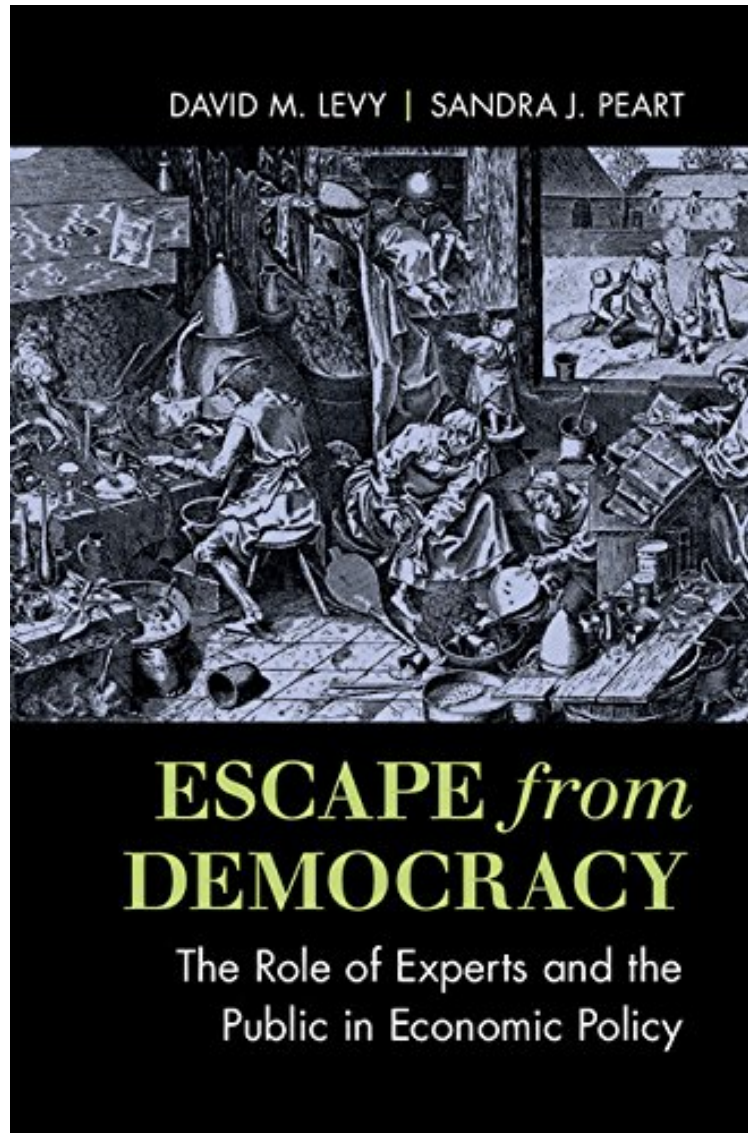


(Download ebook) Escape from Democracy: The Role of Experts and the Public in Economic Policy

Escape from Democracy: The Role of Experts and the Public in Economic Policy

David M. Levy, Sandra J. Peart

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David M. Levy, Sandra J. Peart : Escape from Democracy: The Role of Experts and the Public in Economic Policy before purchasing it in order to gauge whether or not it would be worth my time, and all praised Escape from Democracy: The Role of Experts and the Public in Economic Policy:

1 of 2 people found the following review helpful. "If we simply believe what we are told, we fail to understand and our belief might be called "superstition" - J.S. MillBy Clay Garner" This book examines the consequences of succumbing to the temptation to escape from the messiness of democracy and defends another ndash;perhaps lost ndash;tradition of

