

Jan Tinbergen's Fallacy: Economic Expertise as an A-Political Endeavour

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I. A STORY OF DISCONNECTIONS

Jan Tinbergen was a stubborn optimist. Yet Erwin Dekker's (2021) biography of him exudes a feeling of melancholy. The reason for this apparent paradox lies in the fact that Tinbergen was an optimist by design. An inveterate planner and a believer in enlightened government, the rule of experts, and pragmatic solutions driven by high-flying idealism, Jan Tinbergen emerges from this book as a person stubbornly committed to making the world a better place, and yet somewhat unable to connect with it. In a sense, this is a dramatic proposition, as Dekker suggests by repeatedly discussing Tinbergen's multiple dogged attempts at building bonds with others. Tinbergen did so from a cultural and moral perspective, with the mix of progressive Christian humanism and socialist ideas he developed in the socialist youth movement (AJC). Politically, he always privileged dialogue over ideological conflict. Finally, he showed this attitude also in his work as a civil servant, from his elaboration of the 1935 Plan of Labor in the Netherlands to his collaboration with India in the 1950s and 1960s. In other words, I am struck by Tinbergen's consistent failed attempts at making human and cultural connections, and I wonder whether it was not actually his vision of planning and control that thwarted his efforts to engage more fully with an unpredictable and messy world.

One major achievement of this most informative intellectual biography is the evenhandedness with which Dekker shows Tinbergen's tragic mix of aspirations to do well and poor results. Yet, if the reader, following Dekker, sees the immense gap between these two poles, Tinbergen arguably did not. Professionally, at the individual level, Tinbergen succeeded—his expertise was highly sought-after and he was awarded the first Nobel prize in economics in 1969. Dekker obviously follows the up-

ward professional trajectory of Tinbergen—a history of growing responsibilities, broadening intellectual influence, and increasing centrality in policy-making debates both nationally and internationally. But he also develops a second narrative that shows the problematic face of this history of professional success: a naïve faith in good sentiments and often empty rhetoric, coupled with top-down, even authoritarian, visions of technocratic rule and social and political engineering.

Consider how Tinbergen tried to shape his own cultural, moral, political, and public persona. For example, the socialist youth movement that he joined as a very young man (along with a roster of future Dutch social-democrat politicians) exalted the construction of socialism through the will and determination of the socialist vanguard to follow austere and spartan norms of life. Their love of primitivism and pagan rites was typical of those years and often characterized other modernist cultural movements as well. But the outright absence of any serious analysis of political economy and class relations relegated the movement to the naïve fringes of the socialist world. As Dekker notices, the AJC was frequently mocked by older members of the party for its utopianism and prescientific socialism (48–49). In fact, it was not only the older generation that found those choices quite infantile and out of touch with a reality in which Fascism and Nazism were seizing power through the exercise of widespread political violence and with the support of industrial interests. Many young European socialists in the 1920s and 1930s used explicitly political means to slow the advent of Nazi-fascism and to advance a socialist agenda: a far cry from the camping and dancing Dekker so effectively describes.

Indeed, Dekker shows that even as he matured, Tinbergen would continue to remain aloof from the necessity of taking a hard stand, even in the face of Nazi-fascism. Though he was an outspoken pacifist and before the war petitioned in favor of hosting refugees in the Netherlands, during the war Tinbergen maintained good relations with the Nazis, kept his prominent job at the Central Bureau of Statistics, and continued to publish extensively. In a 1944 book on the various national responses to the Great Depression, Tinbergen discussed Germany's economic policies "without a single word about the massive mobilization and war industry of the 1930s" (201). As Dekker concludes, "Tinbergen increasingly started to decouple the economy from other domains", in an attempt "to turn 'the economy' into a purely technical domain, quite distinct from other political or ideological domains" (205–206). Apparently, Tinbergen "believed that in order to solve the economic and social problems of the day, we

had to overcome ideological and political approaches, and focus on what worked" (206–207). But this was either terribly naïve or disingenuous, especially when dealing with the Nazis. It is possible, as Dekker has recently hypothesized, that Tinbergen pretended to believe that he could disregard ideological differences and discuss economic matters as if it was business as usual because of cowardice (Dekker 2022). In his book, Dekker rightfully avoids easy and superficial judgments, and it is not for the reader to become an armchair moralist. But one is allowed, I think, to observe the gulf that Tinbergen himself created between his own words and deeds.

