

## Consumption as a Communicative Activity

### A Proposal to Change the Metaphor [1]

#### How to Think about Consumption?

When an anthropologist recently presented a paper to an economics department the following discussion took place.

Anthropologist: Economists do not have a theory of consumption.

Economists:??

Economist 1: What do you mean? I can take you to my office and show a shelf filled with books on consumption theory.

Anthropologist: But all those books do not explain consumption.

Economist 2: Of course they do. With our models we can pretty much account for times series of consumption. We do even pretty well predicting future developments in consumption. Anthropologist: That may be the case, but none of your models explain why people consume, and why they consume certain goods and not others. Why, for example, would people in this [affluent, AK] town grow vegetables when they can buy them pretty cheaply in the local supermarket?

Economist 1: They probably like to put their hands in the dirt. I don't know . . .

Anthropologist: So how do you account for the fact that they do more so now than, say, ten years ago? You're not going to tell me that this is because of changing prices or incomes?

Economist 2: No. I guess that preferences have changed.

Anthropologist: Great. But what kind of explanation is that? Why did preferences change?

Economist 2: We leave that up to sociologists

to determine.

Anthropologist: Do you ever consider the work of sociologists?

Economists 1 and 2: Frankly, we do not see the point.

Economist 3: Some economists do work sociological variables into their models. George Akerlof does that, for example.

Anthropologist: Have you ever studied the works of Mary Douglas, Amitai Etzioni, and the like?

Economist 1, 2, and 3: Who are they?

Anthropologist: Douglas is an anthropologist who has written about consumption as a form of communication. Etzioni, who calls himself a socio-economist, argues that we should consider sociological and moral factors in the study of economic decisions.

Economists 1, 2, and 3: ?

#### Is There a Problem?

I am willing to accept a lot that a physicist tells me. Quarks and strings do not play a critical role in my intellectual and emotional lives, and a discussion about them will meet little resistance from me unless it is for lack of interest or incomprehension. I have a similar reaction to issues in chemistry, music theory, cricket, molecular biology and other disciplines that are foreign to me. Ignorance silences.

In a few instances, however, ideas that emanate from these disciplines intrigue me and can even bother me. When a physicist poses the possibility of time going backwards I am confused. I want to know more; I want to know what this means. What makes a difference here is that whereas I know little about quarks and strings, I have clear conceptions of time and its going backwards is not one of them. I do not only not comprehend – how could I? – but I also resist. The possibility of time going backwards does not occur in the world as I understand it. I might be merely curious or intrigued if Carlos de Castaneda were the inventor of this idea, but since these are respectable physicists at well-known universities who utter the theory I have a problem.

I have a similar problem when I listen to

neoclassical economists discussing human behavior. The talk about optimizing strategies and individual choice does not mesh with human behavior as I understand it [2]. Reading about consumption in the *New Palgrave Dictionary of Economics* is frustrating because the heat of lots of mathematics produces a headache and sheds little light on the topic. This is a problem. Because I am not a physicist I can ignore the talk about quarks and time going backwards. That I cannot do when neoclassicals present their models on an issue such as consumption. Being an economist myself I am interested and I have to deal with the discrepancy between those models and my partly tacit and partly articulated understanding of human processes.

Of course, I am not alone in observing the problem. Numerous people have preceded me in storming the bulwarks of neoclassical economics. Psychologists, sociologists and anthropologists have made a few converts among economists, but in view of the efforts expended the results are remarkably meagre. George Akerlof, to name one of the economists who has been susceptible to a sociological perspective, has the respect of fellow economists but only because he tries to operate within the constrained-maximization metaphor of human behavior. For the same reason economists are willing to read the sociologically-tinted works of Thomas Schelling and Robert H. Frank. They do so for the fun, though. Their impact on the hard core of the neoclassical research programme is minimal. Akerlof, Schelling and Frank are mainly used as lightning-rods for the criticism that economists are oblivious to other social sciences. As a consequence, the cognitive dissonance between a sociological/ psychological perspective and the neoclassical world of constrained maximization remains intact.

