-2).

As William James states (1907 [1949]):

“You can’t weed out the human contribution” to what we know (p. 254), which is to say, that “it is therefore only the smallest and recentest fraction of ..... reality that comes to us without the human touch, and that fraction has immediately to become humanized. ..... When we talk of reality ‘independent’ of human thinking, then, it seems a thing very hard to find” (p. 248) (Quoted in McCloskey 1994: 213).

McCloskey gives a fine example of how truth is created in human conversations by quoting Frank Knight and Hilary Putman.

“Testing observations is chiefly ..... a social activity or phenomenon. This fact makes all knowledge of the world of sense
observation ..... itself a social activity. ..... A conscious, critical social consensus is the essence of the idea of objectivity or truth” (Knight 1940: 156 in McCloskey 1985: 48). Putman states that “to claim of any statement that it is true ..... is, roughly, to claim that it would be justified where epistemic conditions are good enough” (Putman 1990: vii in McCloskey 2002: 337).

Finally, McCloskey relates the social construction of truth to the social construction of science and knowledge (see detailed in Section 3.2.1.3.2).

3.5.1.5. McCloskey’s constraints on truth

McCloskey interprets truth most times in the sense of coherence to a certain set of beliefs. Not all beliefs matter, however, there should be some constraints on the relevant sets of beliefs. McCloskey therefore offers two constraints: the social constraint and the moral constraint.

3.5.1.5.1. SOCIAL CONSTRAINT

McCloskey offers the social constraint first: she restricts the group of people whose opinion matters to well-educated economists at present, to “accountability to peers” (Peter 2001: 584).

“We believe and act on what persuades us – not what persuades the majority of a badly chosen jury, but what persuades well-educated participants in the conversations of our civilisation and our field” and “the very idea of Truth – with capital T, something what is merely persuasive to all concerned – is a fifth wheel” ..... (McCloskey 1985: 46 and 47-48, my italics).
3.5.1.5.2. Moral Constraint

McCloskey’s second constraint is the moral constraint: well educated economists should obey the canons of Sprachethik (see Section 3.1.1.3.2). The canons of Sprachethik are “liberalism incarnate”, which means that – like in Adam Smith’s laissez-faire policy free from governmental intervention – no prescribed rules should be allowed to intervene in the conversations of intellectuals (McCloskey 1988c: 251). Laissez-faire on the intellectual market of ideas therefore implies “herrschaftsfrei conversations” warranted by “an open, plural and pragmatic society” (McCloskey 1985: 41 in Mäki 1995: 1313).

3.5.1.6. On the pursuit of truth

McCloskey states that for 2500 years of hard work after Plato and Descartes by following the rules of epistemology, philosophers have been unable to say anything about Truth. “No one from Plato down to the present has been able to say how we mortals would know an ideal, Big-T Truth when we saw it” (McCloskey 1994: 319). As Big-T Truth is unattainable and nonoperational, the pursuit of Truth should not be a crucial question in economics, it is a waste of time and an uneconomic issue.

“The pursuit of Truth is said to be very different from mere persuasion. ..... [Scientists and scholars] pursue other things, but which have only an incidental relation with Truth. ..... [Therefore] Truth-pursuing is a poor theory of human motivation and nonoperational as a moral imperative. The human scientists pursue persuasiveness, prettiness, the resolution of puzzlement, the conquest of recalcitrant details, the feeling of a job well done, and the honor and income of office: as Nelson Goodman says they pursue “varieties of rightness other than truth” (Goodman 1983: 105)” (McCloskey 1985: 46).

Elsewhere, McCloskey quotes Goodman again:
“The scientist who supposes that he is single-mindedly dedicated to the search for truth deceives himself ..... He seeks system, simplicity, scope; and when satisfied on these scores, he tailors truth to fit” (Goodman 1978: 18 in McCloskey 1985: 48).

Harré’s arguments support McCloskey’s standpoint:

“Seeking the truth is a hopeless epistemic project, but trying to live a life of virtue within the framework of a rule is a possible moral ambition” (Harré 1990: 95-96 and 1986 p. 89 in McCloskey 1994: 95-95).

McCloskey even doubts Truth’s very existence:

“the most serious minds doubt Truth’s very existence, if it is constructed as something standing there in the absolute, waiting to be observed by the lone scientist or historian”. [Therefore] Truth is a fifth wheel” (McCloskey 1985: 48). “I reckon there isn’t (Big-T Truth), at least, short of the Second Coming” (McCloskey 1994: 188).

McCloskey believes only in small-t truth, in the sense of coherence with a set of beliefs because she thinks it is attainable. Therefore, economists (and everyone) can pursue it, and will find it in human conversations, limited in time, where it is created.

3.5.1.7. Claims on realism and theories of truth

As her critics (especially Uskali Mäki) found her ideas on truth vulnerable and almost undefendable because of the lack of reference to the real world, McCloskey claimed to be a realist “I am a realist” (McCloskey 1988b: 153) to avoid further criticism. She claims that

‘realism’ in Mäki’s sense seems to mean that the world exists independently of our perceptions of it”. In classifying “our perceptions”, she differentiates between “perceptions of the Cartesian ego” and
conjective perceptions, i.e. “the perceptions about which we speak to each other, testing by conversation their mutual reasonableness and freedom from illusion” (McCloskey 1994: 203).

McCloskey declares herself not to be a realist in the Cartesian sense but to be a realist in the latter sense (McCloskey 1994). Claiming that truth in science is dependent on ethics, she sees herself as an ethical realist contrasted to philosophers being ‘Material Realists’ (McCloskey 2002). Her reason for that is that “the ethical realist ….. concludes that what we Know is above all, indeed only, right or wrong. We cannot know, in the lofty, philosophical sense that the world exists, but we have no doubt that we should believe this or that about it. It’s the “should” part that shows our ethical realism” (McCloskey 2002: 338).

What kind of truth-theory does McCloskey hold? To the philosophers’ greatest surprise she claims to hold both coherence and correspondence theories of truth. Furthermore, she states that the two are not rivals and that we do not have to choose between them (McCloskey 1995a).

She has a poor opinion on both correspondence and coherence theories of truth in themselves. Correspondence without coherence can only be interpreted in individual, simple cases like

“such as Tilly the cat at age thirteen on the worn kitchen mat at 320 Melrose Avenue on a winter’s day at 10.36 a.m. Do I believe that the statement ‘The cat is on the mat’ corresponds to Tilly my cat on the mat? Believe it? I have seen it” and “coherence without correspondence is not much. ….. So we need in science and in life both coherence and correspondence” (McCloskey 1994: 276 my italics).
3.5.2. Refutation


McCloskey’s degradation of the issue of ‘pursuing truth in economics’ resulted in severe rejection: besides Uskali Mäki’s articles (1993, 1995, 2004), highly critical writings by Martin Hollis (1985), Steven Rappaport (1988a and 1988b) appeared, just to mention the most important studies.

3.5.2.1. Theoretical grounding of the concepts of truth and justification

First of all, to be able to gain a clear understanding of both McCloskey’s and her critics’ ideas, an overview of the theories of truth and justification in the rhetorical approach to economics is inevitable. Being an analytic philosopher, Uskali Mäki (1988a, 1993 and 1995) supplied clear and traceable interpretations and definitions both on the possible theories of truth and justification in the rhetorical approach of economics and their premises.

3.5.2.1.1. PLAUSIBILITY, COHERENCE AND JUSTIFICATION

McCloskey’s rhetorical approach is aimed at studying of how economists convince each other of their own points of view.
New Rhetoric has four elements:

(i) Persuader (speaker, writer);
(ii) Persuadee (listener, reader);
(iii) The aim of the persuader to persuade the persuadee;
(iv) Argument as the means to attain the aim.

Persuasion is a matter of influencing the persuadee’s beliefs” that can vary on a scale from “maximal disbelief to total indifference to maximal belief” (Mäki 1993: 25).

The persuader’s aim is to increase the persuadee’s beliefs in a statement that the persuader wants the persuadee to accept. Statements are more or less plausible. In Mäki’s definition: “a statement is plausible if a person or a group believes in it” (Mäki 1993: 26). Plausibility is an epistemic and pragmatic notion, and “rhetorical persuasion can be reconceptualized as the transference of plausibility by means of arguments” (Mäki 1993: 27).

