

Religious Undercurrents in the Writings of GLS Shackle¹

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HETSA 2010

*Men are constantly attracted and deluded by opposite charms:
the charm of competence which is engendered by mathematics and everything akin to mathematics and
the charm of humble awe, which is engendered by meditation on the human soul and its experiences.
Philosophy is characterized by the gentle, if firm, refusal to succumb to either charm.
(Leo Strauss, *What is Political Philosophy?*)*

*It was Chance, whatever that may be, that steered me to economics. Chance was kind to me.
(George L.S. Shackle, "A Student's Pilgrimage")*

*"... the lens becomes more like a mirror".
(Roger Garrison (1995) on interpretation)*

Many of George Shackle's economic writings are meditations on the human predicament. Some people strive to reconcile themselves to our common plight by sustaining a religious faith. Others prefer to do without religion, but Shackle was not one of them. He was a Christian, but a dignified and private one. Shackle's writings reveal a concern for ideas commonly associated with basic aspects of Christian teaching and contemplation, and these ideas find reflection in his economics. So far as I know, this aspect of Shackle's thought and writings has not been discussed. His published writings only contain clues, though several of them. His private letters are not any more revealing; if anything, rather less.

Few of his era or background would not have been exposed from childhood to ideas about choice, chance, responsibility and hope, but my sense is that his prose reflects more than the literary use of themes that readers of his milieu would recognise and relate to. If the themes are present, they were placed there with sincere intent. Shackle was no ironist, postmodern or otherwise. Neither was he a weary existentialist nor a political agitator driven to engage in secular controversies. He rejected these jagged paths in favour of gentle Christian hope.

There are two main steps in this paper. First, is there in fact a religious undercurrent in Shackle's writings? (And how does one identify an "undercurrent"?) Second, does the religious aspect, if any, matter at all? Would our understanding of Shackle's economics be improved by becoming more aware of the shadow arguments in the domain of religion? In partial answer to the second question, these parallels provide corroboration, and, if there are gaps or ambiguities in the economic reasoning, then applying the more fully formed thinking from the religious context may conceivably be valid. And there typically is some affinity between one's economics, one's epistemology (the

¹ I acknowledge helpful comments from Alan Duhs and Peter Earl.

theory of what can be known) and one's ontology (the study of existence or being). This is a preliminary paper, and I am not sure whether it goes beyond the banal. I have no training in theology, but the evidence in Shackle may be so plain that no nuanced erudition is required.

More important issues may arise indirectly. These concern how an historian of ideas should read a text. What weight should be placed on perceived undercurrents? How significant are allusions that may be passing or may instead be intended as hints to a subset of readers? How literally are metaphors and parallels intended to be taken? These are areas where a text may be more pliable to interpretation, good or bad².

There has long been a link between economic thought and broader social analysis, but modernity's mission was to regard economics as a physical science at its core. So the normative became displaced, if not disparaged. The cosmology of the machine centres on necessity, and it replaced the older one based on open-ended choices made in a world susceptible to autonomous chance. Shackle's cosmology by contrast is essentially pre-modern, which may be why his way of thinking was not so congenial to the mainstream. He described ordinary experience in a prose often requiring no economic or technocratic training to understand.

Some evidence

Shackle (1982, pp. 223-224) accepts the beauty and charm of orthodoxy's achievements.

In the last decade of the Victorian age, economic theory attained an ideal... General pre-reconciliation of choices of action, in a universal equality of freedom constrained only by the freedom of others and by the psychic and circumstantial endowments of individuals, seemed an ultimate good. ... It is small wonder that a lamp which seemed to show the whole scene of men's business lives as an orderly pageant, the marvellous combination of individual freedom and perfect social coordination, and which seemed to fuse science, divinity and art into one superb validation of human dignity, should have gained over the minds of scholars an influence and command which to this day it still exerts. It may seem ... that if this rational ideal is kept, in spite of all, before our eyes, it will be gradually approached and virtually in the end attained. It has other claims. It is a work of logic. It is an axiom-system, the geometry of business. It offers the intense intellectual satisfaction of demonstrative proof.

And what a generous view this is compared to those expressed by other critics and commentators in which the preposterous presumptions of orthodoxy are portrayed as cynical constructions to conceal how economies really work³, or are metaphors dubiously borrowed from physics

² There are similar questions that are unlikely to emerge in this paper in connection with Shackle. Can footnotes be a means by which an author may slant, sharpen or even alter the meaning of a text for the guidance of more attentive and attuned readers? This may pertain in part to how one may read Marshall, and may also relate to the issues of rhetoric, authorial intention and reader interpretation that are connected to the approach of D. McCloskey.

³ Consider Joseph Stiglitz (2002): "That such [rational expectations] models prevailed, especially in America's graduate schools, despite evidence to the contrary, bears testimony to a triumph of ideology over science."

(thermodynamics as shown by Mirowski, or Newtonian astronomy in Adam Smith's case). Shackle is not a fighter, and he is not a campaigner. He points gently to the positive. This may be more than a personal methodological style; it may be a spiritual choice about how to relate to others.