review and discussion as checks to the temptation to impose a policy choice, despite strong and perhaps valid objections." (477)"Temptation to impose" creates an abuse of power, requires. . ."Silencing discussion is an assumption of infallibility, the presumption of perfection." "Thus, the problem of deferring to experts in the absence of discussion and transparency looms large in what follows." This work takes "economic science"(?) and subjects it to the same critical analysis economists use on others. The conclusions are hard hitting and profound. In fact covers a severe condemnation of "economists" by Gordon Tullock, who says "economics" is a 'racket'!" Tullock claims that economics is unscientific. Indeed, he calls economics a 'racket.' "Wow! How can he say that???" Today, the danger to democracy may well be expert faction, especially factions among those who are powerful. If experts arrived at their opinions independently, then we would not expect systematic error. The logic of the scientific community that Polanyi developed shows precisely why we would not expect independence. "Scientists see themselves part of a worldwide 'republic'. They defer to their fellow 'citizens' more than they defer to the evidence." We observe deference. And, in a world without complete transparency, we can predict faction [racketeering]. With faction, of course, we get systematic error, such as the predictions we have seen in Chapters 5 and 6 about the 'danger' of racial degeneracy, or of the Soviet overtaking of the American economy. "Solution?" [T]he only way in which a human being can make some approach to knowing the whole of a subject, is by hearing what can be said about it by persons of every variety of opinion, and studying all modes in which it can be looked at by every character of mind. If, instead, we simply believe what we are told, we fail fully to understand the proposition and our belief might well be called 'superstition.' J. S. Mill (1169) Authors want critical examination of economics and economists. Especially focus on political use of experts. One powerful example of horrible results of 'deference' to experts, is Darwinism and forced sterilization. How? The economists trusted the biologists. Another was the terrible analysis of the Soviet economy. Why? All the facts/data were ignored to support the belief in the communist "system". (highlights) Part II The Discussion Tradition 2 On 'Strongly Fortified Minds' : Self-Restraint and Cooperation in the Discussion Tradition 2.2 Discussion, the Self, and Trade: Adam Smith 2.3 Discussion and Learning: J. S. Mill 2.4 Fair Play and Language 2.5 Discussion and Cooperation: Experimental Evidence 4 The Rise of New Welfare Economics: An End to Discussion? 4.2 Lionel Robbins and Goal Endogeneity Part III When Linear Models Fail: Two Cases 5 Experts and Eugenics: 'Scientific' Privileges a Social Goal 5.2 Experts on Ends: Human Happiness versus Progress 5.3 Charles Bradlaugh, Annie Besant, and Charles Darwin: Competing Experts 5.4 Expert Advice Cascades: Economists Change Course 5.5 Experts Who Pick Results to Support the Ends 6 Expert Judgment and Soviet Growth 6.3 Poor Forecasts: Ideology or Model Failure? Part IV An End to Discussion: Secrecy and the Temptation to Bias 7 Experts and the Philosophers' Stone: John Law's Secret Financial Alchemy 7.2 John Law and the Mississippi Bubble 7.3 The Hidden: Alchemy in the Great Mirror of Folly 7.4 Uncovering the Fraud: Desiderius Erasmus on Alchemy in the Great Mirror of Folly 8 The Consequence of Suppressing Discussion: Imprudence with Biased Experts 8.2 The Early Criticism of Rating Agencies in Regulation Part V Getting the Best from Experts 9 A Proposal for a Revised Code of Ethics for Experts 9.2 The Expert Economist's Dilemma, Historically Considered 9.3 Experts as Truth Seekers: A First-Best Option 10 Mitigating the Consequences of Factional Expertise 10.2 Gordon Tullock and the 'Racket'; 10.3 Karl Popper on Scientific Faction 10.4 Bringing Out the Best of Expertise 11 Inducing Greater Transparency 11.3 A Model of Sympathetic Expertise 11.4 Governance by Jury "One who is to act for another with special competence, superior to that of his principal, and with fidelity, must be picked for competence and trustworthiness by some intuitive process, and must then be trusted." 'Picked by intuitive process' may have worked when Frank Knight wrote this in almost 90 years ago. Still valid? "Sanctions of the sorts found in every society no doubt help in securing trustworthiness. About all these matters we have little knowledge, and the one thing that can be said with assurance is that no machinery of sanctions can conceivably function without very large aid from moral forces." - Frank Knight This incisive insight - 'no sanctions succeed without support of morality' - is unquestionably still valid! (Mario Vargas Llosa in "Notes on the Death of Culture", agrees - "The great failure, and the crises that the capitalist system faces again and again - corruption, the spoils system, mercantilist manoeuvres to gain wealth by infringing the law, the frenetic greed and fraudulent activities of bank and finance houses - are not due to inherent faults in the institutions of capitalism themselves but rather to the collapse of moral and religious values, which act as a curb that keeps capitalism within certain norms of honesty, respect for one's neighbour, and respect for the law.") One notable omission. The index shows no references to Lord Acton, de Tocqueville, Bastiat, Menger, etc.. Includes just a few oblique mentions of Von Mises and Hayek. Seems to reflect authors bias for overwhelming support of elite expert control. This entire argument assumes no other possible option. Hayek's Nobel address (or even the concept) does not enter. The failure of the economists to correctly understand the Soviet economy is a key argument. Nevertheless, Mises 'calculation debate' explains a lot. This decades long debate is not even mentioned. Seems to weaken the arguments. Adam Ferguson's 'order emerging without human design' is not here. Hayek wrote in "Individualism- True and False" - "It is the contention that, by tracing the combined effects of individual actions, we discover that many of the institutions on which human achievements rest have arisen and are functioning without a designing and directing mind; that, as Adam Ferguson expressed it, 'nations stumble upon establishments, which are indeed the result of human action but not the result of human design'; and that the spontaneous collaboration

of free men often creates things which are greater than their individual minds can ever fully comprehend."This humble, limited outlook on human reason seems foreign to Levy. Assumes if experts are just honest enough, sincere enough, educated enough and the right ones are chosen, everything will be fine. Hayek (Pascal) do not agree - "This is the great theme of Josiah Tucker and Adam Smith, of Adam Ferguson and Edmund Burke, the great discovery of classical political economy which has become the basis of our understanding not only of economic life but of most truly social phenomena.'Liberty/Freedom from government and freedom to use free will is not considered.Written in the academic style; a little turgid, somewhat pedantic, overly rigid. Nevertheless, tremendous research, exhaustive analysis, careful reasoning and, best of all, courage of their convictions. Not afraid to condemn where deserved.Dozens of notes at conclusion of each chapter. About five hundred references in the bibliography, many have links that worked on my iPad. Astounding effort!Exhaustive index, with working links. In fact, thirty-nine percent of the work was devoted to the bibliography and the index. Marvelous!(See - Jacques Ellul, "Propaganda, The Formation of Men's Attitudes", for a scholarly analysis of modern need for mental manipulation. Also. "Illiberal Reformers: Race, Eugenics, and American Economics in the Progressive Era" by Thomas C. Leonard)0 of 0 people found the following review helpful. The Role of ExpertsBy Dr. Warren CoatsThis is a fascinating discussion of how to get the most from the knowledge of experts in democratic societies. It emphasizes that experts are also self interested members of society and stresses transparency.

The orthodox view of economic policy holds that public deliberation sets the goals or ends, and then experts select the means to implement these goals. This assumes that experts are no more than trustworthy servants of the public interest. David M. Levy and Sandra J. Peart examine the historical record to consider cases in which experts were trusted with disastrous results, such as eugenics, the regulatory use of security ratings, and central economic planning. This history suggests that experts have not only the public interest but also their own interests to consider. The authors then recover and extend an alternative view of economic policy that subjects experts' proposals to further discussion, resulting in transparency and ensuring that the public obtains the best insights of experts in economics while avoiding pitfalls such as expert bias.