An argument consists of a set of premises and a conclusion; the conclusion should cohere with the premises. The purpose of the rhetorical argument is to raise the plausibility of the conclusion relative to the persuadee. The relationship between plausibility and coherence in the rhetorical argument is described by Mäki as “the increase in the plausibility of the conclusion is brought about by the coherence between the conclusion and the set of premises” (Mäki 1995: 1304).

This leads to the coherence theory of justification:

“All beliefs or statements are justified by their relations to other beliefs or statements with which they cohere” (Mäki 1993: 27).

The above definition implies that the justification of a statement is a matter of raising its plausibility by relating it to a set of other statements.

3.5.2.1.2. Concepts of Truth

Uskali Mäki in Two Philosophies of the Rhetoric of Economics (1993) distinguishes two truth-concepts:
• the realist concept of truth (correspondence theory of truth) and
• the non-realist concept of truth (coherence theory of truth).

Realists endorse the **correspondence theory of truth**, i.e. a statement is true or false by virtue of the way the world is, objectively. In definition:

“The truth of a statement S consists in its correspondence with the objective (i.e. S-independent) reality” (Mäki 1993: 28).

As truth in the sense of correspondence to reality is a persuasiveness-independent and plausibility-independent notion, truth in the realist sense is non-pragmatic and non-epistemic (Mäki 1993). As it is not essentially attainable, Big-T Truth (in the sense of truth plus certitude) does not necessarily constitute the realist notion of truth (Mäki 1988a).

In Mäki’s definition, the non-realist concept of truth, i.e. the **coherence theory of truth** is:

“The truth of a statement consists in its coherence with a certain system or set of beliefs or statements” (Mäki 1993: 29).

In the non-realist pragmatic sense, “truth simply is plausibility of some sort and degree”, which makes the concept of truth dependent on persuasiveness in human conversations, dependent on plausibility, i.e. an epistemic matter. In this terminology, “the coherence theory of truth conflates truth and plausibility” (Mäki 1993: 29).

It is obvious that the role of persuasion is more restricted in the realist sense compared to the pragmatic sense: while realists acknowledge the role of persuasion by sharing the coherence theory of justification with pragmatists’, they deny, however, that persuasion and plausibility constitute the concept of truth, while pragmatists claim that persuasion and plausibility contribute to the concept of truth (Mäki 1993).
3.5.2.2. Assessing McCloskey’s concepts of truth and justification

Supported by the above terminology, Mäki drew the following conclusions from McCloskey’s writings concerning truth and justification:

* **A) McCloskey’s truth-terminology is inconsistent and untraceable**

Expressions in McCloskey’s vocabulary of veracity do not carry unambiguous meanings; the same words turn up in different contexts with different meanings.

“we do not know what McCloskey means by “true” and by related expressions such as capital-T “True”, “correct”, and “right”. He uses these expressions for making his case as if they delivered intuitively clear ideas. But they do not. ..... While I was able to identify a coherent notion of rhetoric in his writing, I did not have similar success in his vocabulary of veracity” (Mäki 1995: 1305).

Mäki took the trouble to put all remarks on both small-t truth and Big-T Truth in McCloskey’s writings under thorough analysis. He found ideas supporting one correspondence notion and one coherence notion of small-t truth and two correspondence notions and two coherence notions of capital-T Truth, not constituting a mutually consistent system, however (Mäki 1995).

Regarding the whole work of McCloskey, Mäki found [t4] to be the most plausible specification of small-t truth and [T6] to be the most plausible specification of the concept of Big-T Truth, both built on a coherence notion of truth:

“[t4] The truth (with small t) of a statement consists in its coherence with a certain set of beliefs, that humans end up with in an ongoing conversation before the ideal limit of all conversation.”

“[T6] The Truth (with capital T) of a statement consists in its coherence with a set of human beliefs reached as a result of human conversation taken to its final, ideal limit” (Mäki 1995: 1306 and 1307).

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34 what is most plausible for Mäki is what McCloskey would mean by the concept of small-t truth
B) McCloskey conflates truth and plausibility

It is easy to derive the above statement from the observation that McCloskey “subscribes to a coherence theory of justification” and “holds a coherence theory of truth” (Mäki 1993: 30). What constitutes truth constitutes plausibility, like coherence, consequently, pragmatists, building on the coherence theory of truth instead of on the correspondence theory advocated by realists can conflate the notions of plausibility and truth. This makes truth an epistemic notion, dependent on conversations, persuasiveness and plausibility (Mäki 1993). A realist keeps notions of truth and plausibility separate by regarding plausibility as “a pragmatic notion with a coherentist bent”, and “truth in the realist sense” as a “semantico-ontological notion”; while the non-realist pragmatist (like McCloskey) does not (Mäki 1993: 24). This comes from the lack of distinction between the representational and rhetorical function of language. Therefore, in McCloskey’s opinion, what turns out to be persuasive to good people will be considered to be true as well (McCloskey 1988b).

As a result, Mäki concludes that “if our aim is to persuade economists to believe that economics has a rhetorical aspect, we had better market the idea as amounting to no more than a theory of justification, not as a theory of truth” (Mäki 1993: 47).

C) McCloskey conflates truth and certitude

McCloskey wrote an article (You shouldn’t want a realism if you have a rhetoric, 2002), the main message of which can be put as follows: Truth, Big-T is a philosophers’ concept, it is unattainable, like Real, it may or may not exist; it is not worth pursuing Truth that would depend on a safe meta-linguistic level that does not exist.

The problem is that realism can be interpreted without McCloskey’s Big-T Truth (i.e. in the sense of small-t truth plus certitude). For realists the notions of truth and justification are separate. As certitude is the extreme case of justification, it is a serious misunderstanding to claim that “truth and certitude somehow go together” (Mäki 1988a: 97).
D) McCloskey conflates the concept of truth and the way of finding truth

McCloskey’s claims like “Truth in science depends on ethics” and “Mäki wants to go on with the old program of epistemology before 1955, the program of finding Big-T Truth independent of history or society or ethics” make truth dependent on different realms other than objective reality, independent of our perceptions (McCloskey 1995a: 1321 and 1322).

According to Mäki, the nature of truth has nothing to do with ethics, history or society. Where these realms matter is the collective process of discovering truth, not the concept of truth (Mäki 2000). From the realist aspect, McCloskey made a mistake by conflating the concept of truth and ways of discovering truth.

E) Key criteria of truth by McCloskey are attainability and operationality, which cannot be fulfilled by her meta-theory

Section 3.5.2.3 will show us that neither McCloskey’s social, nor her moral constraint on truth in the sense of a socially and morally constrained coherence holds. The social constraint is left without theoretical grounding, the moral constraint is not measurable, and therefore even McCloskey’s small-t truth turns out to be unattainable and inoperational. Mäki does not see the reason why McCloskey is better off with an equally unattainable and inoperational coherence theory of truth built on the defects of her moral constraint (Mäki 2000).

F) What is unattainable is not worth pursuing

McCloskey finds the following concepts unattainable:
a) small-t truth in the sense of correspondence to the S-independent objective reality, and
b) Big-T Truth both in the sense of correspondence to the S-independent objective reality and coherence with a set of beliefs (Mäki 2004, see detailed in Section 3.5.2.5).
G) Although she claims openly to be a realist (McCloskey 1988b), “McCloskey is not (yet) a realist, at least as regards the notions of truth” (Mäki 1993: 32)

Mäki regards McCloskey’s claim on realism as a declaration without concrete substance; as it does not tell us

“what sort(s) of realism (s)he espouses” and she “seems to be hesitant about whether we should attribute theoretical realism to economists”, furthermore, “McCloskey has hesitations also about truth realism” (Mäki 1988b: 167).

When using models, economists refer to the model, not to the world, according to McCloskey. Most models are created with the aim of truly representing the world, though. Proposing the substitution of the expression ‘right’ for ‘true’ denies truth in the correspondence sense and therefore denies truth realism. Some expressions can be right and true at the same time; the two are not mutually exclusive (Mäki 1988b).

H) “Asserting is not enough” to hold both coherence and correspondence theories.

“Arguments are needed” (Mäki 2000: 51)

In her Reply (McCloskey 1995a) to Mäki’s Diagnosis (Mäki 1995) McCloskey makes the following claims: “I hold both coherence and correspondence theories” and “we do not have to choose between them” (McCloskey 1995a: 1320 and 1319). Besides, McCloskey suggests that the division between the two theories is outdated (ibid).

From Uskali Mäki’s above terminology (see Section 3.5.2.1) it is obvious that the correspondence theory and the coherence theory of truth are rival theories, therefore a choice between them is necessary; as in the present state of science there are no such versions of the two theories that could be held at the same time35.