II. TINBERGEN THE TECHNOCRAT

In the pages on the Nazi occupation of the Netherlands as well as in other pages, Dekker does an admirable job in showing the increasingly narrow parameters of a field of analysis and a specific methodology ever more impermeable to external inputs and influences (192–221). This process of delimitation was deeply interrelated to the transformations in the economic role of the state, on one side, and the role of the economists in government, academia, and public opinion, on the other. It is on this point that I am in disagreement with Dekker or, at least, I stress different elements of the analysis. In particular, I am unconvinced by Dekker's attempt to treat Tinbergen's passivity in the face of Nazi-fascism as distinct from the emergence of the figure of the 'a-political' expert. Dekker writes:

A focus on Tinbergen's involvement in the war, the compromises he was forced to make, and the dubious choices he made quickly loses sight of the bigger story. That bigger story is the fact that the war, if anything, accelerated the development of the state as the active manager of the economy, and the quantitative economist as the ultimate expert. (210)

That bigger story, one could add, was the result of unavoidable war economic mobilization and the concomitant growth of bureaucracies, routinizations, planning, and so on. In a sense, the war created the need for the economic expert, and the economic expert therefore came into existence.

But at the same time, economic experts emerged as a self-proclaimed a-political, non-ideological, and non-partisan figure precisely by deciding that they could conveniently remove political considerations from their analyses. Though this was convenient, it was not realistic. After all, it is

not possible to discuss Germany's economic recovery in the 1930s without an analysis of war mobilization. Not only does allegedly a-political expertise have deeply political repercussions; it also tips the scale of political debate, by delegitimizing political positions in the name of some mythical technical neutrality.

The technical and allegedly a-political economic expert that Tinbergen imagined is described reasonably well by the word 'technocrat'. Tinbergen has often been described as a technocrat, but Dekker disagrees. As he writes, "we are now in a good position to correct that view" (106). To distinguish him from the typical character of the technocrat, Dekker refers to the leaders of the past that inspired Tinbergen. Individuals such as Henry Ford, Robert Owen, and the Dutch socialist politician Floor Wibaut, Dekker notes, "were certainly not technocrats. [...] These men were able to combine moral leadership with action, and it was that combination that [...] Tinbergen admired" (106). Yet Dekker downplays the technocratic element in Tinbergen by discussing a completely different point, that is, what it is that defines elites. As Dekker writes, "what sets the elite, the leaders, apart from the masses [...] is primarily a set of ideals and their knowledge of socialism, not their technical knowledge" (106). But here we must use caution. Firstly, 'technocratic' and 'elite' are not interchangeable terms. And second, in the passage quoted above, Dekker is discussing Tinbergen's socialism in the early 1930s, which by necessity limits his discussion of the term 'technocrat'. Rejecting Tinbergen's characterization as a technocrat on the basis of his being a visionary member of the elite is a *non sequitur*. That Tinbergen was fascinated by men of vision who exerted roles of leadership in their times does not mean that he was not a technocrat.

Indeed, Dekker himself acknowledges that "there are clear technocratic elements" in Tinbergen's work (106). And, as Dekker reminds us in several passages, Tinbergen aimed at eliminating any political dimension from his expert knowledge of economic issues and planning techniques. Moreover, he positively and consciously operated to make his expertise as highly influential as possible. In a very interesting chapter on the role of experts and policymakers in economic models, Dekker writes:

Although Tinbergen's intentions were to make economic policy work for everyone in society, he did so without involving society. Even though he had put the policymaker, himself, into the model with his decision models, he had still elevated the expert far above the rest of society. (255-256)

Fifty pages later, Dekker seems to reach our same conclusion: "Development planning [...] was a purely technocratic project for Tinbergen" (306). So one question that arises naturally from this discussion is why Dekker seems so resistant to use the term technocrat for Tinbergen. Would it not be more convincing to say that he was not exclusively a technocrat? Tinbergen was an elitist *and* a technocrat.