Real choice according to Shackle is genuinely originitive and autonomous, "a law unto itself" (1982, p. 224). Doing what is pre-determined is an act of a robot, not a human. Economics must be about more than solving a set of given equations. If the answers already exist, "choice" would be empty or illusory. Mainstream economics is susceptible to Shackle's critique that it strips the humanity from the analysis of choice:

For a choice in this sense, the sense which gives to the human individual the dignity of responsibility, cannot be foreknown. (p. 224)

Strictly, in every sense, the totally pre-reconciled world is a world without hope. We can conceive of the telescoping of actions and even of plans, but not of hope. (p. 225)

It is curious (indeed scandalous, one may venture) that nowadays the rational-expectations orthodoxy still regards autonomous choice as being irrational. They are affronted by actions that are unexplained by (that is to say, not determined by) the model itself. Only stochastic shocks in the environment prevent all actions being fixed and predetermined. And if it were physically possible to do everything now and be temporally unconstrained, forward-looking agents would already have been done it all instantaneously.

Here is the abstract of his "Decision: The Human Predicament" (1974, p. 1):

If choice is originitive, it can be effective, it can give a thrust to the course of things intended to secure its ends. In order to secure its ends, choice must apply a knowledge of what will be the consequence of what. But the sequel of an action chosen by one man will be shaped by circumstance, and its circumstances will include the actions chosen now and actions to be chosen in time to come by other men. If, therefore, choice is effective, it is unpredictable and thus defeats, in some degree, the power of choice itself to secure exact ends. This is the human predicament. Information is necessarily about fragments of the cosmos and of history. At any time a man has some collection of pieces of information, fitted into various systems of thought or accepted stereotypes of experience. He cannot know, except in regard to the most immediate physical effects, whether his information is all that exists which bears on his choice of action. If there are gaps, the filling of these gaps by inventive thought with one or another set of suppositions can radically affect the implications of even his well-founded information. He must select among contrary suggestions. What the decision-maker wants is access to hope. The greater the possible loss or misfortune, the more exhilarating may be the success which is then brought within imaginative reach. Decision is not, in its ultimate nature, calculation, but origination.

Origination is an attribute of the Divine, and Christian creed regards humans as holding as a gift some fragments of God's nature.

The religious influence is reflected in his concerns over freedom, crucial choice and uncertainty as well as the goals that society and individuals should pursue and the methods that should be employed to achieve those goals. From *The Years of High Theory* (1967, p. 286):

Insight into the *thing in being*⁴ of which we form a part, whether we attend chiefly to its non-human or its human aspect, cannot consist in a knowledge of its nature or meaning in any ultimate, absolute sense. All we can seek is consistency, coherence, order. The question for the scientist is what thought-scheme will best provide him with a sense of that order..., a sense even of that oneness and simplicity which, if he can assure himself of its presence, will carry consistency and order to their highest expression. Religion, science and art have all of them this aim in common. The difference between them lies in the different emphases in their modes of search, the stress upon the promptings of inborn longing and intuitive or inspired conviction, upon reason and experience, or upon imagination of beauty.

Though science is based “upon reason and experience”, religion and art press closely. All is connected; all is ultimately in harmony. It is there to see, if we are open to it and empathetic.

Or is the religiosity I claim to be in the passages above entirely imagined? One is either persuaded that there is a pervasive religiosity in the text (or the sub-text) of such passages or one is not. Little is gained by amassing similar textual evidence if the reader does not accept these as evidence anyway. But here is a bit more to show that these are not isolated fragments.

In “A Student’s Pilgrimage” (1983) we find:

Elizabeth Bowen⁵ in one of her novels has a sentence that can be a wonderful solvent of regret: ‘Chance is better than choice, it is more lordly. Chance is God, choice is man.’ (p. 107)

Chance, (Elisabeth⁶ Bowen saves us so much argument) brought me into a live university milieu for the first time on the first day in 1931... Chance brought me to the London School of Economics ... Thus by a blessing of chance [lower case this time] ... (pp. 112-3)

⁴ The italics are in the original. One finds this mysterious phrase in religious writings. It appears to refer to transcendent or eternal properties of fact or truth. See *Merriam-Webster’s Dictionary of Synonyms*, under “truth”. Facts and values here are conflated; there are true values beyond human creation. One supposes that mystics have claimed some kind of wholeness of insight, but the more conventional view is that our human power to understand is necessarily partial. Shackle appears to take the standard view. Presumably these beliefs are ultimately grounded in personal faith in received truths rather than in some self-validating personal, or widely agreed, direct and active apprehension of the nature of things.

⁵ Intensive research reveals:

Elizabeth Bowen was greatly interested in ‘life with the lid on and what happens when the lid comes off,’ or in other words, in the innocence of orderly life, and in the eventual, irrepressible forces that transform experience. <http://en.wikipedia.org/wiki/Elizabeth_Bowen>

"Fate is not an eagle, it creeps like a rat." <http://www.saidwhat.co.uk> .She mixed with the Bloomsbury group, and her writings explore passions underlying the middle class social façade. Shackle may have been drawn to what appears to be the impacts of small twists of chance in ordinary life.

Peter Earl notes that in E.M. Forster small social upsets may have major repercussions, as with the flapping butterfly causing storms in a chaotic system.

⁶ Wrongly with an s here.

Boulding, a Quaker, is quite direct in his review of Shackle's *Epistemics*. He agrees that we cannot be certain or in command of our own destiny, but this does not mean that we should exaggerate (as he claims Shackle does) our vulnerability to surprise and disappointment. "If man proposes and God disposes, the record suggests that God is not altogether arbitrary and unpredictable." (1973, p. 1374).

