Ambiguity of Superiority and Authority: An Analysis of the Keynes-Tinbergen Debate

JON MURPHY
Western Carolina University

I. INTRODUCTION
The Keynes-Tinbergen debate is perhaps one of the most formative debates in modern economics. Tinbergen's (1939) report on business cycle theories for the League of Nations was criticized internally by Dennis Robertson, Gottfried Haberler, and Ragnar Frisch, as well as externally. The most famous, and scathing, critique came from John Maynard Keynes (1939). Keynes's critique of the report focused primarily on the technical aspects, but various commentators have placed the debate within larger contexts. Marcel Boumans (2019) argues that Keynes and Tinbergen were discussing epistemological issues as well as technical. Erwin Dekker (2021, 186–187) places the critique within a larger debate on the purpose and politics of the League of Nations. Keynes was disappointed that Tinbergen's report was politically neutral. Conversely, Tinbergen saw the neutrality as a feature of the report. The controversy has an additional angle that is hinted at by Dekker but deserves to be made explicit: the Keynes-Tinbergen debate represents a fundamental difference on the role and authority of experts in the policy-making process. Both Tinbergen and Keynes saw an essential role for the government to plan the economy. They differed in how the expert serves such planning. Underlying the debate over politics and statistical methods was a fundamental difference in opinion about what authority experts had in their role as experts as well as how dominant experts should be in the political process of planning.

1 'Planning' as used by both Tinbergen and Keynes encompassed a broader notion than the 1930's socialist notion of planning revolving around output. For Tinbergen and Keynes, the goal of planning was to provide stability, rather than choose various output levels. See Dekker (2021, chap. 10; in particular pages 227–234).

AUTHOR'S NOTE: I would like to thank Daniel B. Klein, Roger Koppl, the editors of the EJPE, and an anonymous referee for helpful comments on this manuscript.
The political nature of the expert was different for Tinbergen and Keynes. For Tinbergen, the expert was technical and neutral. Planning organizations like the Central Planning Bureau (CPB) were to be “a more anonymous type of expertise that depended not on the personal political and economic qualities of the head of the bureau, but rather on the methods employed by the CPB” (Dekker 2021, 230). Expert advisors were equals to other participants in the decision-making process (232). Experts would “not aim for some optimal policy that would have been scientifically satisfactory but opted for an approach that focused on the feasibility of particular goals”; goals that were determined by lawmakers rather than experts (235). The expert was to tell lawmakers what they could realistically expect or enact, but not tell them what their goals ought to be. The expert and their advice was to be positive, neutral, and value-free; the expert’s authority did not convey any special considerations beyond the technical.

For Tinbergen, the expert was a passive advisor when it came to choosing policy goals. Technical expertise was important, but what mattered more was the need to analyze the current situation as simply as possible to better understand what was possible or desirable (223). To that end, Tinbergen sought to develop an optimal decision-making structure that included choosing policy goals (225). Policy goals would ultimately remain in the hands of lawmakers and the expert’s job was to determine what policies were feasible (228–229).

For Keynes, the expert was not a passive, co-equal advisor in a team effort, but rather an intellectual superior to the non-expert. Keynes saw the authority of the expert extending over other considerations beyond just the expert’s narrow silo due to his expertise and education. The expert not only explained what levers lawmakers could pull, but what their goals ought to be. The economist in particular was better situated to deal with the “general problem of organisation of resources as distinct from the particular problems of production and distribution which are the province of the individual business technician and engineer” (Keynes 1932; emphasis in original). For Tinbergen, the expert was different from the policymaker and both were placed in a larger decision-making institution. For Keynes, the expert should be actively and dominantly involved in the policymaking process, helping to determine what policy ought to be. The expert’s personal, political, and moral values should infuse their advice. The expert should not remain neutral. Thus, I follow Ross B. Emmett (2017) who argues that Keynes’s turn from laissez-faire to managed
economies was not about the adoption of technocratic methods chosen in a democratic format, but rather more directed by a highly educated elite few who could set the agenda for government action (Keynes 1927).  