Admittedly, any discussion about definitions is interesting only up to a certain point. If I insist on it, it is because this dispute is closely connected to the more substantive point discussed at the beginning of this section, namely, Tinbergen's role in Nazi-occupied Netherlands, or, more in general, the role of the technocrat in twentieth-century political economy. It is my impression that Dekker tends to separate the individual from his role. Tinbergen, the man, is separated from Tinbergen, the apolitical expert. I do not believe this separation is possible or heuristically useful.

The increasing separateness between Tinbergen, the expert, and society at large is visible in his growing dissatisfaction with processes of democratic deliberation. Dekker shows this very clearly. In a private company, Tinbergen argued, democracy is limited by the fact that it is management that carries responsibility, not the workers. In politics, democracy has to be limited lest group interests become excessively powerful. Tinbergen's solution to this conundrum, Dekker writes, "was telling: we needed more experts—in this instance, independent 'general' experts, who were skilled at weighing group interests and pursuing the general interest" (345). Tinbergen criticized democracy more explicitly in a short book from the mid-1960s on central planning: "Experience has shown that for most if not all developing countries parliamentary democracy does not work as a system of governing a country", and "even in some developed countries [...] the system did not work very well" (356). Indeed, as he put it, "all this shows that for a good form of government, a number of decisions must be left to the elites" (356).

III. TINBERGEN AND THE DEVELOPMENT QUESTION

Tinbergen's planning approach also informed his work on development, and I was not surprised to see that in more and less developed countries, alike, he was unable to understand the realities he was confronting. As Dekker concludes, for all his interest in development economics and development planning in non-Western countries, Tinbergen "never came to grips with human, social, and cultural diversity" (370). Yet an attempt at

making sense of this diversity is arguably what characterized the most interesting and fruitful works by other development economists.

Dekker offers a very interesting discussion of Tinbergen's contribution to development economics. As he notices, while the major debates in the discipline focused on the process of economic development and in particular on its causes, obstacles, and prerequisites (to use concepts fashionable at that time), "those issues are peripheral in Tinbergen's writings" (288). His most famous three-stage planning model focused on policymaking, not theories of economic growth. This, Dekker writes, "created a curious emptiness at the core of [Tinbergen's] development work" (288). Development, for Tinbergen, was a matter of creating the necessary institutions to facilitate processes of policymaking through careful planning. When in 1955 he wrote *The Design of Development*, a document for internal use at the Economic Development Institute of the World Bank used to train administrative officers from less developed countries (it was published in 1958), he highlighted the need for a "coordinated and coherent plan" and for "a harmonious program" among different institutions (quoted in Dekker 2021, 289, 290). As he maintained, particular attention should be devoted to developing "the optimum pattern of organization", for "general programming has to supply a bird's-eye view of the pattern of future development of the country", and "the aim is to arrive at a framework of figures for the possible development of the economy" (quoted in Dekker 2021, 290, 291).

Dekker writes that "the emphasis was on *techniques* not theories" (292), and about another book from that period, he argues that it "did not excel in diagnosis, nor in a theory of economic development, but it excelled in showing how we could get from A to B" (300). As I read Tinbergen's works on development issues, this conclusion somewhat misinterprets and inflates Tinbergen's contribution to the discipline.

