

Free Markets

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KNOWLEDGE AND DECISIONS

By Thomas Sowell.
422 pp. New York:
Basic Books. \$18.50.

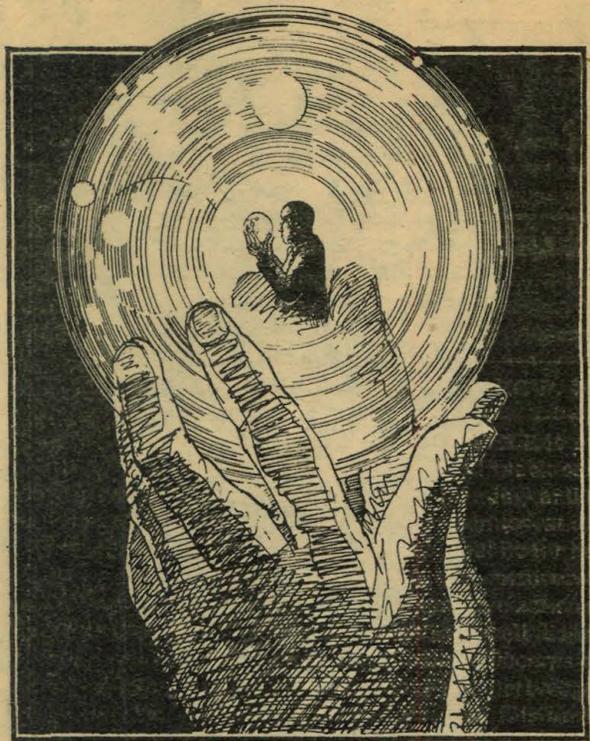
By MARC F. PLATTNER

THOMAS SOWELL is probably America's most distinguished black social scientist. An economist by training and profession — currently professor of economics at U.C.L.A. — he is better known to a wider public for his cogent and unorthodox writings on such controversial issues as education, I.Q. tests, affirmative action and ethnicity. In his new book, Professor Sowell tries to embrace these and other social-policy concerns within a unified theoretical perspective that derives primarily from free-market economics. And this ambitious attempt displays both the strength and the weakness of that perspective.

The first of the two parts into which "Knowledge and Decisions" is divided tends to be quite abstract, although it is frequently enlivened by clever examples. Professor Sowell portrays society as a collection of interconnected and overlapping decision-making units ranging from "a married couple to a police department to a national government." Although the decision-making processes employed by these various institutions differ in a number of significant respects, they share even more significant similarities. Most important, Professor Sowell argues, they all operate under the inherent constraint of scarcity, and hence face the necessity of engaging in "trade-offs." Parents deciding how much time and energy to devote to the care of each of their children or a police department determining which laws it will enforce most vigorously cannot escape the necessity of forgoing some desirable options in order to pursue others. The weighing of costs and benefits that characterizes the economic sphere can in fact be seen at work throughout the full range of human choice: "Social values in general are incrementally variable: neither safety, diversity, rational articulation, nor morality is categorically a 'good thing' to have more of, without limits. All are subject to diminishing returns, and ultimately negative returns." If morality is pushed past a certain point, for example, it slides into a moral fanaticism that is incompatible with individual freedom and diversity.

At first sight, this emphasis on the pervasive necessity of tallying costs and benefits might seem to imply a preference for super-rationality and decision by experts. But Professor Sowell's argument moves in precisely the opposite direction, because rational decision-making *itself* has costs in terms of time and other resources and, more important, because "the degree of social rationality . . . does not depend upon the degree of individual rationality." Government decision-makers, for example, may act rationally within the context of their own personal and bureaucratic incentives and constraints (such as the desire for re-election or promotion, or for increasing the power of their agency), but this may produce a socially harmful re-

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sult. Conversely, what Professor Sowell calls "systemic" processes may produce a rational result, even if no agent within the system intended such an outcome. Biological evolution is one example cited in "Knowledge and Decisions," but for Professor Sowell the critical "systemic" process is, of course, the market, propelled by Adam Smith's famous "invisible hand." The market's virtues as a decision-making mechanism include its capacity to respond in a fine-grained fashion to a wide range of individual preferences, and the promptness and effectiveness with which it transmits "feedback," thus enabling it to correct mistakes and adapt to changing conditions.