Keynes saw the expert playing a different role in planning than Tinbergen: that of policymaker, enlightened thinker, and partisan politician (Clarke 1988, 94). For example, in responding to an article written by former French Minister of Foreign Affairs Gabriel Hanotaux for the Guardian series *Reconstruction in Europe*, Keynes declared with rhetorical flourish:

No! The economist is not king; quite true. But he ought to be! He is a better and wiser governor than the general or the diplomatist or the oratorical lawyer. In the modern overpopulated world, which can only live at all by nice adjustments, he is not only useful but necessary. (Keynes 1978b, 432)

This statement is not meant to be taken literally, but rather is meant to be indicative of Keynes's ideal of a politically active and encompassing expert. The ordinary politicians “have ears but no eyes” (427) and thus must be led to do what is necessary. Individuals could be directed by “animal spirits” and predictable irrationalities. Thus, it fell to a highly-educated elite to guide everyone else and protect the “crust of civilization” (Toye 2000, 140; Emmett 2017, 75). Keynes, anticipating Thaler (1992), treated economics as a prescriptive science as much as a positive one.

Initially, Keynes felt that persuasion and changing public opinion would be necessary (Johnson 1974, 100; Keynes 1978a, 35). Over time, however, Keynes “came to think of himself more as the economic scientist, the technician, the mechanic who is called in to fix the machine when the self-starter is broken” (Johnson 1974, 100). Persuasion may still be desirable, but deference to the expert was preferable. After all, Keynes thought “political intuition and judgment, of the type he possessed” was needed to inform courses of action (Dekker 2021, 186). He believed that political parties needed to be “sufficiently autocratic” in order to avoid “ill-advised movements in the direction of democratising the details of the party platform” (Keynes 1978a, 295–296). Economic issues were not

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2 There is a subtle irony that ‘Hydraulic Keynesianism’ (Coddington 1976, 1265) has come to describe the use of neutral experts pulling levelers to chart an economy given Keynes’s concerns about irrationality and judgment. Hydraulic Tinbergenism would be a more apt moniker.

3 Keynes explicitly rejected dictatorship, even by the technocrat. See his essay “The Economic Consequences of Mr. Churchill” (Keynes 1978c, 438–439)

4 Johnson (1974, 100) describes Keynes as one who “in his own opinion, he was always right”. Clarke (1988, 80) similarly discusses Keynes as seeing “his [political] aspirations
just economic, but political and moral as well (Keynes 1927, 1978a). The economist’s political and well-cultivated moral values had to inform their judgment. Since the economist was an expert, they should be educated to possess superior value judgments as well in terms of arts, politics, and social justice (Keynes 1978a, 303–305). The economist would be one of the most important groups of experts moving forward (Keynes 1932).

The political underpinnings of Keynes’s implicit theory of expertise seem to have driven his criticism of Tinbergen’s report to the League of Nations. Dekker (2021) argues that Keynes’s negative reaction to the Tinbergen report could be read as “a response to the type of activity the League of Nations sponsored” (186). That the Report was primarily of technical matters rather than any commentary on the political issues the League and its member nations faced was a disappointment to Keynes (Keynes 1939; Dekker 2021). Keynes’s perception of politicians as figures who argue over silly formulas knowing they are silly (Keynes 1978b, 212), “charlatans who manipulated the public with their propaganda” (Johnson 1974, 100), as well as people who needed to be led to the right conclusion (100), suggests that Keynes saw the neutrality of the report as a dereliction of Tinbergen’s duty as an advisor to provide the best possible course of action using proper judgment. The expert needed to be politically active, not merely passively giving advice or developing models policymakers would not know how to use.

