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9-23-1976

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Recommended Citation

Smythe, Limen, "Confessions of an Economist" (1976). *Economics Commentator*. Paper 97.
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Economics Newsletter

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No. 98

September 23, 1976

CONFESSIONS OF AN ECONOMIST

By Limen Smythe

(For several years you have been reading articles written by economists in our Economics Newsletter and elsewhere. You may have wondered at times about the philosophies of economists - how they really think and how they feel about topics - often controversial. The following article by professor Smythe goes a long way in expressing the sentiments of many economists about their role in their profession. Professor Smythe is now Professor Emeritus having spent almost his entire career teaching a host of economic courses, advising thousands of students and keeping abreast of economic thought and the nature of economic changes. We hope you, too, will find this unique article informative, provocative and amusing. John E. Thompson, Head, Economics Department)

I am an economist. Carlyle called us "Respectable Professors of the Dismal Science". I thank him for those first two words which are usually forgotten, but I happen to think he was wrong. Of course economists, like other people, have to face facts, and some of them are formidable. Please don't shoot me if I have to tell you that you can't have everything. Neither can I.

What kind of person am I who can find this world exciting? I inhabit the region where preference meets possibility and stare each other in the face. My standing order for magic wands has been on the books for thirty years and the salesman has left town.

The man who has everything does not need me unless his time is short, or his toys have many uses. Decisions, decisions! Where coin tossing is not a good answer, choice must have some basis. I cannot tell you what to choose. I can only help you know that you have considered well.

What can I do for you? I can insist that you face the facts. When I tell you this I know there is not world enough and time to get all the facts. I can point out the need to discard the trivial facts, hold on to the basic ones. I can counsel to know fact from hope, fact from illusion, past fact from present fact.

Here I must leave you. In your own backyard you know the facts better than I. In other areas one must know who to go to for reliable facts. Here we may help each other.

Identifying and discarding the trivial may be the most important thing we do. It is the difference between knowing approximately what we should have done yesterday instead of exactly what we should have done five years ago.

One thing I can't do for you is to tell you what you want, or how badly you want it.

If you follow me around the supermarket and don't buy what I buy, I don't think you are crazy. I might have doubts if you did so.

I have a vocabulary all my own. It is too bad it sounds like English. It is just that I like a word to mean one thing at a time. The dictionary makers don't think that way. They often find five or more meanings, and you are entitled to believe them. It is when I speak one meaning and you hear another that we are both in trouble.

What can we do about this? We could invent an artificial language. Then our results would not reach the public in garbled form. They would not reach the public in any form. Some of the public, horrible thought, might not mind.

Some of my colleagues use an artificial language called mathematics. It looks impressive. Much of it is. It has x's and y's which we call the unknowns of their equations. The more we don't know the more x's we use and the more impressive it looks. That is not as bad as it sounds, because unknowns need not stay unknowable.

I envy my colleagues who can use this language well. In the last century Alfred Marshall did it to perfection. When he was done he had an important test. If he couldn't translate it into layman's English, it was useless and probably wrong.

We also use "Economese," a more treacherous language because people think they can understand it. Still it is very useful to professionals because we use it to talk to one another.

Talk to one another? Yes, we do. We sometimes sound as if we are not on speaking terms because we disagree in print. It is not fun, and it is not productive, to rehash the ninety-five percent we agree on. Maybe we should post signs like the contractors do,

like "Excuse The Inconvenience During Construction", or "Men at Work".

We do owe a duty to translate for the public. Sometimes our habits get in the way and we forget we are talking a private language. If we do, let us know so we can try to do better.

If we must not make the simple seem difficult, we must not pretend that the difficult is simple. We don't want to fool you. We don't want to fool ourselves, either; which may be harder.

I am sometimes asked to look into the future. My crystal ball is a little cloudy, and it sometimes acts like a distorting mirror. I don't mind projecting, but I hesitate to predict.

There is an important difference. If you ask me to project, you are asking me to take a known set of facts and a known set of preferences and apply logic.

If you ask me to predict, you are asking me to outguess the Congress and the President, the Russians and the Arabs, the inventors and the weather. Then I am asked to apply logic and supply an answer. This makes me nervous. After all, if I still played baseball you wouldn't expect me to field 1000 percent. (We wouldn't even let George do it.) But drop one fly ball and I can be the goat.

I have a little game I share with my col-

leagues. We call it using models. We call it using assumptions. It means thinking ahead about the situations that might happen, and working out solutions "as if." We mothball more models than we use, but we get quick answers to the situations that do come up, and save the others just in case.

We catch a lot of flack about our assumptions. They are not assumptions about the real world but about the model. They are assumptions about what might be, not about what is. We could not do much without them. We must be alert for new useful "might be's".

There are those who want to see politics in every economic question. I prefer to think that no man and no party is right all the time -- including myself. Even where we have strong convictions we feel that a position is even stronger when opposed by the arguments by the other side.

Is economics primarily concerned with money matters? Some people seem to think so. And yet, I find few colleagues who are willing to defend the position that the love of money is the root of all good.

Economics itself is important, but we should be poor economists if we thought Economics is everything. Shall I say, as the Pharisee, I thank the Lord that I am not as other men are, politicians, scribblers, or even as this artist? Or shall I smite upon my breast, saying, "be merciful to me, an economist"?

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