Why have economists lived with this cognitive dissonance for the last fifty years? How have they been able to maintain intellectual integrity in spite of the incessant reminders that a constrained- maximization set-up fails to make sense? And why is any attempt to expand the neoclassical core with sociological and psychological variables doomed?

Being an economic philosopher I am not in the position to solve the problem of cognitive dissonance by offering an alternative model. The best I can do is to highlight the problem and deal with the why questions. I do so by way of reflection on the activity of economists themselves. The “square” way in which economists tend to perceive their own activity appears to provide a key to the solution of the problem. If, namely, understanding the behavior of economist is achieved only by breaking out of the “square”, it seems reasonable that a similar move is conceivable when we want to understand the behavior of consumers. Replacement of the calculation model with the communication analogy did wonders for the thinking about the behaviour of economists. Why wouldn't it accomplish similar results when we turn to thinking about consumers?

Approaching the issue from the meta-level I must be modest in my claims. I may be ignorant of certain developments in the theory of consumption. More importantly, there are no necessary connections between philosophizing about theorizing and the theorizing itself – as Joseph Schumpeter points out in his *History of Economic Analysis*. Yet, there is the possibility that the changes on one level will induce changes on the other; this the possibility of persuasion. With that possibility in mind I continue.

### **A Roundabout Way of Getting to the Problem**

When I began to reflect upon what economists do, Popper and Lakatos were the philosophers to which one turned. Their frameworks proved to be unsatisfactory and, inspired by developments in philosophy as well as various fellow-travellers, I have tried to alter the conversation about economics by replacing the logical metaphors of Popper and Lakatos with those of discourse, conversation and rhetoric. Accordingly, instead of applying well-defined criteria in choosing among well-specified theories, economists became communicators negotiating about the truth. One of the consequences was that we began to look beyond the logical

characteristics of economic discourse and explored the the actual discursive activities in which economists are engaged.

But many economists, and especially the economic methodologists among them, hear in this conversation different sounds from those intended. They hear the denial of standards that can discriminate between strong and weak arguments, and advocacy of an “anything goes” position. “Rhetorics debunks science,” they say. Extensive communication does not appear to get us much closer [3]. These reactions were irritating at first. And then they began to intrigue me, because they seemed symptomatic of a problem. This problem is, namely, the Cartesian tendency to divide the world in two’s. If a statement is not objective, many will almost automatically relegate it to the realm of the subjective; if someone denies the existence of fixed standards, they will see in this the denial of all standards and the embracement of relativism.

I now think that this problem in discussions on methodology is related to the problem that I am having with neoclassical economics. Thinking about the behavior of economists, therefore, might offer insights into the behaviour of economic subjects. This a roundabout way of getting to the problem, but it is one that I have found useful and pursue here.

### **Three Ways of Dealing with a Problem [4]**

What do we do when we act? Economic methodologists suggest that we solve a logical problem; we consider logical characteristics of competing models or theories and choose in accordance with a predetermined norm. (It is not difficult to see the analogy with the way neoclassical economists set up the situation; I return to their case shortly.) But the solving of a logical problem constitutes only part of all those actions that shape human behaviour. Let us back up and try to begin from the very beginning.

We, humans, act because we experience a tension. We have a vague feeling of dissatisfaction (the stomach does not feel as we like it or we feel restless) and we walk to the refriger-

ator. We read or hear something that does not fit in what we already know and we begin to think [5].

Consider the action of thinking (which is presumably most relevant among the activities of economists.)

The action can imply the ignoring of the tension. Hearing about time going backwards creates a tension which I subsequently try to forget. Ignoring tensions is what we do all the time in our scholarly activities.

The problem also can cause subversion of or liberation from all we know. That tends to happen when we experience something out of the ordinary, such as a death of someone close, chaotic behavior of a physical system, a plunging stock market, or maybe the reading of Geertz, MacIntyre et al.

