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### A Rational Reconstruction for *The Image: Knowledge in Life and Society* (Boulding 1956): Through the Lens of Recent Expressive Voter Theory and the ‘Good’ Image in Modern Politics and Society

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#### **Abstract**

Reading Boulding (1956) with knowledge of recent work in public choice *homo politicus* theory sheds light on today’s partisan politics. While voting may be rational (Eusepi and Wagner 2017), or semi-rational (Boulding 1956), it is not logical. Complex depersonalized societies and limited time in the democratic process means that voters make non-logical decisions based on expressive (or ideological) images as simple as ‘good’ and ‘bad’ (Brennan 2008). “The basic bond of any society, culture, subculture, or organization is a ‘public image,’ that is, an image the essential characteristics of which are shared by the individuals participating in the group” (Boulding, 64). The image is also a hierarchical social role-(re)ordering process, in which politicians create images including state solutions to social problems. “Authority, however, is now supposed to proceed from below. The higher roles are supposed to act on behalf of and to be responsible to the lower roles.... That is to say, hypothetical decisions are made and communicated to the lower roles” (Boulding, 99). We find that this reconstruction can help explain the increasing politicization of society, and, the rise of ‘experts’ in the administrative state (Levy and Peart 2016). We agree that Boulding 1956 is “an insightful examination of the significance of images for thinking about society and social processes” (Eusepi and Wagner 2017) and that *The Image* might provide useful insights for interdisciplinary historians of economic thought.

**Keywords:** Boulding, Public Choice, Expressive Voting, Political Economy, Welfare Economics

**JEL Codes:** A1, B31, D63, E58, H1, Z13

A Rational Reconstruction for The *Image: Knowledge in Life and Society*  
(Boulding 1956): Through the Lens of Recent Expressive Voter Theory  
and the ‘Good’ Image in Modern Politics and Society

I. Introduction

A. Why this research is interesting

I have been analyzing the art produced under the New Deal for a number of years now. At least some of this art was purposefully designed and implemented to be, as my archival research has shown, art which is to help build preferences in the average voter for a larger role for the federal state in American society (as well as for the US entry into WWII), a construct we can call art-statism.<sup>1</sup> After reading Eusepi and Wagner (2017), and their reference to Boulding (1956) on the image, I thought I might have a contribution to make in the history of economic thought by following-up the suggestion that Boulding’s ‘image’ as an ordering principle in society could be a unique, unifying and therefore valuable avenue of research.

Expanding my interest in American history outward from the 1930s, and further on empire into people’s lives, and as in the ‘soft-despotism’ found in Tocqueville (1835), I am drawn to the work of the public choice ‘school’ and especially, the work of Richard Wagner and David Levy and Sandra Peart.<sup>2</sup> Wagner’s reference to Boulding made me want to research further into the connections between the image and political economy.

For an insightful examination of the significance of images for thinking about society and social processes, see Kenneth Boulding (1956) (Eusepi and Wagner 2017, 164).

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<sup>1</sup> For further on art-statism, see Weber (2017), and my ‘dissertation’ page at [cameroneconomics.com](http://cameroneconomics.com)

<sup>2</sup> I studied with the Summer Institute for the Preservation of Economic Thought, held at George Mason University, and later at the University of Richmond, VA, for 7 years.

## B. How is *The Image* related to Public Choice Theorists?

In the first instance we must establish definitions, in order to understand fully what we mean when we say that Boulding and Brennan and Wagner share some common insights into public economics.

### *How are we defining rational?*

Here we start with our ‘reconstruction’ of Boulding (1956). Boulding builds a system of biological-cognition from one-cell creatures through to man, the only species capable of rational thought. We find that the idea of an image creates the construct towards which biological species act, be it towards self-preservation and/or reproduction as in the lower species, and/or including an ideological image in the case of man (the relational importance of which of course depends on the individual).

For Boulding and thus for our purposes here in a rational reconstruction we find a definition of rationality.