Tinbergen and Keynes had differing understandings of the authority of experts. How far outside their discipline does the authority of the expert extend? Should experts expect nonexperts to defer to them or help decide what their goals ought to be? The Oxford English Dictionary defines authority both as, “power or right to give orders, make decisions, and enforce obedience; moral, legal, or political supremacy”, and “power to influence the opinions of others, esp. because of one’s recognized knowledge or scholarship; authoritative opinion; acknowledged expertise” (Oxford English Dictionary 2022a). The first definition indicates dominance whereas the second involves influence. Keynes seems to understand the authority of expertise through the first definition while Tinbergen understands the authority of expertise through the second definition. Keynes saw the authority of the expert extending into the right to make decisions or dominate the process—especially for “ill-understanding voters” (Keynes 1978a, 295)—given the experts supposed superiority

as the ‘true destiny of New Liberalism’. Keynes certainly seemed to have a high opinion of his opinions.
of values and insights. Tinbergen saw the authority of the expert as having the ability to influence the others in the decision-making process, but were not the dominant figure. Understanding the ambiguity of ‘authority’ will further our understanding of their disagreement, as well as enhance discussions of expertise in general.

To better analyze the ambiguity of authority in expertise, I will rely on Adam Smith’s discussions of superiority and authority in *The Theory of Moral Sentiments* ([1759] 1984). Smith has a dual concept of superiority in one’s relationships, one jural and one comparative (Diesel 2020). Authority for Smith was similarly ambiguous. Depending on what meaning of superiority one used, it implied a different meaning of authority.

II. JURAL AND COMPARATIVE SUPERIORITY

For Adam Smith, there are two jural relationships we engage in. ‘Jural’ refers to that which is “pertaining to natural or positive right, or to the doctrines of rights and obligations” (Black’s Law Dictionary, n.d.). The first of these jural relationships is the equal-equal relationship (Diesel 2020). The second is the superior-inferior relationship. Smith implies the distinction throughout *The Theory of Moral Sentiments*, though it is clearest in his section “Of Justice and Beneficence”. Smith opens the section with a discussion on beneficence as a virtue that “cannot be extorted by force” (Smith [1759] 1984, 78). To extort one to perform a beneficent act would “still be more improper” than the lack of beneficence (79). If a man did not give his benefactor his due, then “his benefactor would dishonour himself if he attempted by violence to constrain him to gratitude, and it would be impertinent for any third person, who was not the superior of either to intermeddle” (79; emphasis added). The italicized clause suggests there is another class of individual who could compel benefits or transfers.

A few paragraphs later, Smith makes the distinction between jural equals and jural superiors abundantly clear. First, he reiterates the point that “even the most ordinary degree of kindness or beneficence, however, cannot, among equals, be extorted by force” (80; emphasis added). But then he addresses the caveat he mentioned earlier: “A superior may [...] oblige those under his jurisdiction to behave [...] with a certain degree of propriety to one another” (81). Smith goes on to list various laws of “civilized nations” (81) that compel benefit, such as obliging parents to take care of children. Thus, we have two types of relationships between individuals: equal to equal, where benefit cannot be compelled, and superior
to inferior, where benefit can be compelled (Diesel 2020). The former are our relationships between each other *qua* individuals. The latter is our relationship to the sovereign. The jural superior has jural authority: the rightful and proper power to compel and coerce. The jural superior is the dominant member of the relationship, and the jural inferior’s duty is, generally, to obey.

The authority of the jural superior to compel behavior is not limited to simply matters of services and transfers. Rather, the sovereign, is entrusted with the power not only of preserving the public peace by restraining injustice, but of promoting the prosperity of the commonwealth, by establishing good discipline, and by discouraging every sort of vice and impropriety; he may prescribe rules, therefore, which not only prohibit mutual injuries among fellow-citizens, but command mutual good offices to a certain degree. (Smith [1759] 1984, 80)

To this end, the sovereign must use infuse their decisions with value judgments of what constitutes ‘vice and impropriety’. In other words, the jural superior could overrule the value judgments of individuals under their authority and compel them to practice certain virtuous behaviors. For Smith, this jural power was limited; it had to be used with “the greatest delicacy” and executed “with propriety and judgment” (80). However, jural power did extend to various economic regulations. For example, though it is a “manifest violation of natural liberty”, Smith supported banning certain bank notes and building party-walls to prevent fires (Smith [1776] 1981, 324).