Another way of dealing with a tension is to recognize it as a problem and seek its solution within what we know already. This is what the normal scientist does with selected problems. We ignore the majority of the tensions we experience and only rarely change our way of thinking because of a perceived tension [6]. The third way of dealing with a tension usually draws our attention: identification of a tension as a problem and its subsequent subsumption into what we already know – possibly with minor changes – is the activity that constitutes most recognizable human action. We shall consider the thought strategies for subsuming problems into what is already known .

### **Four Strategies for Subsuming Problems**

One strategy is the solution of the problem by showing identity within a structure or a series of instances. (It may be better to speak here of an anomaly instead of a problem.) The subsumption of the anomaly in a structure of concepts and relationships is deduction. (An example is stagflation being deduced from a Phillips curve plus expectations.) The method of induction attempts to establish identity between the instance at hand with other instances (“When the money supply goes up inflation goes up because it did so in other cases.”) Both methods employ the language of necessity; the

solution is a matter of logical consistency (logical identity) and empirical inference (phenomenal identity) [7].

The next strategy to consider is the reference to or exercise of will. Sidestepping the implementation of deductive and inductive strategies we can will a particular solution to the given problem. ("I, Milton Friedman, tell you that when the money supply goes up inflation goes up; the relationship is not immediate, as in the middle eighties, but it has to be true over a longer period of time.") In discussions among philosophers of science the operation of will is acknowledged through concepts such as subjectivity, convention, passion, emotion, and ideology. (We also exercise our will when we ignore a problem declaring it an invention of pseudo-science, a ploy of the ruling class, a piece of religious nonsense or, simply a matter of personal taste.)

Whereas the first strategy seeks identity (logical or empirical) the second strategy brings out difference. Will derives its significance from contrast: I will in contradistinction to what is customary, prescribed, or willed by others – my will necessarily excludes another. Yet, the two strategies have the focus on necessity in common: like the language of logic and fact the language of will expresses necessary connections.

The combination of these two strategies of dealing with problems cover the domain of conventional methodological inquiry. It is a domain divided in two's. The first strategy represents the 'objective', the positive, reason (rationality), science; the second the 'subjective', the normative, emotion (non- or irrationality), the humanities. The first strategy is privileged within the world of conventional science (economics): the intention there is to reduce the exercise of will to a minimum. Partly in response to this privileged status of science in contemporary culture some people (some, but certainly not all, poets and artists, many people in their personal sphere) assert the privilege of the subjective.

A third, usually ignored, strategy of dealing with problems is that of irony. The classical form of irony is to ridicule one solution to affirm one's own. Another form, the one that

is relevant in this context, is that of critical reflection which calls into question the necessity expressed in the previous two strategies. Without offering an alternative the ironic moment undermines foundations, interrupts continuity and coherence, and casts doubt on claims to privileged status, authenticity, truth, objectivity and so on; in other words it deconstructs [8]. In irony any solution to a problem becomes uncertain.

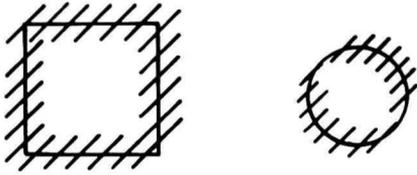
The strategy of irony is parasitic. It has no method of its own. It may borrow from logic the method to deconstruct logic (cf. Godel's theorem, the Duhem-Quine thesis). It also may borrow from the language of the fourth strategy.

The fourth strategy covers the realm of the possible, of the contingent. Aristotle called this strategy rhetoric in juxtaposition to dialectic, which is the strategy of deduction and induction. Its methods are those of hypothesis, metaphor, analogy, story, enthymeme (an incomplete syllogism), allegory and so on. Its characteristic reasoning is abductive – inferences are not based on necessary connections as in deduction and induction, but on analysis by analogy. Physicists practice abduction when they derive properties of atomic structures from the analogy with the solar system or a string; economists do it when a market analogy guides their speculations on the changes in car prices or unemployment. When we reason through analogy, metaphor, story, and so on we allude to possible connections; we point at possibilities. Reasoning in this way is like covering a terrain with moving signs and boundaries: nothing appears fixed, given, absolute, objective, strictly factual. Boundaries appear to be 'fuzzy'; ambiguous concepts are a fact of life.