Shackle's friend, Mark Perlman sometimes alluded to Old Testament and Talmudic themes in his correspondence with Shackle. In his review of Shackle's *Imagination and the Nature of Choice*, a book written in part to provide a more upbeat impression than the one conveyed to Boulding, we find:

As I see it, Shackle's free choice is similar to Augustine's free will, which in Shackle's view contains cultural and experiential elements. At its core the essential freedom of that choice is the teaser that God gives to man, individually. (1980, p. 117)

I would guess that what separates the Shackle and Boulding perceptions is a curious inversion of "Jacob's capacity to wrestle with the Angel". Shackle is profoundly aware of man's ability to handle uncertainty and is consciously less afraid of Destiny's possible cruel grip on man. Shackle suggests, as I read him, that man's capacity to sort out and absorb feedback is God's saving gift. ... The dialogue between man and God (fate, if you prefer) may well be just that; perhaps man's imagination serves as a stimulus as well as a response. (p. 118)

Do non-religious people think and write in such terms? Christians appear to have convinced themselves that God must know everything about the cosmos, history and the effects on one person of actions of all the others. And only God can be omniscient. Shackle's framing of the human predicament is as much a contrast to God's complete knowledge as it is to the similar claim of perfect knowledge in the hubristic (if not impious, even blasphemous) economic models of the orthodox kind. On the other hand, though this book is about knowledge and expectations, "omniscient" appears only twice in *Epistemics and Economics* (1973, pp. 26, 125). And the context is secular, even if the term was coined entirely with God in mind⁷.

Shackle (1973, pp. 37-38) even teases us with the secular historian's approximation to the omniscient powers of the divine:

Our lives are lived *on the edge of the known world*. For only that world is known, which has already *emerged into the past*. Time in its conventional guises, in the masks which astronomers, dramatists, historians compel it to wear, is the mere analogy of a space, a dimension. We think of time as an 'extensive variable'. In the history books, all dates are co-

⁷ According to Oxford English Dictionary, the earliest uses in the 16th-17th century were (of course) in connection with God, but in the 20th century the term spread to cover authors, as creators of their texts, or sub-universes. Shackle also employed this modern usage. Christianity purports to juxtapose Omniscience and human freedom of choice. Omnipotence gives rise to determinism from where God stands (which is presumably related to the Calvinist notion of predestination), yet it requires uncertainty from where we stand. Christianity is opposed to any fatalistic resignation to events as this attitude does not in truth respect God's will. There is a call to action, to make choices and to have faith. And we may be held accountable for our sinful choices or we may not, as God chooses.

valid. All points of time exist *together* in the historian's mind. But in the mind of the person living his life of actuality, no two moments ever co-exist.⁸

Shackle's writings are often decorated with quasi-religious passages. But they are not purposeless bedaubing. A decorated manuscript is not merely a text prettied up a bit by priests with time on their hands. But instead of being praised or ridiculed for religious metaphysics, he instead he was charged with nihilism and in the same breath convicted in absentia⁹. There may barely be a *prima facie* case for "policy nihilism" on the grounds that the world is too volatile to control, but no more. Lack of foreknowledge does not mean resignation or despair (though neither does nihilism): "un-knowledge does not mean un-hope"¹⁰.

Accusing Shackle of nihilism is more than merely wrong: it would likely have been taken as beyond foolish and as hurtfully offensive¹¹. Some use the term, in a critical and casual sense, to claim that his approach is a rejection of predictability and therefore of all explanation and of all policy, but even this involves far-ranging misunderstandings of Shackle's case. The assault on mainstream models of making decisions is mission is not one of pure destruction. Shackle pointed to potential instability and inherent restlessness, but not to a lurching and swirling chaos requiring either an emphatic curbing grip or surrender in the face of the untameable. Identifiable, understandable and disruptive macroeconomic tendencies do exist, and wise governments can broadly guide the invisible hand towards more decent and humane outcomes. Shackle did not celebrate chaos and destruction, either for its own sake or as a prelude to a new order. He did not celebrate the untrammelled will of the public policy-maker or the private entrepreneur. Individual actions instead occur within the conventional bounds of decency. The business world may involve struggles for market dominance, but Shackle does not urge governments to let loose untrammelled competition in the interests of dynamic efficiency in the way as hardline Austrians have advocated. The creativity of ordinary people flowers within a supporting economic structure.

Besides, nihilists are not pre-occupied with dignity and hope. Dwelling on these is more likely to stem from private reflections on Judeo-Christian themes of teleology and ontology, and certainly more so than from building the grand formal structures in mathematics or logic that are associated with orthodoxy. At a deeper level, the quest for control and the craving to curb and master chance are more likely to draw on a nihilistic sensibility and express an urge to impose a technologically-

⁸ He makes a similar point in (1959, p. 286), where he distinguishes the outsider's view (the mathematician's and the historian's) of everything at a single moment from the view of the insider, the solitary person in the very act of living and deciding. In the orthodox economics of the Walrasian auctioneer, by contrast, "[A]n all-encompassing pre-reconciliation of choices requires the universal simultaneity of all choices" (1982, p. 224).