The image of man is also characterized by a much greater degree of self-consciousness and of self-awareness than that of the lower animals. We not only know, but we know that we know. This reflective character of the human image is unique, and is what leads to philosophy. Because of the extended time image and the extended relationship images, man is capable of “rational behaviour,” that is to say, his response is not to an immediate stimulus but to an image of the future filtered through an elaborate value system. His image contains not only what is, but what might be. It is full of potentialities as yet unrealized. In rational behaviour man contemplates the world of potentialities, evaluates them according to his value system, and chooses the “best” (Boulding 1956, 25-26).

### *How are we defining non-logical but rational?*

In turn we use Wagner’s definition of non-logical action as a starting point. Non-logical, or, expressive action, is action where an anticipated result is not the

instrument of the action. The action, while rational, is not logical because there is no action-result outcome.

Non-logical action denotes actions for which there is no logical connection between action and outcome. Many of these environments for action are those where prices don't exist, which renders impossible the appraisal of trade-offs (Wagner 2016, 98).

One form of compensating action is ideological in nature and, and entails the purveyance of images that allow the actor to feel good about his or her actions despite the inability logically to adopt that feel-good posture (Boulding 1956) by relating experience directly to action. In this respect, the ability of symbols to evoke strong emotions and actions should be kept in mind (Wagner 2016, 99).

Brennan (2008a) acknowledges the 'rational choice paradigm' essential to the discipline of economics, but also find that as this axiom as has played-out in historical practice we cannot apply this axiom to the non-logical patterns of a formal (as opposed to substantive) democracy.

My own view is that rationality is much closer to the "Lakotosian core" of the economic approach than egoism is. By this I mean that the profession would require less in the way of empirical evidence to give up on egoism than to give up on rationality....But in the political setting, for example, we can (and routinely do) attribute to political agents a predominant desire to be elected without feeling any necessary compulsion to trace that desire back to "wealth maximization" (432).

Voter behavior is rational in that it is forward-thinking, but illogical in that this rational behavior can be disconnected from any expected material pay-out. Rational, non-logical behaviour in the political sphere represents *homo politicus*,

whereas the rational, logical behavior of ‘wealth maximization’ is of course *homo economicus*.<sup>3</sup> There is no inconsistency to say we are both.<sup>4</sup>

*What is expressive voter theory and how does this relate to Boulding’s images?*

Decision-making in depersonalized democratic environments is form without substance. Our sense of formal, as opposed to substantive, democracy follows from the writings of de Viti, as found in Eusepi and Wagner (2017). The authors find that de Viti has a ‘spectrum’ in the scale of democratic governance.

Suppose the town council contains five members, each elected in precincts containing 1,000 residents. Governance at this small scale is likely to be open and personal in several respects (Eusepi and Wagner 2017, 94)

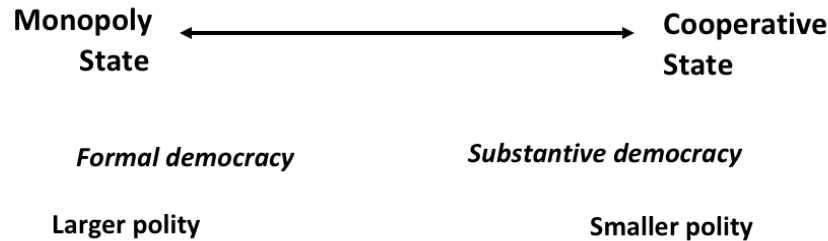
Suppose we now perform the mental experiment of allowing the town to grow into a city of 100,000 and then a metropolis of 1,000,000. We could also allow even more growth in the population by thinking of a nation as some 100 million people. We find with increases in the scale of governance is that the tendencies towards democratic oligarchy grow as the scale of governance grows. This line of analysis suggests that de Viti’s spectrum with the purely cooperative state at one end and a purely monopolistic state at the other end could be ordered along a size dimension running from small or smallest to large or largest (Ibid., 95).

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<sup>3</sup> “In the absence of prices, there is no logical basis for the appraisal of options” (Wagner 2016, 98). As we shall discover later then, perhaps the call of ‘tax the rich’ is an attempt at creating logical images for the 99% of us who are not rich (Rothwell 2017).