Further (sub)divisions of strategies are conceivable. In particular the fourth strategy is too broad and rough as described here. But these divisions are sufficient for the initial task at hand, namely the unraveling of knots in the communication about economics (that is, in economic methodology).

To illuminate the distinctions I call in the help of a few cartoons to picture each strategy.

Table 1. The World of Economics according to Conventional Methodologists

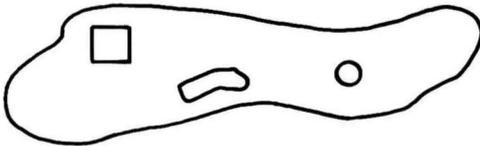


The square represents the realm of identity. Deduction and induction are its strategies. The circle represents the realm in which the will operates. Necessity prevails, either in form or through the imposition of will.

The circle is small; the formal structures of economic theories, which pertain to the square, are privileged.

During the last decades irony has become a dominant mode in methodological discourse. Klant (1984) and others have shown the logical limitations of economics as a science (in particular the logical constraints on falsification) and Friedman has convinced many that the reasoning within the square is “as if” reasoning. Lucas, a pupil of Friedman, speaks of analogies. With the application of the ironic move the picture looks as follows:

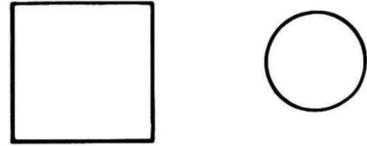
Table 1a. An ironic move of table 1



The boundaries become blurred but no discourse is imagined next to the square and the circle. The circle is a little larger to accommodate those who, frustrated by the blurriness of the square’s boundaries, award more space to the operation of social and conventional factors (which they conceive as expressions of will.)

The square is subsumed in a larger whole which we could call rhetoric, or discourse. (Aristotle’ distinction between dialectic and rhetoric is thus erased.) The space is curved to

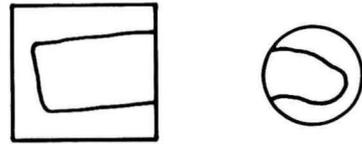
Table 2. The World of Economics according to Rhetoricians



suggests its fluidity. Economics in this picture is discourse or conversation covering the realm of possibilities. Irony affects the boundaries, which are therefore blurred, and much else within. I am not sure what space to draw for the sphere of will, because I am not sure what position to award to an autonomous will.

People who are used to seeing only squares and circles have difficulty seeing picture II.

Table 1b. Picture 2 as read by the people who are accustomed to picture 1 (with just the square and the circle):



Because their world is one of two’s (see picture I) they interpret the denial of privilege to the formal strategy necessarily as the awarding of privilege to the domain of the will (or the subjective, the emotional, the normative). They conclude that knowledge from the rhetorical point of view must be “purely conventional”; that there are no standards in II and hence that anything goes.

The tendency of the ‘square’ critics is to fit picture II into the square and circle of picture I. Enthymemes are squeezed into syllogistic forms; abductive reasoning becomes deductive and what does not fit is speculative, ruled by will. The point of picture II, however, is to imagine a realm beyond those two spaces, a realm of fluidity, possibility, and ambiguity. Picture II shows that the square does not cover much and that we do not necessarily step in the circle of subjectivity when we get outside the square.

So far explorations of the rhetorical domain have focused on discourse analysis. The result is that now we are able to perceive a great variety of rhetorical devices that economists use in their discourse. Another part of the project has been the interpretation of what these rhetorical devices signify, which meanings they allow and which they exclude. This approach compels us to consider the 'native's point of view.' Given the fluidity and possible variety of meanings of a metaphor like the rational individual the perceptions and beliefs of economists themselves become important. Thus the researcher becomes an anthropologist investigating the customs and rituals of a tribe. Unlike the conventional methodologist who can construct 'square' interpretations in isolation amidst the books of Popper, Hempel and possibly Lakatos, the rhetorician needs to mingle in order to find out the life and blood of academic interactions. Clearly the picture for this 'new conversation' about economics is different.