⁹ Coddington was one of the loudest voices in the choir. Compare Coddington (1976) and (1982). One imagines that the surprisingly sharp rejection of Shackle's *Epistemics* by the kindly Quaker and friend, Kenneth Boulding, must have been doubly upsetting: "Shackle's view leads only to total despair..." (1973, p. 1374). See Earl and Kay (1985) for constructive aspects of Shackle's position.

¹⁰ Perelman quotes Shackle approvingly in 1982: Shackle papers, University of Cambridge Library (9/8/339). The poetry of the formulation (un-hope) prevents the use of the word for the weakness most dreaded by Christians and Jews, despair. (Some may instead confer the honour upon pride, though there may be a theology on the ranking and the relevant category of these two contenders.)

¹¹ But there is no real trace of this bitter sentiment in Shackle (1983-84). Though Coddington had committed suicide, is it too audacious to claim that this silence actually provides further confirmation of Shackle's disposition as a man? Coddington's provocation was intense, describing Keynes's theory of speculative demand for money "as an essay in the economics of chaos". While "chaos" is an ordinary term as well as a technical term in physics, its use also has a pointed religious meaning.

created order on the world. Some expressions of awe are far from humble, especially when invocations become injunctions from those of true insight. But the dictates of logic and mathematics may also twist into naked dictates from those with supposed expertise.

Does any of this textual evidence indicate religiosity? These words and sentences are found in perfectly ordinary language, and they make fine sense in their secular context. There are no demonstrable grounds for the claim they are religiously inspired. I have located no overtly religious text that bears such a striking resemblance with any passage cited that one could argue that it was in Shackle's mind, still less under his elbow, as he wrote. (Indeed, I have not troubled to search as the sentiments Shackle expresses are so commonplace among believers.) It bears a family resemblance to religious utterances, but there is no forensic corroboration of a family tie. After all, President Obama's marketing strategy had centred on the religious resonance of the ordinary word, "hope". But his was not a religious platform. His invocation of a sense of hope, even if sincere, did not of itself establish him a more religious man, or even a more virtuous one, than his political rival. Likewise, pregnant phrases in Shackle are no proof in themselves of making a real use of basic Christian themes to drive forwards an argument about economics.

So what does one make of passages like these (1983, p. 115)?

Expectation is imagination, the *originative* gift, a gift which burns, if with a more dazzling light, in the thoughts of the poet, the symphonist, the mathematician.

This differs greatly from the more common critiques of orthodox economics where mathematical formalising is regarded as a means of sinful concealment or an immersion into the unreal. In Shackle mathematics and qualitative thinking are in harmony, not opposition. Aside from repeating his life concern with the notion that seemingly diverse aspects of human creativity are at source unified, is it not clear that there is an aesthetic moral and epistemic unity in harmony with what is regarded as the divine? Possibly many of his readers to date have taken any religious undertone ("dazzling light") as a merely routine stylistic device or as too obvious to draw attention to. The phrases are part of the literary heritage as well as to lyrical aspects of religious mysticism. And perhaps it is even so much part of intellectual tradition that its presence simply goes unnoticed. It is said that the fish are the last to learn that they live in water. But some readers are creatures of the land and the air, who twitch at the sight of passages drenched in quasi-religious sentiment.

Is there a religious undercurrent? If the question suggests that the answer is either firmly yes or no, perhaps the question was wrongly framed. Are there reasonable grounds for attaching significant weight to the idea that Shackle's religious orientation and economic writings are related? There are degrees of rational belief, as Keynes explained.

And does a correlation suggest causality? Arguably, thinking about economic choice may instead have informed his reflection on actions and choices in other domains, such as religion. Or the two realms of economics and religion have co-evolved. Or religious ideas may have been lying there as convenient metaphors to use just to help make a point in an economic context. Metaphors need not be used as creative engines to drive an argument; they may also merely be easy means to convey a well understood cluster of ideas.

And it does not much reinforce the argument that religion has informed his economic epistemology to say that Shackle's ethics (we may readily accept that these tie in some way to one's religious orientation) inform his rare pronouncements on policy. After all, normative inclinations trivially affect policy recommendations whether or not religion is there actively, passively or there at all. Two equally earnest members of the Church of England may vote differently, so in this case there is no simple one-to-one nexus anyway.

But one's vision about the nature of human existence lies deeper than one's views about whether some policy is on balance better and fairer than some other. The shape and form of economic theory more directly reflects its underlying epistemic position. If the universe is a machine, economics is the study of a machine. But if there is an epistemic drama driven by hope, aspiration, fear and fortitude¹², then economic and religious life may have so much in common that the language used may be interchangeable. Shackle described his books on the deeper nature of economic life as his Sibylline books, a likely allusion to early Christian oracular writings.

A wider arc: the praxis of the exegete

A religious flavour is not the same as a religious fervour. After all, the sauce on the meat is not itself the meal. Or is it? What is a curry without the chilli? Is not the former in some sense a mere vehicle to deliver the latter? Is the test of importance of the ingredients decided by quantitative criteria, such as the percentage of total weight? Or are there observable criteria such as the name of the dish or the title of the book?

Patinkin (1990) may have a point – or may not. He argued that disagreements about the central message of Keynes's writings can be settled in some part simply by looking at the title of the work, a good indication of what the author thought mattered most¹³. By the way, scholars of Keynes should note the existence of Fred Glahe's (1991) Concordance of *The General Theory*.