<sup>4</sup> “The substance of rational action varied across environments even though the form of rationality was invariant to environment, which is similar to Gerd Gigerenzer’s (2007) treatment of rationality as entailing a relationship between an actor and an environment” (Wagner 2016, 97).

Figure 1: Viti's Spectrum of Governance (heuristic by author from ideas in Eusepi and Wagner 2017, see text)



In formal democracy, one's vote most of the time does not matter to the electoral outcome, and we don't have the sense that we are participating in any meaningful way (unless our business is rent-seeking – but this usually is done behind closed doors not through the ballot). It is rational not to gather the necessary information on political candidates and platforms to vote with any logical sense of a means-end relationship.<sup>5</sup> Democracy in large decentralized polities becomes a formal, expressive, endeavor.

When choice is not decisive – when the expression of preference is detached from the outcome in the way characteristic of voter choice – the 'expression of preference' provides the opportunity for you, as voter, to "make a statement" relatively cheaply. That statement may be as much about you yourself as about the option voted for – but, whether or not that is the case, it seems unlikely that the statement will invariably focus on the same features of the option as would be focused on if you were unilaterally choosing the option (Brennan 2008b, 481).

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<sup>5</sup> This is 'rational ignorance', "a recognized part of the mainstream public choice paradigm (Downs 1957)" (Brennan 2008a, 431 fn 3). "Bryan Caplan (2007) carries the argument further to claim "rational irrationality" (Ibid., 433). And, "Expressive preferences have the right *structural properties* for rationality, but not the critical connection to the agent's desires that is taken as a hallmark of rationality in the economist's scheme" (Ibid., 433, fn 10, *italics in original*). Wagner (2016) finds that the original claim of voting as expressive is found in Brennan and Lomasky (1993).

We can further follow Brennan on the ‘expressive (non-logical)’ turn in Public Choice Theory.

I have *not* argued that expressive voting, in leading people to vote their attitudes and values rather than their (individual) interests, necessarily leads to electoral outcomes that are normatively inferior. On balance I suspect the opposite. But again this is a different argument. The way in which ‘moral’ considerations bear in in the expressive account presented here is descriptive rather than evaluative: I think moral considerations and moral language play a much larger role in politics than they do in markets, and this is so because politics is a predominantly expressive arena. People routinely cheer for the good and boo the bad: hence, on the expressive view, the “good” and the “bad” will be categories that will make their appearance routinely in the conduct of electoral contests (Brennan 2008b, *italic in original*, 482).

As we learned from Wagner earlier, images can evoke strong emotions and actions, these images take the place of logical means-ends reasonings. For Brennan then these images, spurring one to feel good about oneself through voting according to images which correspond to one’s value system (and which value-system is itself created, up to a point, through the manufacturing and dissemination of images) can be as easy to cognate (with opportunity costs of action approaching zero) as ‘good’ and ‘bad’, or, simply put *in extremis* for predominantly two-party duopolies, us versus them. The image is an almost costless substitute for logical thought.<sup>6</sup>

## II. What is Boulding’s ‘System of Images’?

The basic bond of any society, culture, subculture or organization is a “public image,” that is an image the essential characteristics of which are shared by the individuals participating in the group (Boulding 1956, 64)

In context Boulding is writing in the time of the man in the gray flannel suit, and the ‘organizational man’, and the cold war and images as direct and obvious (but not always), as ‘us v them’. Boulding is interested in management theory in an ‘organization’ setting and how and why information flows between and among

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<sup>6</sup> “If a single theoretical principle can be shown to apply over a wide area of the empirical world, this is the economy of the learning process” (Boulding 1956, 163).

layers of (entropic) organization. We'll use an insight from Goodreads.com to introduce how we can see visualize Boulding's work in this context.