Smith uses ‘superior’ in a different sense as well. Within the equal-equal relationship, there can arise superiority. This form of superiority develops not from a position of power, but rather a judgment. One may be recognized as comparatively superior due to “excelling by some standard of judgment” (Diesel 2020, 111). Furthermore, individuals that continue to excel may become influencers for that particular area. For example, Smith held up Milton as an example of “sublime” poetry (Smith [1759] 1984, 123). Milton became a standard by which future poetry was judged, and his opinions carried great weight: “Thereby John Milton serves as a sort of authority on poetry” (Diesel 2020, 112).

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5 I use ‘sovereign’ as Smith does to refer to whomever is making the political decisions. That could be a king, a town council, a legislature, etc. Thus, ‘sovereign’ refers to both the individual and the decision-making process, in much the same way ‘King in Parliament’ refers to the legal operation of the British government and not simply to the monarch (Dicey [1885] 1982, 3).
What is important to note is the comparative superiority of Milton does not carry with it jural authority; the comparative superior is not the dominant member of the relationship. Milton influenced (and influences) poetry, but he could not compel anyone to accept his opinions. Likewise, his expertise was circumscribed to just the area he was comparatively superior. Milton’s authority was limited to poetry and did not extend to, say, mathematics. This is not to say that the expert should not have opinions on something outside their domain. Rather, just because Milton has superior knowledge and judgment on poetry does not imply that he also has superior knowledge and judgment on mathematics. Milton could have and provide opinions outside of poetry, but he could not compel anyone to accept them. Milton was a comparative superior, not a jural superior. His comparative superiority did not imply jural superiority. Likewise, his comparative authority (authority that influences) does not imply jural authority (authority that dominates).

Additionally, comparative superiority did not imply superior values. For example, poets and other “fine writers” were often petty in the eyes of Smith (Smith [1759] 1984, 125–126). They would often “depress the reputation” of other writers they disliked, treat one another with “disrespectful kindness” or prevent new members from arriving on the scene (125). One’s superiority in values was not connected to one’s expertise. A comparative superior could possess superior values, but they do not have superior values simply because of their comparative superiority in a given field.

Adam Smith had a polysemous understanding of superiority and that influenced the kind of authority the superior had. There is jural superiority which conveys jural (compulsive) authority. Then there is comparative superiority which conveys comparative (influential) authority. However, these polysemous characteristics get mixed up when discussing expertise.

III. COMPARATIVE AND JURAL EXPERT SUPERIORITY

Experts tend to be defined as superior, at least in terms of the knowledge they possess. For example, Socrates argued for his own superiority in education, and those of generals in military matters, due to their wisdom (Xenophon 2013). Recent literature classifies experts as those with “inherent information advantages” (Radzevick and Moore 2011, 103) or “superior skills and intuition” (Kang and Kim 2022, 577). Koppl (2018), who provides an extensive literature review on experts and expertise, notes that “experts are usually defined by their expertise” (37), a definition
which is supported by the *Oxford English Dictionary*: “A person regarded or consulted as an authority on account of special skill, training, or knowledge; a specialist” (Oxford English Dictionary 2022b).

Given the ambiguous nature of superiority, what ‘superiority’ means in expertise is a source of confusion. In a broad sense, experts are generally perceived comparatively superior to non-experts. By some standard of judgment, the expert is seen as superior. That standard of judgment may be from a degree-granting institution (such as a university bestowing a degree on an individual), the relative prominence of the individual (Bikhchandani, Hirshleifer, and Welch 1992; Murphy 2022), or how successful they are perceived to be (Smith [1759] 1984). Regardless of how the judgment is formed, the expert is ‘superior’ in the comparative sense and thus possesses comparative authority as well. Tinbergen treated experts as superior in the comparative sense in their role as experts. Experts were to be politically neutral and offer strictly technical advice; value judgments outside of their area of expertise were neither warranted nor desirable when advising. The expert’s job was to help determine if a chosen course of action was feasible, or how to make it so (Dekker 2021, 235). The evidence of their superiority came from their technical prowess in their field. To the extent the expert was a jural superior for Tinbergen, it was because they were part of a larger jural superior body; their expertise in and of itself did not convey them jural superiority. The relationship to the non-expert remains an equal-equal relationship.