The second part of "Knowledge and Decisions" marshals these theoretical notions in the service of a topical and polemical thesis: Over the past century, Professor Sowell contends, "the locus of decision-making has drifted away from the individual, the family, and voluntary associations of various sorts, and toward government. And within government, it has moved away from elected officials subject to voter feedback, and toward more insulated institutions, such as bureaucracies and the appointed judiciary." Deploring this tendency as both a threat to individual freedom and a source of social irrationality and inefficiency, Professor Sowell attacks a whole series of 20th-century policies and political trends that have contributed to it — minimum-wage laws, rent control, affirmative action, court-ordered busing, judicial activism, the growth in the size of the Federal government and the increasing political power of intellectuals. The populist spirit in which Professor Sowell conceives this critique is indicated by the concluding sentence of his book, which identifies freedom with "the right of ordinary people to find elbow room for themselves and a refuge from the rampaging presumptions of their 'betters.'"

The free-market viewpoint that Professor Sowell champions is often contemptuously dismissed by others as either merely a rationalization for economic privilege or a simplistic call for turning back the clock to an earlier age. "Knowledge and Decisions," by the power and practical relevance of many of its arguments, offers convincing proof that such assessments are seriously mistaken. The free-market economists

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Charles Wright and Louise Glück. There are also omnibus reviews, seasonal encounters with new books of poetry in batches of eight or ten; difficult assignments, even for Miss Vendler.

The title of the book is taken from Stevens' "Academic Discourse at Havana," where he says of the poet that "as part of nature he is part of us," and goes on to say that the poet's rarities are ours:

May they be fit

*And reconcile us to ourselves in those
True reconcilings, dark, pacific words,
And the adroiter harmonies of their fall.*

It is a congenial title. Miss Vendler does not try to establish her poets in order of their merits or probable durability. Mainly she is a descriptive critic, concerned to offer, even in a brief review, a profile of the poetry or, in the longer essays, a more elaborate iconography of the poet in the scene of his entire work. She has not gone in for esthetic theory. Mostly, she is content if the poet achieves in his poem a distinctive voice and, by the same arduous token, pays continuous attention to the world in which we all live. Nothing matters but the quality of the attention, in the end. Miss Vendler loves words, but does not turn them into idols; chiefly she loves their reconciling power. Not a remarkably close or technical critic, she stays close enough to hear in the words the "adroiter harmonies of their fall."

On the evidence of this book, Miss Vendler likes poems of two kinds: sundry poems, which take and give pleasure in the miscellany of ordinary experience, allowing vagary all the space it needs; and, better still, what I call all-the-time poems, provoked by perennial themes, like Louise Glück's poem on the death of children, a poem that could have been written anytime in the past 300 years and is all the richer for that character. We read such a poem, Miss Vendler says, "as a truth complete within its own terms, reflecting one of the innumerable configurations into which experience falls."

Miss Vendler is not, then, an experimental critic; nor is she notably keen on experimental verse. She likes to be confirmed in her assumption that poetry is best when the poet is part of nature, willingly, and therefore part of us, to our enrichment. She becomes edgy when a poet shows that he wants no part of either affiliation. And she becomes gruff when she thinks that a poet's part in nature is compromised by a spiritual reservation he maintains or by some other form of merely personal affluence. She likes, and goes through the charming observances of praising, poets who have given up on every principled possession except what they can't help hanging on to: mostly, the fate of getting old, "the years, the years." It is a source of satisfaction to her to be able to report that a poetry is thriving upon penury: "no religion, no politics, no ideology, no nothing," to cite her elated inventory of Frank O'Hara's dispossessions. She condescends to Eliot for his beliefs, and refers to "the religiosity of 'Four Quartets,'" a phrase that doesn't take in the force of that poem even to the extent of begging its real question. Caring for Stevens, she would care for him more deeply if he had given up his theories and the opulent consolations he derived from them.