Chapter two discusses the role of the image in organization. Organization here refers simply to the obverse of chaos. Boulding proposes seven levels and describes a hierarchy of increasing organization, from static structure to dynamic process of the human mind. An image occurs in most rudimentary form in any system capable of homeostasis. The concept of the image becomes an increasingly important part of any theoretical model as the degree of organizational complexity increases.... (Goodreads, May 2019).

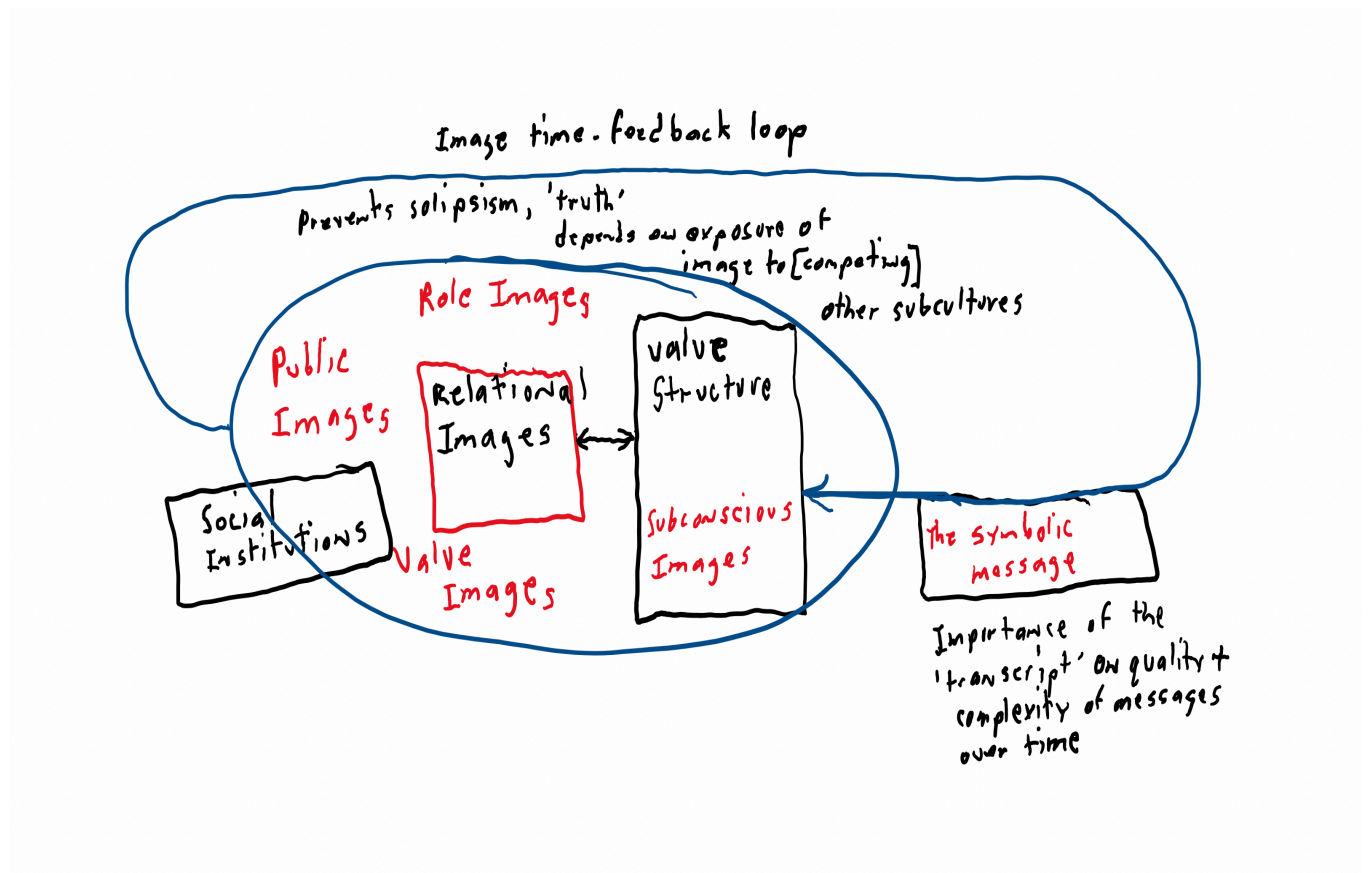
Boulding calls this field variously, the “information-message-image complex” (116), the “public value system” (140), a “structure of roles tied together with lines of communication”<sup>7</sup> (27), and, actionable (and testable?), the “image-forming process in society” (98). Figure 1 attempts to illustrate this ‘system’.