These are cartoons and should be read as such. They clearly indicate why people who are accustomed to see squares and circles can hardly be expected to 'understand' the fluid mass of picture II. The problem of communication may be compounded since those who inhabit picture II have so far failed to make clear what the proper dimensions of the square are. After all, subsumption does need to imply dissolution.

### **Economics According to Picture I**

We can now pursue the analogy between the situation in metadiscourse and economic discourse. The same pictures, namely, fit the contrasting perspectives in economic. Picture I, with the square and circle only, represents the analytical division that neoclassical economists impose on their discourse. With picture II in mind we are led to suspect that picture I distorts and blocks our view of the richness and intricacies of economic actions.

Picture I, as a picture of economic discourse, divides the discourse in two's, that is, in the realm of the 'objective' (where establish-

ment of identity is the goal) and that of the 'subjective' (where difference reigns). More specifically, accordance to this picture preferences or utility refer to the circle and economic and environmental constraints define the square. All discursive activity is confined to the square; the circle is the realm of that which cannot be discussed. The objective is the deduction of hypotheses from a few axioms (such as constant preferences) plus the given constraints. The resulting model specifies the logic of choice.[9]

### **Irony in Picture I**

Naturally, those who practice economic discourse as framed by picture I reflect on what they do. Usually, neoclassicals reflect with the same picture in mind; holding up the what we could call meta-square they perceive straight and strong lines that separate the scientific from the non-scientific, the positive from the normative, the objective from the subjective and so on. An increasing number of neoclassicals, however, are drawn to the ironic strategy in their reflections. Irony enters the picture, for example, when Robert Solow questions the general applicability of the logic of choice or when Amartya Sen undercuts its structure through persistent questioning of the fundamental assumptions. Sen's irony is evident in the title of one of his essays: "Rational Fools" [Sen, 1977].

Sen is highly respected in the economics profession. Given his harsh criticism of the foundations on which neoclassical economics rests, such respect is puzzling. The explanation might be that Sen's rhetoric and argumentative strategy conform with picture I. Sen operates within the square employing the analytical knife in his careful deconstruction of the neoclassical square. Sen alludes to a realm beyond the square when he posits, for example, the influence of ethics on individual preferences, but does that standing within the square [cf Sen 1987 and 1988]. Sen casts doubts on the significance of picture I but does not alter it in any fundamental way. To imagine the path to which Sen's ironic intervention seems to point

us we need to take picture II in front of us.

### **Picture II for Economic Discourse**

When we want to investigate ethical beliefs people hold, their formation and their effects, we need to move outside the square and move into terrain where the ground shifts and the signs change. At least, that is what MacIntyre concludes after years of taking apart analytical (or square) interpretations of ethics. Referring to Hegel, Collingwood, and Vico he argues that morality is embodied in the way people live their lives and therefore can only be detected when we take people's lives seriously [10]. The philosopher who operates within the square will be ill-equipped for this task; according to MacIntyre the student of moral conduct has to become a historian.

The basic insight is that we do not live our lives within the square. If we think of our lives as sequences of actions we take to deal with problems (or differences) the four strategies which I distinguished earlier become relevant again. Naturally, many differences that we perceive each day we ignore; some day we may experience a difference that brings about a revolution in our perspective, our beliefs and values. But when we deal with a difference – a low price, rising demand, the loss of a job – we have to rely on the four strategies. We can seek identity with what we already know (deduction or induction), affirm difference (will), reflect (irony), or entertain possibilities and allow the ambiguities of history.

The fourth strategy is clearly significant when we do economics [11]. When we communicate our thoughts about economics we cannot say all; we rely on metaphors and stories, among other devices pertaining to the fourth strategy. I am saying nothing new here: throughout the literature people have pointed at the open or, what we may call, curved characteristic of discourse. Square concepts appear inadequate to capture the curves in our intellectual lives [12].