“The two theories do not fit together. Correspondence theories presuppose holding a distinction between the concept of truth and epistemic considerations (such as justification), while coherence theories standardly

35 The coherence and correspondence theories might be held at the same time if coherence were regarded as a property of the real world, in the sense of a mirror image, a coherence to the real world. This idea comes from Uskali Mäki, proposed at an EIPE seminar on 15th November 2005, Erasmus Universiteit Rotterdam.
presuppose the denial of such distinctions” and “if McCloskey were able to come up with a serious argument for synthesizing the two theories of truth ..... I and many others would be very excited to see such a revolutionary contribution” (Mäki 2000: 57 and 51).

It was a thrilling discovery to find the following in Peter’s article: “McCloskey (1995a) objects to Mäki’s (1995) argument that it suggests that one is forced to choose between a correspondence and a coherence theory of truth, while she would not want to commit herself to either” (Peter 2001: 582).

Furthermore – being an analytic philosopher and possessing thorough literacy in the field – Mäki assures McCloskey that “the contrast between the two theories of truth is alive as well in professional philosophy today” (Mäki 2000: 50).

3.5.2.3. On McCloskey’s constraints of truth

Uskali Mäki dedicated thorough attention to the interpretation of McCloskey’s ideas on truth in the light of the two constraints proposed by her. Both constraints turned out to be inappropriate, at least for the purpose of ensuring a fully defensible concept of truth (Mäki 1993, 1995 and 2004).

3.5.2.3.1. Social constraint

Uskali Mäki interprets McCloskey’s first constraint on the relevant set of beliefs as a social constraint, something like “the majority of the present economics profession” (Mäki 1993: 33). This means that not everyone’s opinion matters, only the voices of a privileged group of people, who are well-educated and distinguished from the general public, count. Given the social constraint, Mäki created another possible truth-concept for McCloskey, which he baptized “the elite theory of truth”:
“[t4°] The truth (with small-t) of a statement consists in its coherence with a certain set of beliefs that a privileged set of humans end up with in an ongoing conversation before the ideal limit of all conversation” (Mäki 1995: 1309).

Mäki would welcome some theorized grounding for the social constraint, which McCloskey failed to provide (Mäki 1993). Consequently, this constraint will not protect economics from running into arbitrariness (Peter 2001, see Section 3.2.2.2).

3.5.2.3.2. MORAL CONSTRAINT

McCloskey’s social constraint is supplemented by her moral constraint as she does not trust economists wholeheartedly. Only those can belong to the privileged group of economists whose opinion matters, and who obey the canons of Sprachethik to ensure honest conversation. Mäki sees McCloskey’s concept of truth as socially and morally constrained coherence and he defines it as “the angel theory of truth”:

“[t4”m] The truth (with small-t) of a statement consists in its coherence with a certain set of beliefs that a privileged set of humans, obeying the canons of Sprachethik, end up with in an ongoing conversation before the ideal limit of all conversation” (Mäki 1995: 1310).

McCloskey herself sees that economists do not behave like angels, therefore something less than strict adherence to Sprachethik would do. The problem is that she offers no standards according to which the obedience to Sprachethik could be measured. An even higher standard is necessary, according to which the standard against which Sprachethik is measured can be evaluated. And this process should go on without ever coming to an end. “And so on, ad infinitum” (Mäki 1995: 1313). As a consequence, the moral standard turns out to be unattainable and inoperational.

Furthermore, the notion of Sprachethik in the sense of Habermas assumes herrschaftsfrei conversations among economists. Although McCloskey claims that
this requirement can be fulfilled (McCloskey 1985), she does not offer empirical data of evidence (see Section 3.2.2.2).

Mäki’s advice to McCloskey is to “drop both elites and angels from your theory of truth” but he sees a feasible role for Sprachethik in the processes of both justification and of finding the truth by introducing the idea of “good rhetoric” (Mäki 1995: 1315 and 1993: 40). If economists obeyed the canon of Sprachethik, it would help them to make true statements accepted and false statements rejected (Mäki 1995).

3.5.2.3. Rhetoric without realism

According to Mäki, it makes an enormous difference whether the rhetorical meta-theory of economics is accepted with or without realism (Mäki 1988a). It is clear that McCloskey endorses an antirealist concept of the rhetorical approach. Mäki is against “the monopoly of the non-realist understanding of the rhetoric of economics” (Mäki 1993: 24). He sees several disadvantages of this approach:

1. McCloskey’s idea of rhetoric without realism can lose several supporters because of the simple reason that in case they accepted McCloskey’s approach, they had to give up realism, which they were not willing to do. “Marrying the idea of rhetoric with the coherence theory of truth ..... served to decrease its persuasiveness to a degree which is difficult to estimate” (Mäki 1993: 47).

2. Without reference to the real world, Mäki sees the rhetorical approach of economics “as mere game-playing”, “mere rhetoric” and “intellectual game-playing with no agenda to reveal the facts of the matter about the economy” (Mäki 1988a: 106 and 108).

3. Given McCloskey’s weak constraints of truth, rhetoric without accountability to reality provides “no safeguards against arbitrariness” (Peter 2001: 583, see Section 3.2.2.2).
3.5.2.4. Mäki’s proposal: rhetoric with realism

Mäki’s proposal to combine rhetoric with realism is based on the two functions of language: the representational and the pragmatic functions. The same expression can carry both functions at the same time. Therefore, the two functions of language are not rivals; they do not mutually exclude each other. Recognizing that economics has a rhetorical perspective therefore does not mean that we have to reject realism automatically, as the rhetoric and realism may exist at the same time (Mäki 1993). The combination would be the following: the coherence theory of justification (which is the essence of McCloskey’s meta-theory of economics) should be combined with the correspondence theory of truth. Accountability to reality would protect economics from being arbitrary and since the objective world being common, it would provide the ground for conversations as well as the ground for theorizing (Mäki 1993). Besides, the whole rhetorical approach would be more persuasive if it were accepted with realism than without it.

3.5.2.5. On the pursuit of truth

Regarding the item of the pursuit of truth in economics, Uskali Mäki drew the following conclusions from McCloskey’s writings:

A) McCloskey relates the legitimating of pursuing the truth to attainability

As small-t truth is attainable in the sense of [14] (see Section 3.5.2.2. A), economists may legitimately pursue it (Mäki 1995).

“Capital-t truth will escape them (economists) forever, since there is no way to know what economics will look like when it will have finished its job, at the imaginary end of all conversations between economists.” Being unattainable, “Truths should not be pursued.” Correspondence truth is like Big-T Truth for McCloskey: “unattainable, inoperational, therefore not worth pursuing” (Mäki 2004: 32).
B) McCloskey states that economists are looking for other things than truth (McCloskey 1985; see also Goodman’s statements in Section 3.5.1.6)

According to Mäki, although truth in the realist sense is not necessarily attainable, we should not abstain from pursuing it (Peter 2001).

“I do also think that (at least good) economists pursue persuasiveness-independent truth in addition to those other things. McCloskey denies this”. Mäki would characterize his rhetorical approach of economics in semantic terms: “rhetoric is good if it helps us discover, justify, and communicate truth about the economy” (Mäki 1993: 44 and 41).

If the word “true” does not appear in the vocabulary of veracity of economists, it does not exclude that “they have beliefs and intentions about truth and falsity” (Mäki 1988a: 102). Even McCloskey should believe that her meta-theory of economics is true and ‘modernism’ is false; why the campaign, then (Mäki 1988a)?

Besides Uskali Mäki, other voices can be heard criticizing McCloskey’s denial of truth-pursuing:

Martin Hollis (1985) has serious doubts on McCloskey’s rhetorical approach of economics: whether she wants to pursue truth at all and how, and whether rhetoric is able to provide valid standards for good arguments with respect to the pursuit of truth:

“The initial question is what keeps natural science on the epistemological rails, if modernism cannot. ‘Rhetoric’ is not a direct answer, since rhetoric is, like public relations, a form of discourse concerned with truth only per accidents’ and “Protest is no substitute for epistemology. We still need to know what counts as good economic argument, because we are still in pursuit of truth” (Hollis 1985: 132 and 133, my bold italics).