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<sup>7</sup> “The social organization maintains its role structure amid a flow of constantly changing individual persons occupying these roles” (Boulding 2956, 27).



Figure 2: Heuristic on Boulding's System of Images<sup>8</sup>



Our entry-point for Boulding's system will be the value structure, subjective to the individual, and through which external stimuli, in the form of 'symbolic messages', are filtered into 'relational images'. The relational image then is how a person helps to understand and navigate an increasingly complex (depersonalized) world.

The recognition of the existence of the subconscious image enables us perhaps to integrate the rational with the irrational. We can now see all behavior as governed by the image and its value system. Rational behaviour

<sup>8</sup> This is the present author's heuristic (image), subjective interpretation, on Boulding's system of images as described in the 1956 text. The 'Image time-feedback loop' might also be interpreted as a market test.

is that which is governed by the part of the image which is accessible to consciousness. What is usually called irrational behaviour, in fact, follows the same principles. It still consists in contemplating a set of future alternatives and the corresponding acts and selecting the highest of these on our value scales. In the case of so-called irrational behavior, however, both the expected consequences and the value scales may be hidden in the subconscious (Boulding 1956, 54).<sup>9</sup>

Mankind is culture. All individuals exist in (at least one but in most cases more than one) subcultures. The more that images are subjected to alternative subcultures the more that an image contains ‘truth’ through the test of time.

*Boulding on values and the test of time*

Boulding recognizes the limits to socially-constructed value systems through the system of images. This is worth quoting at length.

Like Hume, we pale before the abyss of skepticism toward which our logic leads us relentlessly, but from which we draw back horrified, incredulous at incredulity. Like Hume, also, we go off and have a good meal [and/or play cards with friends] and then we feel better. We put philosophy into the back of the filing cabinet and shut it tight and return to the cheerful and ordinary business of life “believing where we cannot prove.” From the abyss of reason we turn again to clutch at the slender rope of faith (Boulding 1956, 171-2).

Faith, yes, but what faith? To this question, of course, the theory of the image gives no answer. We can only say that there are elements in the image which are capable of organizing the life and activity of the individual. It is these organizing elements which constitute faith: the faith of the experimental scientist in his method; the faith of the believer in his God; the

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<sup>9</sup> We do not have to depend on Freudian precepts to understand the unconscious in this context. The Kantian idea of the shared sense of the aesthetic sublime will work in this case as well. The value structure can be seen as an aesthetic filter, although we do find that the symbolic message can help change the value structure, when there is cognitive dissonance in the feedback loop relating to how an individual’s value structure has formed relational images and thus perceptions and understandings of social institutions. We might keep in mind that Boulding is writing at the height of the psychoanalytic movement in the USA.

faith of the crusader in his cause; the faith of the soldier in his nation, or perhaps only in his buddies. All these are organizing images. Their origins are obscure and their consequences are profound. Where life is disorganized, where there is dissatisfaction and discontent with the process of existing faith, then there is search for change.<sup>10</sup> Where a faith is discovered that has this organizing power, it is likely to grow and to prosper. In our present state of knowledge, however, we must confess that the sources of organizing power are mysterious. Faiths are the genes of society. Their operation is as potent and as mysterious as that of the gene in biology (Ibid., 172).

Therefore the value structure, our entry point into Boulding's system of images, is only partially formed, maintained and altered by symbolic images through the feedback loop including symbolic images from competing subcultures.<sup>11</sup> To what degree an individual's value structure is immune to mutation is a question of degree, though symbolic messages are not without influence.