The poets Miss Vendler most cares for know themselves to be illusionists, stopped only by the thought of dying among their brilliant scarves. The hardest question she puts to a poet is always: What poem will you write when you are old and gray? "What will this poet

of plenty write when he becomes a poet of deprivation?" She puts the question not only because it has been answered in grand style by Whitman, Stevens and (in part) Yeats, but also because a poem of deprivation tells us what we will all come to in the end, and lets us hope that a certain nobility of feeling will be possible even then. She admires Marianne Moore, subject to the major reservation that she thinks her later poems went soft, a defect nearly fatal to a reader who wants to hear gallant syllables spoken from poverty, as in Stevens' "The Rock."

Seldom angry, Miss Vendler is angered by W. S. Merwin, whom she scolds as a healthy mother scolds her anemic child, telling him to eat up like his brothers and sisters, for God's sake. Faced with "elusive pallors" of Merwin's poems, Miss Vendler lets go: "is it ill will in a reader to want to force-feed these pale children till they, when cut, will bleed?" The short answer is: yes, it is ill will. But a long answer would explain to the Society for the Prevention of Cruelty to Children that the knife-wielder, apparently keen on bloodletting, is really concerned to see that the emotional possibilities of life are maintained to the last.

It is reasonable to compare Miss Vendler's book with Randall Jarrell's "Poetry and the Age" (1953), another collection of occasional essays and reviews of American poetry. The comparison mainly shows that Jarrell was luckier if not wiser in his poetic generation. He had in front of him and all around him the poets he could take to represent their common time. He could write of Lowell, Bishop and Richard Wilbur in direct relation to William Carlos Williams, Stevens, John Crowe Ransom, Frost, Marianne Moore and other poets, with Whitman at the beginning to show what an American poet could nerve himself to do. Jarrell's book was no more systematic than Miss Vendler's, but it arose from a more comprehensible poetic scene.

I have no hard evidence for my assumption that fewer poets were competing for space then, or that the relationship between talent, publication, publicity and fame was easier to understand than it is now. It is not an insult to Miss Vendler to say that she does not know who the important poets are. Nobody knows. We know what we like, but what we know is merely what we happen to know. We assume that the poems we happen to read somehow speak for the thousands of poems we haven't time or life enough to read, but the assumption is glib. Miss Vendler isn't troubled or inhibited by these considerations. She takes each poet as he or she comes, without worrying about the forces that have joined to drop one book rather than another into her mailbox.

Taking each book as it comes, Miss Vendler listens first to the voice in the lines and between them; then she ponders the relationship between that voice and the sense of life it utters. Reading Elizabeth Bishop's

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Robert Lowell.



Wallace Stevens.

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have developed a potent intellectual framework for analyzing the social order. Their insights into the complexities of socio-economic systems and the structures of incentives influ-

encing human behavior provide a much needed corrective to the combination of unreflective moralism, utopian expectations and intellectual presumption that has too often shaped public policy in the recent past.

Yet Professor Sowell's book also reveals the unfortunate narrowness of vision that tends to accompany the free-market outlook. The attempt to extend economic-style reasoning beyond the economic sphere sometimes yields valuable insights, but if pushed too far it distorts the phenomena it is meant to illuminate. One example is crime and punishment, where Professor Sowell's preoccupation with the costs and benefits of deterrence causes him to lose sight of the considerations of fairness that lie at the heart of the criminal justice system. More generally, Professor Sowell is at his weakest when discussing the justice of social institutions; following his mentor, F. A. Hayek, he views the concern for "social justice" as nothing more than a pretext for enhancing government power at the expense of individual freedom. To be sure, demands for "social justice" are often ill-founded, and may sometimes serve as a cover for self-aggrandizement. But this does not alter the fact that inequalities of power, privilege and wealth are indefensible if they can claim no basis in justice, and that no free society can long endure if it is not also regarded as just.

The same constricted perspective leads Professor Sowell to explain away most dissatisfaction with contemporary American society as a product of intellectuals motivated by their own selfish class interest. Intellectuals are surely not immune from the human propensity toward self-seeking, but this reductionist analysis obscures more than it reveals. As important as the conflict of interests is in determining social and political developments, in a free society it may ultimately be less critical than the conflict of ideas. Professor Sowell's whole approach greatly underestimates the political significance of public opinion and the educational and cultural forces that shape it. It is no less misleading to reduce everything to self-interest than it is to ignore self-interest entirely. Free-market economists like Thomas Sowell have a good deal to teach us, but not nearly so much as they think. ■

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