Steven Rappaport made a comparison between rhetoric and epistemology: why epistemology turns out to be a better approach is the reason that the connection
between economics and the pursuit of truth can be kept alive. He defends the
standpoint of Martin Hollis (i.e. economists seek truth) through elaborate
argumentation (Rappaport 1988a). He rejects McCloskey’s recommendation to replace
“the persuasiveness-independent concept of truth with the notion of persuasiveness to
all concerned” as well (Rappaport 1988a: 121).

For Alexander Rosenberg (1988a and 1992) and Peter Munz (1990) making
the same points see Sections 3.2.2.1 and 3.1.2.4.

3.5.3. Conclusions

Besides criticizing the contemporary methodology of economics, McCloskey
may owe her reputation and the huge number of citations of her works – especially of
the book version of ‘The Rhetoric of Economics’ (1985) – to her disregard of the
concept of truth in her rhetorical theory of economics.

3.5.3.1. Summing up the perspectives

After a thorough analysis of both the pragmatic and the realist approaches of the
rhetoric of economics, we can conclude that there is an agreement between the two
camps regarding the concept of justification, but not on the concept of truth. Both
pragmatists (like Deirdre McCloskey) and realists (like Uskali Mäki) assign roles to
persuasion and plausibility in the coherence theory of justification. Where they differ
is the concept of truth: while pragmatists endorse a coherence theory of truth, in which
persuasion and plausibility constitute truth, making it an epistemic matter, realists
endorse a correspondence notion of truth, giving no roles to persuasion and plausibility
in the concept of truth, regarding it as a semantic and ontological matter.
While most of McCloskey’s critics find the idea of pursuing truth in economics a crucial problem, she is extremely negligent about it and relates the legitimation of searching for truth to attainability.

3.5.3.2. McCloskey’s present approach: rhetoric without realism

McCloskey seems to reject the correspondence theory of truth in itself, as without coherence it is only applicable to individual cases like her cat lying on a mat as mentioned in Section 3.5.1.8.

The problem is that ‘birds are flying independently of whether you are observing them or not’. Projected at Deirdre’s cat, the cat can be on the mat irrespective of

- whether Deirdre herself has seen it or not;
- whether there is a neighbor of Deirdre’s (who Deirdre trusts, therefore she believes him or her) who can give her a ring and tell her that the cat is on the mat when Deirdre is staying at the Erasmus Universiteit Rotterdam or not;
- whether there is somebody who can take a picture of Deirdre’s cat lying on the mat and send it in MMS to her handy while she is staying at the Erasmus Universiteit Rotterdam or not;
- whether anybody has seen or heard or perceived Deirdre’s cat lying on the mat or not.

McCloskey was looking for justification, which does not have much to do with the correspondence theory of truth. McCloskey should accept the fact that objective reality exists independently of our perceptions of it and independently of persuasiveness, plausibility or justification of any kind. Narrowing realism to the observable reality is nothing but “modernism of the worst kind”\(^\text{36}\).”

On this issue (i.e. having an idea of rhetoric without realism) I have to agree with Mäki that McCloskey’s rhetorical theory of economics would sell better if it were

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\(^{36}\) The expression was proposed by Uskali Mäki at an EIPE seminar on 15 November 2005, Erasmus Universiteit Rotterdam.
labelled simply as a theory of justification not a theory of truth (Mäki 1993). **McCloskey’s coherence theory of truth** (without the criteria of correspondence or reference to objective reality and lacking sufficient and efficient constraints on the relevant set of beliefs) can only be regarded as a coherence theory of justification but not as a coherence theory of truth. Therefore, looking for the small-t truths of everyday statements on everyday practice, the criterion of reference to objective reality is essential. Without it, we can only look for ‘right’ statements or ‘justified’ statements by McCloskey’s peers who obey Sprachethik. But these are weak constraints.

### 3.5.3.3. Combining rhetoric with realism

Concerning the idea of combining rhetoric with realism, I find Mäki’s proposal worth consideration. **McCloskey’s coherence theory of justification should be complemented with a correspondence theory of truth.** Even people belonging to McCloskey’s peers might find such a rhetorical approach more persuasive with respect to reference to reality. If reference to the real economy were included in McCloskey’s approach, it could prevent it from being arbitrary and self-referential.

Besides, referring to objective reality would provide a common ground for theorizing and would bring different schools of economics closer to each other.

If McCloskey regards economic models as metaphors (whose aim is otherwise the true representation of the world in order to provide an appropriate basis for reliable predictions), then McCloskey’s rejection of reference to the real world is lacking grounds; otherwise economic models would be unable to fulfill their tasks. Economic models without reference to the real world – ‘metaphors’ in McCloskey’s interpretation – could only serve as ornaments; which is something that they are not especially good at.
3.5.3.4. Attacking realism on the basis of Big-T Truth lacking grounds

I am of the opinion that McCloskey thinks that philosophers and methodologists are only concerned with the pursuit of her Big-T Truth, i.e. small-t truth plus certitude, which is unattainable. As McCloskey regards attainability as an essential criterion of truth, therefore the efforts of methodologists and philosophers are hopeless and a waste of time. *With the criterion of attainability*, McCloskey is likely to intend to show that – contrary to philosophers – *she is a down-to-earth person searching for feasible things*.

As early as in his first reaction to McCloskey’s ‘The Rhetoric of Economics’, Mäki made it clear to her *that realism can be interpreted without McCloskey’s Big-T Truth* (i.e. small-t truth plus certitude) as certitude and truth belong to different realms; certitude being the extreme case of justification (Mäki 1988a). In a later article he emphasized this point again (Mäki 1993). McCloskey read the articles and replied to Mäki. In her further articles, however, she keeps on attacking realism on the basis of the unattainability of Big-T Truth. *My question is: why?* Was McCloskey so negligent as not to notice Mäki’s remark (Fabienne Peter discovered it once “Mäki emphasises that realism can be understood without reference to Truth, big T” (Peter 2001: 579-580)). Or she noticed it but the use of Capital-T terms serves as a powerful rhetorical device to persuade third-party audiences that she wants to exploit?

3.5.3.5. On McCloskey’ constraints of truth

The constraints proposed by McCloskey on her concept of truth turned out to be one of the weakest points in her rhetorical approach of economics (see Mäki 1993, 1995, 2004). I do not know whether there exists an alternative of the coherence theory of truth which has sufficient and efficient constraints on the relevant set of beliefs to be defensible. *McCloskey’s social constraint lacks theoretical grounds*. Herrschaftsfrei conversations in economics will not be promoted by our ‘open, plural and pragmatic society’ (Mäki 1993). The social constraint seems to me extremely *self-
referential: what are the feasible criteria of choosing the economists whose opinion matters? McCloskey does not answer that question.

The moral constraint proposed by McCloskey turned out to be immeasurable and unattainable. Otherwise the moral constraint – if applied in justification – could be very useful. The obedience to the canons of Sprachethik could have a role in good rhetoric by raising the plausibility of true statements, which helps to accept true statements as true, and by decreasing the plausibility of false statement, which helps to reject them (cp. Mäki 1995). It needs further elaboration, though.

At least McCloskey herself could have offered us an example of how to obey Sprachethik. Uskali Mäki (2000) wrote a long study on how she abused her self-proposed rules (see Section 3.4.2.6). How does she expect then other economists to obey the canons of Sprachethik if she herself, the founder and greatest advocate of Sprachethik, does not?

As McCloskey’s constraints on truth turned out to be insufficient to protect economics against arbitrariness, some other constraints should be offered (Peter 2001). I would supplement (like Mäki and Lawson) McCloskey’s constraints with accountability to reality in order to provide a solid basis for the relevant sets of beliefs.

3.5.3.6. On the pursuit of truth

In short, I am for keeping the idea of the pursuit of truth among the aims of economists and economics. Some economists find truth to be a regulative principle when deciding between rival theories, while others do not (see Arjo Klamer’s Conversations with Economists, 1984 quoted in Mäki 1988a: 102). Other evidence for regarding the pursuit of truth among the aims of economists’ aims is Uskali Mäki’s proposal that serious economists should pursue truth (Mäki 1993). Therefore, it cannot be stated that the pursuit of truth is not to be found among the aims of economists.
If McCloskey wants to guarantee us good rhetoric in honest conversation, striving for the pursuit of truth would be a better warrant than just obeying the canons of Sprachethik (cp. Mäki 1993).

The weakness of the realist approach is that truth is not necessarily attainable; it may escape us forever. That does not mean, however, that we have to abstain from pursuing it. Engaging in the pursuit of truth will lead to better models and better predictions and we will get closer to truth if we do not throw away the idea of searching for truth.