Roger Garrison (1995) comments:

As careful a scholar as Don Patinkin has recently admonished one of his fellow interpreters for dwelling on the issues of policy or reform: the *General Theory*, after all, is a book about *theory*, as advertised in its title. On a Glahe-based reckoning, Patinkin is 74.4 percent correct. Including the plural and possessive variants of the words, Keynes wrote "theory" 236 times and "policy" only 81 times. But we can award very little partial credit here. After all, Keynes used the word "euthanasia" only three times (all three on p. 376), but he used it where it counts. Suppose a veterinarian examines your aging horse and writes a comprehensive report consisting of two parts. The first part is a long and ponderous explanation of what is all wrong with your horse, why you shouldn't expect him to recuperate on his own, and how an enlightened application of veterinary medicine could yield some marginal improvement in his condition. The second part is a short conclusion, in

¹² Keynes's list, (*GT*, p.108) makes for interesting comparison. Also see Leijonhufvud (1974, p. 45 and n 47) who points to Keynes's Marshallian (and pre-Freudian) orientation.

¹³ C.f. the remark, attributed to Richard Dawkins, that *Moby Dick* is not at all about dicks.

which he recommends that your horse be put to sleep. Now, which part of this report is the most "important", and what is its "central" message? The veterinarian used the word "sleep" only once. According to Patinkin [(1990, p. 227)], Keynes's last chapter (where euthanasia appears as an action item¹⁴) "could have been omitted without affecting [Keynes's] central message.... Chapter 24 (together with the other chapters that make up his Book VI) is essentially an appendage to the *General Theory*, and one should not let the appendage to a text wag its body."¹⁵

One can make an allusion or even run with a metaphor without confining one's meaning to the scope of the analogy. Suppose a writer quotes Hamlet. A quotation does not warrant the reader importing the entire play into the text. But the question may fairly arise about how an author's story compares and contrasts with *Hamlet*. It may be that the author hoped that the attentive reader would do exactly that. On the other hand, as attributed to Freud, enjoying smoking a cigar may signify nothing at all beyond the liking of cigars. So perhaps Hamlet's words simply came to mind and seemed pithy. It's a judgement call, and it is a question of whether anything is learned or discovered as a result of such conjectures, even regardless of what the author unobservably may have in fact intended.

In the process of reading Shackle, questions arise about what it means to read anyone, especially in one's professional role as an historian of economic theory. As Coddington (1976, p. 1268) once remarked of the Clower-Leijonhufvud interpretation of Keynes, that it involved "reading not so much between the lines as off the edge of the page."¹⁶ Exegetical judgements are akin to empirical judgements. Is the meaning actually there? Is this noise or signal? Exegesis is an exercise in judgement. One can read too much into a text, but one can also read too much out. Our craft is part art, part science. As in economic history, the evidence needs to be gathered, sorted, arranged and interpreted. Cliometrics instead purports to render formal rigour even to economic history. We have yet to pretend that exegesis may literally involve fitting a regression line of meaning to a data set of words, though Patinkin and Garrison have opened the doorway. For the moment, reading texts in the history of economic theory is safe. If formalised science is fortuitously beyond the reach of an historian of ideas, the poise of the philosopher may instead be our ideal.

On form and message

Shackle was an old-style scholar and gentleman. He faced what he saw as a real conflict between the machine-like models in standard economics and the non-mechanical processes underlying choices by human beings in their lives. Mathematics and imagination were at one. Though the invisible hand

¹⁴ Garrison is wrong to describe the euthanasia of the rentier as an action item. It occurs automatically in Keynes's idealised predicted future as the trend interest rate slides towards zero. Rather, it is a forthcoming attraction.

¹⁵ Alan Duhs tells me of the debate over the claim that Act 1, Scene 1, of *King Lear* could be omitted without affecting the plot. The counter-claim is that this is the only scene in all of Shakespeare in which there is peace in a united kingdom, and it points to the central theme of wisdom in governance and in succession.

¹⁶ Leijonhufvud rightly was not impressed: "This line is so witty, it is rather a pity that it misses the whole [of Leijonhufvud's] book!" (1988, p. 210).

can easily be seen as working as a machine that absorbs, reflects and reconciles the unruly jostle of free and creative individuals, standard economic theory goes much further than this. Orthodoxy strove to depict both the system itself and each of the individuals within it as a machine. Indeed, the equilibrium of the whole was built up from the equations underpinning the actions of each individual. But Shackle thought that an order in the whole does not mean any sort of determinism in the smallest parts. The tension between free will and determinism is felt in many scientific, philosophical and religious disciplines, but mainstream economics had chopped off all debate. It is scarcely possible to read Shackle without sensing that the ability to make authentic choices ties directly to an individual's responsibility for those choices and for the (albeit sometimes haphazard) rewards and punishments that result¹⁷.

Shackle regarded economic life as punctuated by a series of major once-off decisions that will have permanent effects. The nature of the choices is similar but not identical. One difference between secular and spiritual choices is that ultimately all can be (will be?) forgiven by God. Path dependence and determinism share one feature: they are in the end opposites of divine grace. The invisible hand is not noted for its mercy or forgiveness, which may be a reason for taking more care with economic choices – though Shackle would not have said such a shocking thing.