Indeed, in the same years in which Ragnar Nurkse (1953) published in-depth analyses of patterns of capital accumulation, investment, and consumption in less developed countries, W. Arthur Lewis (1954) developed a highly sophisticated and enormously influential model of economic development with unlimited supplies of labor, and Albert Hirschman (1958) construed a critique of balanced economic growth through the discussion of linkages and inducement mechanisms, Tinbergen's work barely skimmed the surface. One would search in vain for any original or at least interesting discussion of theories or processes of policymaking in less developed countries. Tinbergen did not provide theories,

as Dekker writes, but he did not provide techniques either. Entire publications or reports could proceed from beginning to end with the tone and level of analysis depicted by the following example:

The essential problem for each country is to find out in which fields its comparative advantages lie. As a rule they will be related to geographical factors such as mineral deposits, quality of the soil, climate and transportation facilities. Particular comparative advantages will then show themselves in low costs of certain raw materials and of transportation. In certain cases a particular skill of the population may add to the advantages. (Tinbergen 1958, 23)

Indeed, it is not difficult to understand why Dekker highlights the “emptiness at the core of [Tinbergen’s] development work” (288).

Dekker suggests that Tinbergen was increasingly focused on “providing a vision” that others would fill with data and techniques (296). It is certainly possible, as Dekker writes, that Tinbergen aimed at “position[ing] himself as a moral guide, not an engineer providing more technical skills” (297). Yet his publications from this period were not really “visionary” analyses, but often superficial documents with only limited usefulness (297). “Virtually all reviewers”, Dekker notes, “expressed skepticism” (299).

With the same conviction with which I disagree with Dekker on the reading of Tinbergen’s works on development, I found Dekker’s discussion of the institutional dimension of development planning fascinating. Dekker offers a masterful discussion of how processes of institution building are consubstantial to theoretical analysis and processes of policymaking, and how economic organizations, think-tanks and research institutes connect knowledge production and policy processes. From this perspective, Dekker offers a number of very interesting examples on the inherent tension between the two poles of free and independent research, on one side, and relevance for policy, on the other. When research institutions have strong, close connections to political power, the independence of research may easily suffer. At the same time, research institutions that are very distant from political power risk irrelevance. By following Tinbergen’s role in a number of national and international organizations, Dekker provides a very valuable analysis of how research institutions relate to political power, and of how economic knowledge takes shape not in the vacuum of intellectual research, but in the reality of research laboratories.

IV. THE UNAVOIDABLE REALITY OF UNINTENDED CONSEQUENCES

Towards the end of the book, Dekker writes that “for Tinbergen there was no invisible hand” (411). He believed in conscious planning and organization, the only means to manage a world that did not include harmony among its natural characteristics. If one wanted harmony, and the book shows without any doubt that Tinbergen wanted it badly, one had to pursue it consciously and rationally. “Progress, stability, and peace necessarily had to be organized”, Dekker writes, “and [Tinbergen’s] intellectual effort is best understood as an attempt to bring that about” (411).

On the surface, this is not particularly problematic. Much of the ‘spontaneity’ of human interactions is predicated on prolonged efforts at institution building to create the social space to make interactions possible in the first instance. And as we know all too well from personal experience and observation of political, social, economic, and military conflicts, progress, stability, and peace often require strenuous efforts to be organized. But Tinbergen’s view implies more than this. Adam Smith’s invisible hand is a famous example of the role of the unintended consequences of purposive action in social processes. No matter how carefully we plan, the realm of possible and actual outcomes far exceeds our imagination and planning abilities. Yet Tinbergen’s goal, Dekker tells us, was that of “reforming the economy so that it would become a determinate and predictable *system*” (224). To be precise, Tinbergen did not believe in predictability as forecasting (in another passage, Dekker states that “Tinbergen was skeptical of attempts to predict the course of the economy” [152]), but certainly he saw planning as a way to give the economy a well-defined structure, and the expert a firm control over it. By setting for himself such a rigid and ambitious goal, however, Tinbergen also curtailed his own abilities to negotiate radical uncertainty and ignorance. Reading Dekker’s exhaustive and well-researched book, I began to understand the melancholy of a thinker whose separatist disciplinary convictions about the world prevented him fully from joining it.

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