If economics were just a science for the sake of science without any connection to everyday practice, an intellectual game-playing in the ivory tower without consequences for society, then the pursuit of truth could be abandoned. As economics is a social science, not only theorizing for the sake of theorizing on the blackboard, it provides forecasts for economic policy-makers with the help of models on the real economy. Therefore, it is all important to represent the real world as truly as possible and to attempt to provide forecasts as close to reality is possible, as governmental decisions are at stake, the consequences of which may affect the population of a whole country. A bad economic model negligent in the matter of searching for truth in the real economy can lead to sufferance of millions of people (cp Rosenberg 1987).

It is not true that “Truth-pursuing is a poor theory of human motivation and nonoperational as a moral imperative” (McCloskey 1985: 46). There are fields of social reality where the pursuit of truth plays a crucial role. An example is provided by courts, where the pursuit of truth is operationalized: witnesses have to put their hands on the Holy Bible and swear that they will tell the truth, and nothing but the truth. The aim of the judge is to find out how the action happened, how it really happened. He/she wants to have the truth, in order to be able to administer justice. On the other hand, counsels represent the different sides and their aim is to obtain a verdict most favorable for their clients, therefore their aim is persuasion. Fortunately, courts do not consist of counsels alone; there are the judges (and juries) whose aim is to find out the truth.
3.5.3.7. On the issue of relativism

Especially in McCloskey’s Knowledge and Persuasion in Economics (1994) there is plenty of ‘relativism-talk’ but not in an unambiguous or structured way. Hans Hermann Hoppe, Alexander Rosenberg and Peter Munz accused McCloskey of relativism. Although she denies truth in the correspondence sense, offers only the two indefensible constraints on her concept of truth as a morally and socially constrained coherence, does not include the constraint of reference to the real world, considers truth to be made rather than to be found and connects objective truth and small-t truth to agreement in finite human conversation, she does not claim herself to be a relativist.

How do her general ideas on truth appear in her professional life as an economist? She believes in a commonly accepted set of arguments of economic rhetoric by initiated economists, which should eliminate ‘sneering’ and disagreement within the community of scholars. Economic scholars have to strive for reaching common grounds and (if we assume that they comply with both McCloskey’s social and moral constraint) their agreement in shared conversations will be what counts as truth, which will be regarded as universally valid for the scholarly community. She does not believe in different truths held by different schools of economics. She builds her optimism in this issue on the elaboration and working on the above mentioned bundle of economic reasoning that would allow bringing together different schools of economics along their common values, start shared conversations and ‘make truth’ in their end.

I do not share her optimism: here I have to agree with Arjo Klamer (1989), who states that a commonly accepted bundle of economic reasoning will bring cultural differences to the surface, as you cannot erase cultural ideology from anyone’s mind. So there is no hope in every scholarly conversation for an agreement that can be accepted as truth in the end.

If McCloskey wants to avoid charges of relativism, she should accept that reality excercises control on our beliefs and that the issues of reference to the real world and the pursuit of truth had better be included in her rhetorical theory of economics.
3.5.3.8. Other remarks

In my analysis of McCloskey’s writings on truth, I have observed that McCloskey is very good at aiming persuasion to audiences. Especially if third-party audiences (who act more like observers than active participants in a conversation because either they are ignorant or lack expertise in the topic discussed) are concerned. After having been criticised, she makes apparent claims to please her critics (and the third-party audiences of journals), but they are persuasive claims only on the surface without theoretical groundings. Reacting to Mäki’s critique (Mäki 1988a), she declares herself to be a realist (McCloskey 1988b) but fails to support basic realist notions like “theoretical world realism for economists” and “truth realism” (Mäki 1988b: 167). When asked what kind of a realist she is (Mäki 1988b), she claims not to be a realist in the Cartesian sense but to be a realist in the conjective sense (McCloskey 1994). This implies the attainability of truth again in the sense of coherence to a set of beliefs that does not have much to do with the realist notion of truth; it is only a matter of justification.

As a final remark I would say that knowledge is created, and the result of a shared conversation, on what the parties have agreed together will be knowledge but not truth. (Truth is only created for an advocate of the coherence theory of truth.) From the realist approach – denying that plausible statements lead to truth – we can state that McCloskey conflates the process of acquisition of knowledge and that of truth. Even here I would include the necessity of correspondence to the real world.
4. COMPREHENSIVE EVALUATION

The research was aimed at the critical evaluation of rhetorical economics, based on the life-work of Deirdre McCloskey and relevant critiques on her work, concentrating on five particular areas:

1. The methodology of economics in general;
2. Legitimating scientific knowledge;
3. The vices of economists;
4. Rhetoric and the literary character of economics;
5. The concept of truth in economics.

Building on the results of scrutinizing the above five fields that offered us a solid basis for assessing rhetorical economics, the ultimate aim of the research was to establish whether the rules of plausibility, persuasion, clear argumentation, the correct analysis of conversations, discourses, written and oral economic texts and metaphors lead to a more reliable knowledge of the real economy than the rules of epistemology.

Findings (new and novel) of the research can be classified into three categories:

1. Findings in the concrete issues of analysis;
2. Comprehensive evaluation of the relation between rhetorical economics and the prevailing methodology of economics;
3. Proposals for further research and practical applicability.

4.1. Findings in the concrete issues of analysis

Concerning all the five issues mentioned above, I found several ideas to disagree with in the ‘mainstream rhetorical standpoint’37. My theses therefore will

37 The standpoint of Deirdre McCloskey
contain both an assessment of this standpoint and proposals for modification in order
to contribute to a better rhetorical theory.

4.1.1. Findings concerning the issues of the methodology of economics in
general and legitimating scientific knowledge

After a thorough scrutiny of McCloskey’s and her critics’ ideas in the field of
*economic methodology*, my analysis led to the following results:

In her rhetoric, McCloskey gave credit only to the low-brow technical rules of
economic practice (small-m methodology) and to the high-brow conversational rules
of Sprachethik. Besides, she first did not acknowledge the rules that prescribed the
methodology of mainstream economics, which she labeled Big-M Methodology, and
considered to be middle-brow rules between the former two (McCloskey 1983 and
1985), then denied only their ultimate role (McCloskey 1994). She had objections
against any rule-bound methodologies.

What she proposed instead was to regard persuasion as the decisive aspect when
accepting or rejecting an economic theory and to broaden the relevant scale of
arguments beyond the rules of epistemology, constrained by the following standards:
- social constraint: only the voice of well-educated economists counts;
- moral constraint: obedience to Sprachethik;
- Maxim of Presumed Seriousness and Principle of Intellectual Trade as moral entry
  points of conversations (Klamer and McCloskey 1989);
- the overlaps of conversations;
- standards of literary criticism for evaluating economic models.

As a result of the research I have found that the majority of these standards are
soft and that they do not hold in themselves, not even if combined. They do not rest on
solid grounds. McCloskey does not offer any clues on how to choose the relevant
group of economists whose opinion matters; even she acknowledges that not all
economists will obey Sprachethik. Besides, she does not propose any standards for
measuring obedience to Sprachethik and what extent of obedience counts as
acceptable. The equal consideration of everyone’s opinion is an utopia and
uneconomical (cp. Mäki 1995). Although both poetry and rhetoric (where McCloskey speaks about economic models) contain metaphors, their roles are extremely different. As the conversations of economists belong to a different use of language than poetics, the criteria of evaluation of one field should not be applied to the other, which principle is disregarded by McCloskey (cp. Boylan and O’Gorman 1995).

McCloskey’s crucial criteria on the relevant set of arguments aimed at persuasion in order to evaluate economic models and to decide on the acceptance or rejection of a theory prove therefore to be insufficient.

The same standards apply to *legitimating scientific knowledge*, however, McCloskey definitely denies the demarcation between science and non-science. She sees no difference between scientific and other kinds of knowledge (McCloskey 1983 and 1985) as she claims that both are born in shared conversation (McCloskey 2002).

My analyses have resulted in the conclusion that *McCloskey is right in claiming that knowledge is socially constructed but not in denying the necessity of standards demarcating scientific knowledge from other kinds of knowledge*. Some definite standards are necessary regarding what parts of the shared conversation counts as scientific and what does not. If rhetorical economics does not provide clearly defined criteria of scientific knowledge, for what reasons should it be regarded as a scientific discipline?