Shackle stressed that people make crucial decisions under circumstances of great uncertainty. When he describes the drama of human choice, his prose becomes much more expressive and accessible. When reading Shackle on life-or-death economic decisions, one may be struck by parallels in making eternal life-or-death decisions. Shackle argues that critical decisions are made by looking to the most salient and arresting possible outcomes stemming from the decision. One does naturally hesitate to compare the (exactly two, significantly) compelling prospects of heaven and hell with the most salient best reasonable and worst reasonable outcomes of a crucial investment decision. But the similarities cannot be coincidental and they could be important. In theology, hope, faith and doubt are entwined, possibly co-determined. In economics, the exact role of "faith" is less obvious; Shackle does not propose that God guides one's earnings on investments.

At the time when Shackle wrote, mainstream versions of choice theory centred on decision-making at the margin. Game theory potentially permits an analysis of decisions of a more interesting kind, but in Shackle's day, pay-offs tended to be assumed to be known and the consequences of the actions of the players were regarded as calculable¹⁸. Shackle's orientation is the opposite of the mainstream economist who would reduce spiritual choices to economic calculation of expected benefits and costs¹⁹. Shackle instead appears to use decision-making in the spiritual domain as a template for making decisions in economic life. Someone like Becker would do the opposite and apply an economic calculus to problems of religion, trust and compassion.

Creation and human creativity would appear to defy formalism. Shackle stresses both the genuine creation *ex nihilo* from human imagination and also the destruction of a possibility that prompts our surprise. Shackle says little of the innovations that cry out to almost anyone in the vicinity that they

¹⁷ I discern no sympathy towards utilitarianism in Shackle.

¹⁸ I understand that there now is a sophisticated literature on game theory under conditions of non-quantifiable uncertainty. Its practitioners claim it to be useful.

¹⁹ Because the time-profile of benefits and costs are different, one may well quarrel about what the suitable rate of discount would be (though in the afterlife perhaps zero is right).

need to be done. (One can go to a government agency every day and soon see how things could be done better. The real estate market routinely offers opportunities to renovate in the right way and re-sell at a profit.) Synergetic re-combinations of what already exists are much easier for mainstream economists to model. From the swirling array of possibilities some will be more salient in the imagination of the decision-maker. What comes into the mind's focus how simply discernible the possibilities are, the size of benefit, the attentiveness of the viewers and their prior knowledge and goals. Such opportunities for change can in principle be formalised (how usefully is another matter). As is well enough known, some Austrian subjectivists and thinkers on entrepreneurship, such as Kirzner, focus more on spotting current opportunities than on imagining new ones²⁰. Creativity is different from discovery. It means a transformative re-combination of what was known, or a fruitful imagining of a new dimension of understanding or of action. If Kirzner reduces entrepreneurship to the mundane level of alert trial-and-error testing of perceived profit candidates to discover the best among concealed givens, Shackle's vision appears instead to lurch toward the rather grand notion that the ordinary person can be sublimely artistic, even heroic. Schumpeter, by further contrast, had confined the drama and grandeur to the mighty few. The focus on the potential of each individual is often celebrated in modern liberalism, but its origins (and formerly its sustenance) flow historically from Christianity, especially in its Protestant form²¹.

Spiralling outwards: yearnings reconciled

Shackle (1983-84) is right to observe how disposition sculpts one's representations in economics:

[Coddington] was exceedingly careful and even fastidious in expression. His cast of mind was "classical" in the general cultural sense, in contrast with the "romantic" urge of some writers on economics. (p. 241)

Keynes in this classification was a romantic... [*The General Theory* is a] book that arises from a vision, like a mountain appearing fitfully amongst its clouds... [It] presents a wild and craggy scene, compared with the clear placid surface of the "classical" lake. (p. 242)

And it is well known that the romantic poets held majestic mountains in quasi-religious awe. Even Shackle's framing of the distinction between psyches was from an instinctively romantic perspective. He continues:

... Coddington's exact judicial mind, reaching for impartial truth, sought the coherence, stability and intelligibility of an objective universe where permanent principles could be discerned... Such a mind and such an ambition we may call classical in the cultural sense, and we are surely bound to admire it exceedingly, even if we are ourselves romantics. (p. 243)

²⁰ Kirzner (1967, p. 210) expressly preferred the focus to purposeful conduct rather than "psychologizing" by permitting the sway of hope or fear.

²¹ This position needs to be distinguished from extravagant arguments sometimes one countered in the popular domain along the lines that the displacement of Christianity by the secular world view (i.e. evolution) from culture (schools, governments etc.) will mean the death of commitment to the freedom of the individual and the pursuit of scientific truth. Without religion (i.e. Christianity) apparently there would have been no liberty and no science, and without it they will soon shrivel away. And it is sometimes boldly claimed that Hegel and Marx have secularised the notion that human history has a teleology.

[Coddington] naturally finds a great deal to admire and sympathize with in Hicks... Hicks by instinct is in the cultural sense a classic, in the intellectual sense a puritan, but one who gave way to Keynes's irresistible romantic spell... In terms of painting, Keynes was a Turner, not a Canaletto. (p. 248)

The craving for order stems from an artistic temperament as much as from a dogmatic one. But the artist and poet discern order where the formalists see wild disorder. Order is not the same as rigid regimentation.