Some take the comparative superiority of experts to imply, or at least should imply, jural superiority as well. The dominance of experts in the relationship assumed by theorists is rarely explicit, but often implicit. The expert, by virtue of the fact they are an authority in the field, possess superior values and insights to non-experts. Thus, the expert ought to be actively involved in setting policy and infuse their values into their decisions for the non-expert. In an extreme sense, the expert is not part of the decision-making process; they are the decision-maker and the non-expert must simply follow their advice. The jural superiority of experts mindset is akin to what Koppl (2018, 189–192) refers to as the “rule by experts”. Non-experts have no recourse to push back against the advice/decisions of the expert. Keynes’s argument that experts have the proper right to choose the virtues aimed at by policy goals—specifically “social justice and social stability” (Keynes 1978a, 305)—is an example of experts possessing jural superiority (and thus jural authority) by virtue of their
comparative superiority, although Keynes did not believe this superiority to be absolute.

Table 1 represents the taxonomy between superiority and authority in expertise I have developed thus far.

Box I represents a conception of expertise that grants one superiority in technical and value judgments and that superiority carries with it jural dominance. I argue that Keynes’s view of expertise belongs in Box I given the expert’s active role in determining policy and their duty to promote certain partisan political and social values regardless of what the non-experts may wish; that the expert is the dominant member in the relationship.

Box II represents a conception of expertise where the expert has technical superiority, but that does not imply superior value judgments as well. However, the expert is still the dominant member of the relationship. Box III has a conception of expertise granting technical prowess, but not superior values and the expert is not dominant in the relationship. Tinbergen, with his conception of the expert as a technical specialist belongs in Box III. Many equal–equal expert consultations, such as doctor visits, fall into Box III; experts may offer an opinion, but it is up to the non-expert to judge the opinion for themselves. Finally, Box IV represents a view of expertise that confers technical and value superiority, but not dominant jural authority. Many religions fall into this category where spiritual leaders have both technical expertise (for instance, how to conduct rituals) and superior values.

It is important to note that, with both Keynes and Tinbergen, the expert had a role as part of a jural superior entity: the sovereign. Neither saw the expert qua political advisor as a jural equal to the citizen. The key difference between Keynes and Tinbergen, and why they occupy different boxes, is the degree of dominance during the policy-making process. Tinbergen believed expert advisors were politically neutral equals to the other elements of the sovereign in the policy decision-making process and ought to be passive; taking certain political goals as given and working to establish policy that fits those goals. Political opinions were important socially, but did not serve a role for the advisor in his role. Keynes, on the other hand, often argued the expert possessed (or ought

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6 While it is important to note that Tinbergen did see a role for the expert within the larger sovereign body, his conception of the expert qua expert did not convey to him special jural authority. Thus why I place Tinbergen in Box III as opposed to Box II.
to possess) superior values and ought to be active in determining political goals, not passively taking policy goals as given. The expert as an advisor should be actively involved both in positive technical decisions and in normative value decisions (Fitzgibbons 1991).

In earlier writings, Keynes condemned the moral neutrality of the technical advisor; he saw the coming debates about the future of society “not round technical questions, where the arguments on either side are mainly economic, but round those which, for want of better words, may be called psychological or, perhaps, moral” (Keynes 1927, 50). Economic questions were inseparable from political questions (Keynes 1978a, 295). Technical questions could be important for smaller matters, but for economists to be successful in their “chief task of […] distinguish[ing] the Agenda of the Government from the Non-Agenda” (Keynes 1927, 40), a restatement of the moral and political character of economics was necessary (Emmett 2017).