The same difficulty people have noticed in the discourse about social and economic actions. Concepts such as freedom, justice, and

happiness cannot be pinned down with square definitions. Nicholas Georgescu-Roegen (1971) calls them dialectical concepts; in terms of picture II we could call them curved concepts. All labels point out the same feature, namely that the meanings of certain concepts with which we try to make sense of our world, are subject to continuous negotiation. The fluidity of certain meanings mirrors the fluidity of certain life's experiences. This small analogical step is all it takes to transfer insights gained in the reflection upon intellectual activities to the interpretation of other activities such as buying and selling.

Think of expectations of us, buyers and sellers. Knowing what is ahead of us is a problem. We may seek solutions in the square, seeking identity with what we already know, respect convention, or reflect on what we know. Just as likely we will figure out our beliefs and alter them in light of what happens, reason by analogy, communicate with other human beings, and interpret our values, all of which are activities which constitute the fourth strategy and invoke picture II [13].

### **The Native's Point of View**

We could follow the advice of neoclassical economists, and ignore this fourth dimension in economic actions. But is it possible to be serious about our interpretation of economic actions and include the fourth dimension [14]? Of course it is. Many have done so. They have studied the history of economic actions, their psychology, and the social and cultural environment in which they take place. (Perceiving their discourse through picture I economists, however, easily overlook these activities in the context of picture II.)

The study of actions of economists has suggested other possibilities. We discovered, namely, the promise of discourse analysis, that is the careful reading of the texts economists produce, and of close observations. We have come to appreciate the significance of beliefs economists hold, the meanings of concepts that they recognize or dismiss, and their perceptions of other economists and their argu-

ments. To those who are used to square reasoning these studies may seem ambiguous and undisciplined but they provide us a different and, I think, better understanding of what economists do. They get us to the native's point of view [15].

The native's point of view is the subject in ethnography. It is the view that Clifford Geertz tries to uncover in 'thick descriptions' of the life in specific communities (see for example Geertz 1963). He elects to enter the 'life-worlds' of Indonesian and Moroccan villages but we could follow his example and enter the 'life-worlds' of the Chicago trade-floor or Dutch households. (Nobody says that such research is easy; learning Arabic is certainly not easy and living in and finding out a foreign culture is not easy either. Some may find mathematics easy in comparison.) Doing so one is bound to discover worlds that are as yet unknown in the world of economists.

Take savings behavior as an example. The neoclassical model has told much about the constraining role of current and future income in decisions to save. But it tells all but nothing about attitudes towards saving and variations in such attitudes across cultures and through times. Hicks seems to have provided an opening in his otherwise square argument with his suggestion that consumption goods are the means to achieve certain objectives. After all, that would point researchers to a further examination of what factors affect those objectives. That examination became the livelihood of advertisement agencies and marketing professors but has left economists cold. The same cold reception befell James Duesenberry (1949) who tried to widen Hicks's opening with his hypothesis that status affects the level of consumption. Recently Robert Frank (1985) pursued this hypothesis but his work is the exception that confirms the rule. We have to venture outside economics to witness serious attempts to break out of square and approach consumption from an explicit rhetorical perspective.

One instance is to be found in the work of Mary Douglas. In *The World of Goods* (1979, coauthored with Baron Isherwood) she argues that in their decision to save more or less peo-

ple communicate not only their time-preference but also certain beliefs and values. In Puritan families thriftiness was equated with prudent behavior; in some communities it has the stigma of anti-social behavior [16]. The neoclassical economist could retort that it is all in the preferences but to understand savings behavior in a serious way we need to go beyond the model of logical choice and the statistics and dare to take a close-up look.

Likewise Geertz goes beyond the square models of economic growth and development and shows a world in which rituals, myths, beliefs and economic constraints interact to produce a rich and dynamic reality.

These anthropological studies are not the final answer; they are also not the only vehicle for traversing the shifting grounds beyond the square. But they appear to get onto a track that promises new vistas on the economic life-world.