There may also be analogous differences between Shackle and mainstream conceptions of the meaning and significance of workings of the invisible hand. Much boils down to whether markets impose some mathematically precise order. The interplay between parts and whole may resemble how we understand the workings of other systems beyond the economy. Roadways and road rules themselves create a kind of order, one that traffic planners can mathematically formalise, even though each driver has some real and some perceived agency. Though the journey and the route are largely our own choices, we are forced to decide to swerve, to slow and to stop – and sometimes we lethally collide²². My physical presence constrains your choices and yours constrains mine, and tendencies to order emerge. Bottlenecks are likely outcomes and they can be modelled. Conceivably there are psychological interconnections that may likewise be partly amenable to formalisation, such as the likelihood of the incidence of road rage under conducive conditions. But people still make real decisions. Macro order; micro freedom. It is odd that that so many are drawn to a superficially logical consistency between analyses of the small and the large. There is no reason why the free will of individuals is extinguished by tendencies to pattern and order in the whole, and there is no need to derive equations for the aggregate from the equations supposedly governing each individual²³.

Shackle (1972, p. 125) stated:

In ... the *kaleidic* view of the business world and of economic society, all endeavours can still be supposed to be directed by reason (deliberative or intuitive), but by reason basing itself on a flow of suggestions rather than on well-jointed information, a flow which occasionally achieves coherence for all participants at once (though not necessarily, or even with the smallest probability, the *same* coherence) and leads to a state of affairs which has some public air of being generally coordinated.

His pre-occupation with reconciling individual freedom and collective order stretches across his writings. Consider Shackle (1954):

Two possible meanings of the term "*an economic dynamics*" ought I think to be explicitly distinguished from each other. There is, on the one hand, the objective aggregative mechanical predictive dynamics sought by econometricians, and on the other the subjective private descriptive dynamics of an individual. One reason for making this distinction is that economics, being part of a study of human conduct, is faced with the question of free will or

²² By contrast, standard accounts resemble an optimal dodgem car ride where the bumping is essentially costless (initial endowments are not systematically or significantly altered). It is all part of the fun process of search and equilibration.

²³ Is this a distillation of Hayek? Would Smith have agreed? Would even Marx? I think Keynes would have.

determinism. Another way of expressing this latter problem is perhaps to say that determinism assumes a single initial act of creation while free will supposes continuing creation. (p.747)

And in a remarkable attempt to reconcile his vision with the concept of rationality at the core of the doctrine of orthodoxy, he continues:

Thus it may be permissible and convenient to have a short-term predictive dynamics of the economy as a whole even when, by assuming free will, we preclude ourselves from a predictive dynamics of the individual. For the individual we have then to be content, in the nature of our view of life, with a descriptive, single moment, dynamics which purports only to tell us what, with *given expectations*, he will at that moment decide to do. We cannot proceed to his next moment by arguing deterministically from this first moment, for we cannot know what his next inspiration will be. You will notice that I am giving the term “*free will*” a rather different content from that of ordinary discourse, where we tend, perhaps rather vaguely, to treat the free willed individual as an individual who acts or is capable of acting *arbitrarily* in the face of a given situation. I am proposing instead to say that it is *situation* ... that he is in some sense free to create, or derive from some unexplained inspiration, but that his conduct in face of any *given* expectational situation will be non-arbitrary; if you like, that it will be rational. (pp. 747-748)

I am not sure he reasoned in this way in later writings, but micro-predictability would remain impossible here because the observer would not know the expectations held by the decision-maker.

While Shackle’s Christianity coloured his economics, this does mean that it constituted it. And doubtless there are mainstream economists who may be regarded as authentic Christians, but the standard distinction between facts and values permits, if not requires, them to write and practise economics in a way that does not reveal the religious aspects of their beliefs. On perusing Kenneth Boulding’s *A Reconstruction of Economics* one is not struck by any concern beyond efficiency. One does not see titles like Jacob Viner’s *The Role of Providence in the Social Order* any more, and the very question of the role of Providence²⁴, important to major thinkers in the 17th and 18th centuries, had faded to insignificance and irrelevance during the 20th century. Even if we have all come to see the economic system as a mechanism or as an evolving complex, economics has become less concerned with steering the system to achieve social goals that are connected directly to concerns of well-being, virtue or justice, as grounded in innate human nature²⁵. Still less is there concern over

²⁴ “Providence, as an intelligent being, external to nature but governing nature, is an idea common to most religions.”, Viner (1972, p.4). It may operate either through the laws of nature or through their suspension (miracles). The former would be more central to the concern of economists. Those of the sternest Augustinian leaning (Fall of Man, curse of Adam) tended to lack interest in the quest for evidence of God’s benign hand and concerned themselves little with science as a means to a better human life (p. 25).

²⁵ This is often code for “given by the Creator”. But evolutionary psychology potentially provides some quite deep grounding of our dispositions in our animal natures, and these may be discoverable by observation and reason. I do not know whether there is a literature in economics that strives for these three goals in the context of conceptions that are historically relativist or instead understood in terms of convention-based agreements over subjective opinions held by individuals. (Arrow’s impossibility theorem stems from the lack of social dependence in the formation by individuals of the preferences they each hold concerning distribution. Allow dependence and agreement becomes possible.) There are some themes in welfare economics where equity is regarded as an exogenously given value judgement made by the government (or Samuelson’s superman), and there are attempts to infer the value judgements of decision makers from their observed

whether these ends are eternal, evolving or merely matters of current consensus. Economics has instead become more directed towards designing machines that automatically create the conditions that permit free individuals to achieve their personal goals more efficiently²⁶.