For Keynes, solely technical analysis could run into issues of interpretation without some sort of moral/non-statistical framework to guide it:

To apply these [statistical] methods to material, analyzed in respect to the circumstances of its origin, and without reference to our general body of knowledge, merely on the basis of arithmetic and those characteristics of our material with which the methods of descriptive statistics are competent to deal, can only lead to error and delusion. (Keynes 1973, 419)

It is only with this expanded knowledge beyond the technical, those of superior moral virtues, that the expert could be truly effective in their role. Science required both technical prowess and properly calibrated judgment. Pure neutrality could not exist if the expert was to be effective in their role as advisor.

Keynes saw the role of the expert, and the economist in particular, as key for setting the ‘Agenda’ of the government (Keynes 1927). That task

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Table 1: The Superiority-Authority Taxonomy of Expertise.
was too important to be left to the politicians alone; they must be guided. For example, Keynes praised American President Franklin Roosevelt for letting him be guided by experts and his willingness to be open to new ideas (Keynes 1978c, 305–309). Indeed, Keynes idea of the worldly expert seems to have caused annoyance among his Treasury Department colleagues (Johnson 1974, 101).

Tinbergen, however, took political neutrality and passivity to heart. While he certainly had his political opinions, he did not let them influence his role in providing expert advice. His report to the League of Nations had no discussion of its political role: just statistical business cycle analysis. When the Netherlands was occupied by Germany in World War II, Tinbergen and the Central Bureau of Statistics cooperated with the occupying government (Dekker 2021, chap. 9). His ideas were often used by authoritarian leaders to further their own agendas (Dekker 2021). Tinbergen accepted awards from all types of governments and offered advice to any who would listen. The expert was much more passive and apolitical for Tinbergen. The expert was an important, but not dominant, figure in the Tinbergen conception of expertise.

IV. CONCLUSION

Understanding the difference between jural superiority and comparative superiority helps us understand the dynamic of the Keynes-Tinbergen debate over the League of Nations report more fully. The debate was not simply about technical methods studied by Tinbergen. By placing the debate within the framework of a larger political debate on the League of Nations, Dekker (2021) helps us better understand the context and Keynes’s seemingly over-the-top reaction to the report. But I argue the debate is a microcosm within an argument that has been raging for centuries over the ambiguity of the words ‘superior’ and ‘authority’: What does expert ‘superiority’ mean? What sort of ‘authority’ does that superiority convey? By using Diesel’s (2020) elaboration of Adam Smith’s discussion of superiority and social relationships, I believe we have a language that helps clarify the underlying debates on expertise. Without understanding the ambiguous nature of superiority and authority, participants will talk past each other. Dekker’s reorientation of the Keynes-
Tinbergen debate around the League of Nations helps make the differing understandings of expertise for the two economists much clearer.

Indeed, the conversation surrounding Tinbergen’s League of Nations report seems to be two brilliant men talking past one another. While Keynes’s (1939) original critique was on both statistical and non-statistical methods, Tinbergen responds to the non-statistical questions in statistical terms, preferring to focus on statistical residuals rather than the matters of judgment Keynes was discussing (Tinbergen 1940). Boumans (2019, 284) notes “each world view was so different that they misunderstood each other profoundly”. Included in their worldviews were different conceptions of the expert and different understandings of the words ‘authority’ and ‘superiority’ as well as how politically active and dominant the expert should be. Both were operating on a fundamentally different conception of what authority and superiority the expert possesses in his role as an expert and advisor. These differing conceptions influenced the theories and methods each developed and continue to infuse policy discussions to this day.

REFERENCES


Jon Murphy is an Instructor of Economics at Western Carolina University. He holds a Ph.D. in Economics from George Mason University. His work focuses on the economics of expertise and dabbles in History of Thought. Contact e-mail: <jmmurphy@wcu.edu>