I have formulated my findings in the following thesis:

| T1. Rhetorical economics is in need of concretely defined, prescribed and defensible standards for what counts as a good or bad argument and for accepting or rejecting a theory; it is in need of clearly defined criteria of deciding what can be accepted as scientific knowledge. All of these are either missing or insufficiently conditioned by McCloskey’s rhetorical theory. |
4.1.2. Findings concerning the concept of truth in economics

McCloskey’s writings contained a great deal of truth-talk resulting in severe and numerous criticisms, which necessitated a thorough analysis aimed at the issue of the concept of truth. The results of my research have led to the conclusion that McCloskey finds only attainable ideas persuasive and worth pursuing, which applies to her categories of truth as well. From the realist approach, she mixes up truth with plausibility, truth with certitude, the concept of truth with the way of finding truth (Mäki 1993 and 2000), and conflates the creation of knowledge and the creation of truth. She makes ambiguous claims concerning the theories of truth she maintains, and simply disregards the importance of the truth of a statement and the issue of pursuing truth.

I believe that through embodying the issue of truth in her work, McCloskey wants to offer a rival theory to the rules of epistemology, not simply a theory of justification through persuasion. She should have elaborated her theory in a more coherent way and I do not conceive why she decides to reject definitely the issue of pursuing different categories of truth due to the unattainability of truth and why she pays little attention to the reference function of language and to reference to the real world. If her intention was to achieve a distinguished ranking in the SSCI\textsuperscript{38}, rejecting the issue of pursuing truth has brought her enormous success. If she really wanted to provide a theory of high scientific value based on persuasion and the actual practice of economists, then she risked losing a significant group of supporters of her ideas who are persuaded by truth in the first place. Furthermore, applying the same standards and constraints to plausibility and truth, which turned out to be weak and lacked elaboration has resulted in the most vulnerable points of her rhetorical theory. Dedicating constant and sufficient attention to the issue of the pursuit of truth and meeting the requirement of reference to the real world will lead to an elaboration of better models and formulating better predictions and thus we will get closer to truth than through throwing away the idea of searching for truth.

\textsuperscript{38} SSCI = Social Science Citation Index
Based on the above observations, I would supplement McCloskey’s standards for the relevant set of arguments with the criteria of reference to the real world and of the pursuit of truth in the correspondence sense. These criteria would contribute to a more solid basis of the rhetorical approach of economics and to preventing economics from going towards arbitrariness and self-reference (cp. Mäki 1993).

I have formulated my findings in the following thesis:

T2. A good rhetorical theory of economics should preserve the connection between economics and the pursuit of truth in the correspondence sense and should not exclude reference to the real world.

The reason for accepting a theory and rejecting another may be that it offers more reliable knowledge about the real economy and a deeper insight into economic processes. If McCloskey rejects the pursuit of truth and reference to the real world, which, however, are crucial for attaining reliable knowledge, how does she expect to obtain more reliable knowledge about the real world than by applying the rules of epistemology? It is an obvious contradiction. I doubt whether persuasion alone, as practised by McCloskey’s peers obeying Sprachethik, would ensure that.

While McCloskey accuses epistemology of such a high level of formalism that ignores several important details of the real economy, the aim of epistemology in this is to represent certain selected aspects of the economy and to focus on them in order to provide useful predictions for the economy. Abstraction and mathematical formulas do not exclude the pursuit of truth. As an unavoidable consequence of formalization, some data will be lost and aspects that cannot be put into formulas will be disregarded but still remain within the frames of rationality.

In my opinion, synthesizing the positive returns of rhetoric and epistemology could lead to a more reliable knowledge on the real economy than just building on the results achieved by either of them. The basis should be a true representation of the real world, where the pursuit of truth and appropriate economic models and mathematical formulas are included in epistemology, supplemented by a commonly accepted set of
economic reasoning constrained by clearly defined and defensible standards included in rhetoric, which would mainly serve the purposes of explaining and understanding economic processes and offering the missing details neglected in formulas.

I have formulated my findings in the following thesis:

| T3. When neglecting the issues of pursuing truth and reference to the real world, persuasion supported by McCloskey’s standards alone cannot be claimed with certainty to lead to a more reliable knowledge about the economy than the rules of epistemology. The latter considers both the issue of pursuing truth and reference to the real world. If persuasion – supported by a defensible set of standards for the relevant arguments that cohere with epistemology at the same time – is added to epistemology, it may enhance the level of attainable reliable knowledge. |

4.1.3. Findings concerning the vices of economists

Concerning the vice of ‘blackboard economics’ – named after Paul Samuelson – I agree with McCloskey on the issues of thinking about data more seriously and prescribing the criterion of appropriate literacy in economic history beyond the latest contributions taught in textbooks. However, I do not agree with her on the issue of applying the criteria of literary criticism to the evaluation of economic models as poetry and economics belong to different uses of language, the criteria of evaluation of which cannot be mixed (cp. Boylan and O’Gorman 1995).

Regarding the vice of handling statistical significance in the technical sense as scientific significance – named after Lawrence Klein –, I agree with McCloskey that a loss function has to be provided in order to provide an explanation of magnitudes, i.e. the results of the t-probe concerning their economic importance.

Where my research has brought new results is the issue of prediction, the overemphasis of which in order to be able to control the economy is the vice named
after Jan Tinbergen. I have arrived at the conclusion that the scientificity of disciplines should not be decided only on the basis of their predictive power, it is only one of the aspects, not the only one. McCloskey is also right in that there exist no or hardly any economic predictions that provide better forecasts than the market does.

I do not agree with the reasons underlying the challenge against the provision of economic forecasts in order to offer advice to economic policy makers whose policy affects the everyday life of the population in their countries, which McCloskey labels as ‘social engineering’ or ‘people engineering’ (McCloskey 1996: 97 and 115). An economic policy without building on rational predictions based on forecasts formulated by relying on appropriate economic models – fulfilling the criteria of the true representation of the real economy and of the pursuit of truth – is similar to gambling with the exception that here people’s lives are at stake.

All kinds of economic policies result in ‘people engineering’ – in McCloskey’s terminology – only the degree varies. When rational economic predictions are provided, aimed at the welfare of society, this happens in the best direction and the population has at least the chance of avoiding economic catastrophes or reducing their impact compared to a situation where they were left alone without anything to rely on. In poor and emerging countries, in post-war situations or in deconjunction, prediction in order to control is of particular importance. Therefore, the definite denial of the principle of ‘predict in order to control’ cannot be accepted.

I have formulated my findings in the following thesis:

| T4. Thinking about data more seriously beyond blackboard theorizing, the requirement of thorough literacy in the history of economic theories and offering a loss function for explaining the economic significance of the results of statistical tests are all valuable proposals for improving the rhetorical approach of economics. When aimed at the welfare of society and building on models that strive for the true representation of the real economy and the pursuit of truth, ‘prediction in order to control’ has positive returns, therefore it should not be categorically rejected. |

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4.1.4. Findings concerning the issues of rhetoric and the literary character of economics

My research considering McCloskey’s most revolutionary ideas regarding the issues of rhetoric and the literary character of economics have brought new or novel results in the fields of practical applicability (see Section 4.3) and of the globalized view of rhetoric and its extension to the realm of science.

In the early phase of my research I dedicated thorough attention to the issue of persuasion; in what fields of social life it appears; what consequences it implies and to what extent its role is acknowledged. My research results showed that *rhetoric is a key success factor of everyday business*. Putting the firm as a unit of analysis into the center, I found rhetoric to be embodied both in its internal and external value chain. Considering the internal value chain, two fields are of special importance: sales and management. Rhetoric plays a crucial role in negotiating deals, in winning business partners and maintaining their confidence, in team building and at all levels of leadership and management. Regarding the external value chain of the firm, my research showed that in all the professional, political, cultural and private domains rhetoric cannot be evaded.

The importance of applying the appropriate rhetorical tools depending on the circumstances and the audience in a concrete situation is not considered seriously enough; some rhetorical tools are applied but not always in a conscious way. This implies that the added value reached by rhetoric is not always calculated precisely or embodied in the selling price of a product or service. Multinational companies have begun to recognize the power of persuasion and organized courses in rhetoric for their employees, which has led to an improved working atmosphere and better sales. Therefore, McCloskey is right in claiming that persuasion pervades almost every field of social life and its role has to be considered more seriously.