Final remarks

It is commonly observed that writings in the physical and social sciences are influenced by the author's wider vision of how the world, or even the universe, works²⁷. Minds of sweep and substance have often sought to form a unified narrative arching over science, aesthetics, morality and the stuff of human thought. Not that "narrative" would be used by the authors themselves; some purported to demonstrate an over-arching metaphysic by the force of logic. Whether they used rigour or vigour, their quest was to build a free-standing construct that was also tightly enough connected to prevent subsequent alterations and piecemeal tinkering. While obscurity and perhaps even disingenuousness were often necessary for one's economic and sometimes physical survival in some periods of history²⁸, free societies permit us to observe less guarded thinking on wide-ranging subjects. Newton and other Unitarians needed to keep their heresies secret, but Einstein openly opined that God (as he understood the concept²⁹) did not play dice with the universe. Renaissance and Enlightenment philosophy were pre-occupied with God's role in the design and in the operation of the great machine of the universe.

Shackle's writings have some sweep and substance, and there is a corresponding degree of attention devoted to the wider set of ideas within which economic analysis finds its awkward repose. He reflects on creativity, surprise, and the mental process of human choice under the conditions of uncertainty that people face in reality. And he wonders about how economics can be a science in which formal mathematics, ordinary language and empirical judgement can be mutually supportive. Determinism, exploration and choice somehow fit together harmoniously. In a Judeo-Christian cosmology they rather must. Strife is the eruption of despair. Shackle expressed humble awe both towards the aesthetic achievements of mathematics and the challenges of the human predicament.

decisions, but these are refusals to even try to apply philosophical introspection to the reveal the values that are grounded in timeless human aspirations or embedded in an understanding of the human condition. Still others regard rational introspection as inadequate and rely on divine revelation from scripture or elsewhere.

²⁶ Werner Stark (1944) traces how a normative concern for social reform steadily gave way to the technical study of how individuals optimise.

²⁷ See Schumpeter (1949).

²⁸ Leo Strauss is noted for his interpretations of the great philosophers that strive to allow for the camouflaging of the underlying meaning. Interpretation of text is hard enough without the need to choose between the extra meanings that become possible when a text is regarded as calculatedly esoteric. When his writings became associated with the mission of the US neoconservatives in a flurry of ill-conceived exposés, more scholarly analyses in rebuttal soon appeared. See Steven B. Smith, *Reading Leo Strauss*, University of Chicago Press, 2006; Catherine and Michael Zuckert, *The Truth about Leo Strauss*, University of Chicago Press 2006. On the other hand, there may be a parallel of sorts between Strauss's strategic silences and Heidegger's. On the latter, see Berel Lang (1996).

²⁹ See <http://www.infidels.org/library/modern/mathew/arguments.html#einstein>;

There is nothing rare about Platonism and Christianity acting as binary stars. From Augustine onwards, Athens has been married with Jerusalem³⁰.

Religious themes were the scaffolding Shackle used and left there for anyone to see, but the building stands through its own strength. One might make a similar case for anybody with a liberal education. One of its points is to cultivate the ability to apply knowledge across domains. But there is more in Shackle than a casual appropriation of themes from a well-stocked toolbox. The co-penetration of the secular and the spiritual is deep. The only thing odd about Shackle is the simple clarity with which he expresses these ideas, while at the same moment deflecting our attention from their source. His viewpoint was religious, and this is reflected in what he reports seeing. The words that are not written help us understand those that are. Arguments take ever more elaborate forms in this higher realm, and then are sometimes plucked back down to earth to help us deal with more prosaic topics, such as the theory of business investment.

After his earlier frustrating dalliances with mathematics, Shackle may later in life have succumbed on the re-bound to the charm of humble awe. Mathematics itself cannot convey whether its results mean anything or matter. Its aesthetic is austere and impersonal. Whatever we think of these drivers of intellectual progress in economics, it may be that exegesis should be practised at the friendly but measured distance of the philosopher.

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We are prisoners of ideas.

*G.L.S. Shackle, "General Thought Schemes and the Economist"
in Ford (1990, p. 179)*

*The addicts of the history of ideas ... are certain to remain few in numbers, and
they may perhaps have a claim to toleration on the ground that
they have a providential role as a weak counterforce to dogma ruling by inheritance and
not by merit and to undue attachment to one's own ideas
through hubris or intellectual arrogance.*

Jacob Viner (1972, p. 113)

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³⁰ One is entitled to conjecture that it was a shotgun wedding. But George Grant, Canadian scholar of philosophy, combines Strauss, Platonism, and the Christianity of Simone Weil.

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Religious Undercurrents in the Writings of GLS Shackle

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23rd HETSA Conference
July 7-9 2010
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Abstract

GLS Shackle stressed that people make crucial decisions under circumstances of great uncertainty. Shackle's prose can read like a sermon on fate, hope and choice. His writings on economic life-or-death decisions have clear parallels in religious thought on making eternal life-or-death decisions. This paper raises questions about how historians of ideas should read a text, especially on the weight and significance one should attach to perceived undercurrents and to other plausible conjectures.