## Conclusion

This essay does not conclude. It constitutes a beginning with a proposal for further exploration. It in particular proposes to change the metaphor for the exploration of the human actions that are called consumption. Once taken out of the realm of constrained-maximization and viewed as a communicative activity the questions and research strategies will change. If the work on the rhetoric of economics gives any indication, the shift will be away from artificial reconstructions to thick descriptions and consideration of the native's point of view. The results will most likely consist of fewer predictions and, it is hoped, better stories on why people do what they do [17].

This proposal will undoubtedly run into stiff resistance. Economists will say things like: "What you do is unscientific," or "You cannot trust what people say they do," or "Where is your model? – I can't understand what you mean if you don't write some constrained-optimization model." I have pointed out as the source of this resistance the change in mental pictures that this proposal entails. In order to perceive the native's point of view we need to

perceive space beyond the square and the circle. And that has proven hard for the modern economist.

During the final days of work on this essay, chance did its work. Seeking distraction I read through some notecards and discovered that a citation from Francis Bacon's *Novum Organum* which I had copied a while back because it sounded good, now sounded most appropriate. Bacon noted:

Those who have treated the sciences were either empiricists or rationalists. The empiricists, like ants, lay up stones and use them; the rationalists, like spiders, spin webs out of themselves, but the bee takes a middle course, gathering up her matter from the flowers of the field and garden, and digesting and preparing it by her native powers.

### Notes

- [1] This paper is based on my "Towards the Native's Point of View" which will appear in Don Lavoie (ed.), *Economics and Hermeneutics*, (London: Routledge & Kegan, 1991).
- [2] The term "neoclassical" can cause confusion. I refer to the type of neoclassical economics that one finds in Varian's *Microeconomic Analysis*.
- [3] One case in point was a conference on economic rhetoric. See the evaluative papers of Klamer and McCloskey in the conference volume (Klamer, McCloskey and Solow, forthcoming.)
- [4] A series of conversations with Barend van Heusden, a semiotician, were decisive in seeing the problem and finding a way out. Unfortunately, there are no writings of his to which I can refer.
- [5] How we are able to perceive a tension? If something does not fit what I already know, how do I know?
- [6] The distinction of the three ways of dealing with a tension and the following distinction of four strategies of subsuming the problem took much sorting out and is still far from settled in my own mind.

I am relying in this very much on van Heusden's research and my interpretations thereof.

- [7] This does not imply the necessity of truth. The truth of inference through Induction is obviously a matter of probability.
- [8] Cf. Wayne Booth, *A Rhetoric of Irony*. Chicago: University of Chicago Press, 1974.
- [9] As I stated earlier, I do not think that the square covers what neoclassical economists do. Lucas is right when he speaks of models as analogies; the new conversation only expands the picture further as it pictures not only analogies, but also arguments, stories, and a plethora of other rhetorical devices.
- [10] MacIntyre 1984, p 266. See also MacIntyre 1988.
- [11] See McCloskey (1986), Klamer (1983), and Klamer, McCloskey and Solow (1988)
- [12] One victim is the model of logical choice which is all but abandoned in rhetorical interpretations of discursive actions. There is no model of maximizing behavior, no algorithm for rational choice in McCloskey's *Rhetoric of Economics*. Implicit in the text of this paper is the proposal that we focus on human action instead of choice. A good articulation of such a proposal can be found in Harre et al (1985).
- [13] Neoclassical economics casts the analysis of 'expectations' in the square terms of information and mathematical probabilities. The resolution of the problem of expectations is sought within the context of picture I with an emphasis on the deductive strategy.
- [14] One defense of neoclassicals is the 'false-consciousness' argument: economic agents do not know what they do and hence we need to rely on economic models to understand what they do. The common sense of agents is irrelevant. Such a position can not be dismissed outright but I try to show here how unpersuasive this way of thinking is.

- [15] We have noticed, for example, that picture I features in the official justification of what economists do, but that picture II prevails in informal discussions among economists [cf. Gilbert and Mulkay (1984) and Klamer in Klamer et al. (1988)].
- [16] They refer to a study of a mineworkers community in England where the men expect from each other that extra money would be spent on beer for the mates.
- [17] A very promising continuation of this exploration is Metin Cosgel (1990).

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