At still another level of discourse it can be argued that what we mean by the truth of an image is its survival value. This argument can take two forms. We can argue that the truth of the image is measured by the ability which it confers for survival on the organism possessing it. However, it can be argued with alarming cogency that lies are frequently more stable and have a better survival value than the truth. As we have already seen, the internal stability of the image is not merely a result of its logical consistency but also a result of nonlogical factors. The image of racial superiority, for instance, is logically absurd, is inconsistent with the basic religious images held by Western peoples, and receives extremely little support from the scientific subculture. It nevertheless exhibits deplorable persistence because, perhaps, it is able to repair the rather tattered value image of the individual holding it. It might almost be said, indeed, that the most stable images are those which are least susceptible to feedback. The transempirical images which we do

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<sup>10</sup> “[T]he energy which drives societies forward entails the universal form of people acting to replace situations they desire less with situations they desire more” (Wagner 2016, x).

<sup>11</sup> Boulding, for instance, finds that Jung takes the importance of images to an unhelpful extreme. “In the work of some later heretics, such as Jung, the psychoanalytic school seems to be going too far in the direction of awarding images a status which is almost independent of the organisms that supports them and creates them. (Boulding 1956, 153).

not even pretend to confirm by experience are perhaps the most stable of all (Boulding 1956, 168).<sup>12</sup>

At still another level, we may argue that what we mean by truth, or at least the progress toward truth, is an orderly development of the image, especially of the public and transcribed image through its confirmation by feedback messages. This in a sense is the philosophy of science. Truth ever eludes our grasp, but we are always moving asymptotically toward it. Out of our image we predict the messages which will return to us as result of our acts. If this prediction is fulfilled the image is confirmed, if it is not fulfilled the image must be changed (Ibid., 169).<sup>13</sup>

### III. Implications of Boulding's System on Today's Institutions

#### *A note on relational image manufacturing through the lens of the (American) public schools system*

Both Boulding and Wagner illustrate public schooling as an example of the manufacturing of public images in society, although the same type of logic is applied to any entity, individual or organization which has intent to propagate images either due to self-interest or ideology.

The public image of time is enormously affected by the nature of the transcript of the society. In primitive societies where the transcript consists mainly in oral tradition, the transmission of which is difficult, there is great fear of a change in the transcript. The emphasis is upon the transmission of the heritage from one generation to another, unspoiled, unsullied, and unaltered by the events of the day. The time image of nonliterate societies therefore has a strong tendency to be circular in character. Its basic nation is not that of succession but that of appropriateness, of the "right" time to do this or that. With the written transcript comes history and the learning of

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<sup>12</sup> "There are important qualities of a non-logical nature which also give rise to stability. The structure may, for instance, have certain aesthetic relationships among the parts. It may represent or justify a way of life or have certain consequences which are highly regarded in the value system, and so on" (Boulding 1956, 13).

<sup>13</sup> "What this means is that for any individual organisms or organization, there are no such things as "facts". There are only messages filtered through a changeable value system" (Boulding 1956, 14).

history in formal education. This is again a factor of great importance in determining the whole image of the individual. One of the main purposes of national education is to distort the image of time and space in the interests of the nation.<sup>14</sup> The school atlases have one's own nation large and others small. The school history books have the history of one's own nation large and of others small.<sup>15</sup> It is the history teachers above all who create the image of the Englishman, the German, the American, or the Japanese. This also is an important source of war. (Boulding 1956, 68).

Wagner (2016) in turn finds a more recent connotation in terms of public choice relating to an entangled political economy, where we can make comparisons between private sector and political enterprises, and logical and non-logical decision-making, using public education as a signifying metaphor.

The existence of firm value provides a framework for employing various market tests, thereby making contact with the domain of human activity that is governed by logical action. A market-based school that introduces a new curriculum or a new approach to evaluation teachers can be subject to market tests. A polity-based school cannot because the absence of transferable ownership forecloses market tests, as no market value can be established for politically organized schools. Polity-based schooling thus makes contact with the domain governed by non-logical action, which in turn is governed by sentimental expressions that resonate with people's desires to feel good about themselves and their activities<sup>16</sup> (Wagner 2016, 103).