Where McCloskey goes too far is the issue of extending this globalized view of rhetoric to cover the realm of science. She does not build on the threefold division of human knowledge proposed by Jürgen Habermas and wants to assess all kinds of
human knowledge universally by the standards of persuasion, rhetoric, plausibility or literary criticism. As I accept the Habermasian view, I cannot support McCloskey’s universalization claim for assessing all the three distinct domains of human knowledge, where none of the three can be reduced to any of the other two, on the basis of one universal set of standards (cp. Boylan and O’Gorman 1995).

Attributing a character of marketing advertising to the process of accepting and rejecting scientific (economic) theories is another highly questionable issue. First, economic models and theories are often required for economic policy making, which implies that the acceptance of a theory has serious consequences on the everyday life of millions. As the salary and the reputation of a theory’s creator are only minor items at stake compared to the welfare of a country, they should be considered to be of secondary importance. Pro and contra arguments with the intention of improving the theory, not persuasion for acceptance without modification should be required; especially if persuasion – as McCloskey proposes – disregards reference to the real world and the pursuit of truth.

I have formulated my findings in the following thesis:

| T5. McCloskey’s globalized view of rhetoric has legitimacy in most fields of the economy but her universalization claim of rhetoric and literary criticism for the evaluation of knowledge and proposal of the persuasive power of a scientific theory and/or its proponent as the crucial criterion for deciding on the acceptance or rejection of the theory are highly questionable. |

4.2. **Comprehensive evaluation of the relation between rhetorical economics and the prevailing methodology of economics**

Where do we stand now considering the issue of rhetorical economics proposed as a rival theory to the rules of epistemology? In order to answer that question, an
elaborate and coherent theoretical framework of rhetorical economics is required, the
standards of which are defensible and constitute a coherent system.

*From McCloskey’s rhetorical theory, the following issues are missing:* concrete
criteria for choosing within rival meta-theories of rhetorical economics, a theoretical
framework on economists as rhetorical agents, a discussion of rhetorical situations
typical of economics, an account on the connection between truth and persuasion, a
defensible concept of truth and a distinction between the effects and ethics of
conversations (Mäki 1988b). Dedicating more attention to the substance of economic
theories, including the linguistic aspect of studying linguistic structures, genres and
reasons why they have been adopted (Backhouse et al. 2002), and an account of the
social and institutional framework of the social construction of knowledge (Mäki
1992) would be also appreciated.

*McCloskey’s rhetoric includes several contradictions.* What struck me most
was that she prescribed ‘honest conversation’ while the truth of a statement did not
matter. If one does not strive for truth, how can one be honest? Only by chance. At the
same time, however, striving for truth is not necessarily a requirement of successful
persuasion, especially if I have nothing else in mind except for pure persuasion.

In the critical reviews on her work, I found the following contradictions
committed by McCloskey, with which I agreed: advocating Sprachethik in theory and
violating it in practice; criticizing economists and economics in theory while claiming
that economics is moderately well-off (McCloskey 1995); fuzzy claims on the concept
of truth and the theories of truth that she holds; conflating truth and plausibility, truth
and certitude, the concept of truth and the way of finding truth (Mäki 1993 and 2000),
and conflating the creation of knowledge and the creation of truth; accepting
mathematics in economics but rejecting mathematical thinking; referring to Aristotle
and Jürgen Habermas but building ambiguously on their tenets.

I have found that McCloskey’s standpoint is closer to global than to local
economic rhetoric, which means the standards of literary criticism constituting
exclusively the methodology of economics, which has to be rejected. Denying the
distinction between scientific knowledge and other kinds of knowledge and
consequently not prescribing clear standards of scientific knowledge are also
objectionable. The standards of her concept of truth and of the relevant set of arguments have proved to be indefensible (see Section 4.1.1).

Based on the above observations, I would not recommend the rhetorical theory of economics in its present form to substitute the rules of epistemology that constitute the present methodology of economics.

I have formulated my findings in the following thesis:

T6. McCloskey’s rhetorical theory – suggesting the application of the rules of global economic rhetoric in most places, being full of controversies and lacking important issues that would be required in order to constitute an elaborate, coherent and complete theoretical framework of economic rhetoric – cannot be accepted as a rival theory to the rules of epistemology constituting the prevailing methodology of economics.

### 4.3. Proposals for further research

It is obvious from the above that McCloskey’s soft standards in themselves do not hold in themselves and do not constitute a coherent system. Building on global economic rhetoric – in Boylan and O’Gorman’s terminology (1995) – should have no future in economics either. Besides, regardless of some minor defects of contemporary economic methodology, 60 years of hard work in economic theory recognized by several Nobel prizes should not be swept away so easily. Where McCloskey is right is the issue that the relevant set of economic reasoning should be broadened beyond the rules of epistemology. But not at any rate and only if constrained by a clearly defined and defensible set of standards, cohering with the prevailing methodology of economics.

*What I propose is to give rhetoric a more limited role in economics than McCloskey did through the subordination of the rhetorical aspect of economics to the*
proven and good practices of the prevailing methodology. Defining the concrete areas of relevance is clearly based on the rules of local economic rhetoric. The scientific status of economics should be acknowledged, which implies the demarcation between science and non-science and the priority of rules of scientific investigations over rhetorical efforts, which should mainly appear in presenting the results and their explanation (cp. Boylan and O’Gorman 1995). The issues of the pursuit of truth and reference to the real world are necessary requirements of a defensible rhetorical theory of economics. On the one hand, an analysis of genre and linguistic structures within the rhetorical aspect and a social and institutional framing beyond the social conditioning of knowledge should be included, on the other hand, the formalized language of economics should not be completely forgotten, it should rather be supplemented with stories told in natural language if necessary.

I have formulated my findings in the following thesis:

T7. Building on local economic rhetoric and considering the modifications proposed in T1-T5, the elaboration of a rhetorical theory subordinate to the prevailing methodology of economics would be a great scientific endeavor worth embracing.

4.5. Proposals for practical applicability of rhetorical economics

I perceive the most important fields of practical applicability of the discipline based on the observation that beyond the official rhetoric of economics an unofficial rhetoric appears in the everyday practice of economists. Three areas may be of key importance: economics teaching, making scientific papers transparent and improving communication within the community of economists on the one hand and between the three levels of economic discourse on the other.
First-year students of economics get their first impressions of economics as if it were exclusively a mathematical subject full of equations, axioms, induction and deduction and models plotted in different systems of coordinates; though the history of economic theories and knowledge about the real economy is included as well. It often happens that they do not grasp the essence of an economic process modeled and they memorize definitions, axioms and models, which they do not understand and soon forget. They have no motivation for attending lectures as they miss a story behind the formulas; they are in the need of explanation in natural language.

A more student-friendly version of micro-, macro- and international economics would be one supported by the rhetorical aspect of economics. Being a lecturer of microeconomics, in order to make my lectures more illuminating and understandable, I tell my students stories taken from their everyday life so that they can imagine the real economy behind the formulas.

It is not good news that economic texts are not completely transparent, not even for fellow economists. Here I see legitimacy for a broadened set of arguments beyond the official rhetoric constrained by clearly defined and defensible standards and commonly accepted by economists. A wider scope of arguments would facilitate the writing of transparent scientific papers, which would erase disagreements among economists resulting from the misinterpretation of each other’s writings.

The three levels of economic discourse (scientific language, business language and lay language) have been identified by Alfred Marshall (1920). Sharing the real economy as the common object of discussion, economists are still isolated, businessmen are still misled and common people still remain ignorant of the relevant questions of economy. Here again the rhetorical aspect of economics could offer some cure: a commonly accepted set of economic reasoning based on the natural language of economics with an unambiguous economic vocabulary understandable even for lay people could surely improve the communication between the three levels of economic discourse, which would significantly contribute to the welfare of society.
I have formulated my findings in the following thesis:

T8. The practical applicability of the rhetorical aspect of economics should appear in economics teaching, in making scientific papers transparent and improving communication between the three levels of economic discourse and within the society of economists.
APPENDIX: GLOSSARY OF LITERARY AND LINGUISTIC TERMS


1 allegory: a form of narrative writing in which people, objects or events are used symbolically to put across a particular (usually moral or religious meaning.

1 anaphora: the use of a/an/the to refer back to previous information with the implication that the reader or listener understands the reference (i.e. which one).

1 apophasis: 1. a statement which asserts something but also appears to deny the truth of it, e.g. If I didn’t know better. I’d say you stole that chocolate.

2 apophasis: a statement which asserts something that you say you will not mention, e.g. not to mention his laziness.

1 axiom: a self-evident truth, e.g. All men are mortal.

1 composition: 1. an essay produced as an educational exercise. 2. any literary work. 3. the parts that make up a literary work including settings, episodes and characters.

1 consonant: any letter or its speech sound that is not a vowel.

1 criticism: the science of examining the good and poor qualities in order to judge a literary or artistic work. Criticism is an academic study; studying literature for examinations involves making critical judgements. Lecturers often publish their own works of criticism which introduce new ideas and approaches. There are many possible ways to interpret and judge any literary work, even classic novels and drama. Often, a particular method is used because it suits the contemporary social attitudes, for example the objection to anything considered too emotional or sexually explicit during a period when society is generally rigid or conventional. At the present time, the emphasis has been on ‘practical criticism’, which analyses individual texts.

1 critique: an essay or article that criticises a literary work. This includes the good as well as the poor qualities.

1 description: the part of a literary work that describes the characters, settings or events. It is an essential feature, used to obtain and hold the reader’s attention.

1 diphthongs: a vowel sound made by moving the position of your tongue and lips so that there is a change in the vowel quality as it is uttered, e.g. the vowel sounds in page, home, dive, cow, joint, here, pair and cure.
A diphthong is often similar to uttering two vowel sounds one after the other very quickly.

discourse¹: a formal or intellectual exchange or discussion. It can also be a serious and formal treatise. Modern linguists also use discourse to refer to any set of sentences in speech or writing.

discourse²: a general term for examples of language use, i.e. language which has been produced as the result of an act of communication. Whereas grammar refers to the rules a language uses to form grammatical units such as clause, phrase and sentence, discourse refers to larger units of language such as paragraphs, conversations and interviews.

discourse analysis²: the study of how sentences in spoken and written language form larger meaningful units such as paragraphs, conversations, interviews, etc.

essay¹: a piece of writing, usually in prose, on a particular subject; it often concerns a point of view that the author wants the reader to adopt. The essay is usually aimed at a general audience; therefore it differs from a thesis, treatise or dissertation, all of which are aimed at a specialist reader.

essay²: a longer piece of writing, particularly one that is written by a student as part of a course of study or by a writer writing for publication which expresses the writer’s viewpoint on a topic. Essays are often organised according to a number of recognisable rhetorical forms and usually contain the following sections:

1. the introduction: this presents the topic and contains the thesis statement.
2. the body: this is a series of paragraphs each with a topic sentence. The paragraphs in the body of the essay develop and support the thesis statement.
3. the conclusion: this summarises what has been said and often presents a solution or makes a prediction.

figure of speech¹: an expression used in writing that does not have its literal meaning. Common examples are metaphor, simile, hyperbole and personification. Figures of speech are used to add imaginative or creative qualities, to emphasize humour, emotions and opinions, or to display a writer’s skill at inventive phrasing. Many figures of speech have lost their appeal because they are overused so that they no longer have creative, witty or surprising qualities. But well-known expressions can be adapted to regain an imaginative freshness, e.g. put all its nuclear eggs in one atomic basket.

fluency²: the features which give speech the qualities of being natural and normal.

genre¹: a category in which a literary work can be put according to type and purpose, and also to whether the work conforms to a particular set of techniques. Comedy, tragedy, tragi-comedy, ballad, epic, one-act play, documentary drama, short story and novel are all genres.

highbrow¹: describes a person with superior intellectual or artistic taste, or literature, music, painting, etc. produced to appeal to such a person.

irony¹: the use of words to state the opposite of what is meant; this usage is often sarcastic or humorous.
In practice, it is a complex and subtle device used widely in literature in a variety of ways. At its simplest, it can be a remark that the writer makes clear is the opposite of what he or she means. However, the reader must often work this out using clues such as the context of the statement. Sometimes irony is based on an awareness of the absurdity of life or the seeming incongruity between appearance and reality.

At all times, irony depends for its success on the reader’s awareness that the surface meaning is not the one intended.

**jargon**: the form of language used by a particular profession, subject, hobby, etc. Some of the forms are unnecessarily complex or specialist in both vocabulary and syntax.

**lowbrow**: describes a person with very little intellectual, literary or artistic taste, or literature, music, painting, etc. produced to appeal to such a person.

**meta-language**: the language used to analyse or describe a language.

**metaphor**: a figure of speech in which a person or thing is described by comparison with someone or something else – by implication and not by using *like .... or as ......*, e.g. *You’re a feather in my arms.* *You’re as light as a feather* is a simile.

A metaphor has been called a compressed simile and there is much truth in this because whereas a simile makes a comparison between two people, objects or ideas that do not seem to have anything in common (*A woman is like a feather*), a metaphor goes one stage further and unites the comparison in a single idea (*The woman is the feather*).

Metaphors are very common in everyday conversation, and many are so common, e.g. *to take the bull by the horns*, that they have lost any strength or quality and are sometimes referred to as dead metaphors. Writers use metaphors a great deal but good writers search for fresh, original comparisons or creative adaptations of well-known metaphors. If these new metaphors are too farfetched, they may not succeed but if they are clever, apt and easily understood they add richness to the writing.

**metonymy**: a figure of speech in which the name of something is used to represent a more general but closely related thing, e.g. *the stage* used to represent the whole field of dramatic performances, or *the crown* to represent a monarch or royal power.

**modifier**: a word or phrase that describes, limits or changes the meaning of another word. Adjectives are modifiers of nouns.

**multilingualism**: the use of three or more languages by an individual or by a group of speakers such as the inhabitants of a particular region or nation.

**narrative**: the part of a literary work that gives an account of events or tells the story. The term is also used to mean story.

**persona**: 1. a character in a drama, novel etc., as in *dramatis personae*. 2. in literary criticism, persona is used to refer to the narrator or speaker in a poem, novel or story

**plot**: the series of incidents and episodes that form the storyline of a literary work. The arrangement is designed to achieve the greatest interest before the climax
and denouement. The portrayal of characters and the creation of a particular atmosphere are essential ingredients of a plot.

**rhetoric**: the study of the principles and theory concerning the use of language to present facts and ideas logically and convincingly, especially in order to persuade the reader or audience.

In ancient Greece and Rome, philosophers, writers and orators set down specific rules for acceptable rhetoric. Works by the ancient Greek philosopher, Aristotle, e.g. *Rhetoric* (4th century BC), and later the ancient Roman Cicero, e.g. *De Oratore* (1st century BC) and others influenced rhetoric until as late as the 19th century.

Five fundamental features were considered essential; relevant facts, logical and appropriate arrangement, a relevant style, an efficient system for memorizing the text and a good technique for delivering a speech.

**rhetoric**

The study of how effective writing achieves its goals. The term ‘rhetoric’ in this sense is common in North American college and university courses in rhetoric or ‘rhetorical communication’, which typically focus on how to express oneself correctly and effectively in relation to the topic of writing or speech, the audience, and the purpose of communication.

**rhetorical device**

The use of well-chosen vocabulary in a deliberate arrangement in order to gain a particular effect. This may include repetition or rhetorical questions. Rhetorical devices are used to affect the way in which the text of an argument is presented but are not meant to change the meaning of the text.

**sarcasm**

Mocking, spiteful, or ironic way of writing or speaking in order to be insulting or critical.

**simile**

A figure of speech in which a person is thing is described by comparison with another using *like* .... or *as* .... ; the comparison is usually between things that do not seem to have much in common, e.g. *He’s as timid as a mouse*.

**speech act**

An utterance as a functional unit in communication.

**story**

An account of a series of events written in prose.

**style**

The way of writing that an author uses to express herself or himself in a literary work, contrasted with content and meaning.

**synecdoche**

A figure of speech in which a part is used for a whole, as in *Many hands make light work* (hands is used for helpers or workers). The successful use of synecdoche relies on the use of a part that is the most closely related to the meaning of the whole, e.g. *guns* for *armed soldiers* or *count heads* for *count people present*.

**technical term**

A word or a phrase used for a particular person, thing or idea. Term is often used to refer to the vocabulary used by a group, profession or subject.

**terminology**

The vocabulary used by a particular group, profession or subject.

**text**

A piece of spoken or written language. A text may be considered from the point of view of its structure and/or its functions, e.g. warning, instructing, carrying out a transaction.

A full understanding of a text is often impossible without reference to the context in which it occurs.

**trope**

A word or expression used with a figurative meaning. All metaphors and similes are tropes.
vowel\(^1\): a speech sound made without an audible stop of breath, or the letter used to present it.
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