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<sup>14</sup> Jasay (1998) teaches how rationality for the state is an incentive to grow its discretionary power for existential reasons.

<sup>15</sup> Maps are important transcripts for Boulding, who hypothesizes for example that one of the reasons the German people were complicit in the second world war is that the map of Germany in school textbooks was the same size as that of the United States. Columbus may not have set-sail had he a different image (map) of the world.

<sup>16</sup> Boulding's value image and as expressed in voter behavior.

*What is the 'transcript' and why is this important?*

The transcript (history, or the written-word) marks the beginning of depersonalized image creation. The transcript also helps mark our path towards the value and public images of the 'imaginary community' of the nation-state (Anderson 1991). Those subcultures which share the same transcript share the same relational images. In modern democracies, especially as we have learned with public education, the political class manufactures images which in turn help shape the value structures of a nation's citizens, including the political roles, and images of social orders and social institutions, among those sharing the same transcript.<sup>17</sup>

The invention of writing marks the beginning of the "disassociated transcript"—a transcript which is in some sense independent of the transcriber, a communication independent of the communicator. As we have already noticed, the transcript of society has been in process of rapid development and elaboration in the past few centuries. Beginning with the invention of printing, and especially with the coming of the camera, the movie, the phonograph, and the tape recorder the elaboration of the transcript has proceeded to the point where an enormous number of aspects of life and experience can be recorded directly. There are still large parts of the image, however, which can only be transcribed in symbolic form. Generations yet unborn may be able to see President Eisenhower in three-D as he appeared to the present-day observer. They will be able to hear the exact cadences of his voice as well as read the words he has written. We are still, however, unable to record touch, taste, or smell. We have no direct means of transcribing sensations, emotions, or feelings except through the crowded channels of symbolic representation (Boulding 1956, 65).

The rise of self-consciousness...is bound up, of course, with the increase in the image of the time span of the individual and his society which comes through the invention of historic records.<sup>18</sup> It comes even more through the

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<sup>17</sup> It is beyond our scope here to discuss the wide-tail transcripts in today's new (digital) economy, though we can see the importance of the transcript in contemporary issues involving internet censorship.

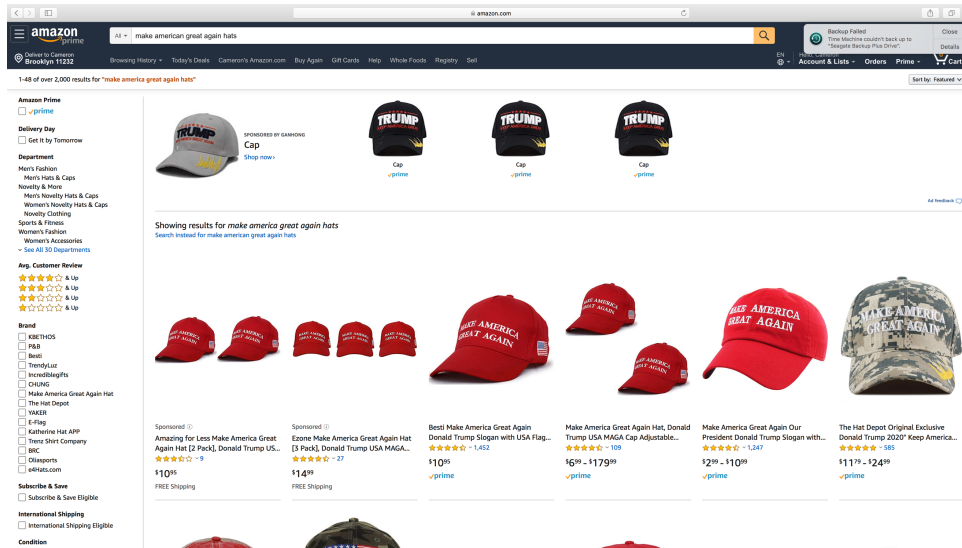
<sup>18</sup> An obvious example of the national value image is the US Constitution in the National History Museum in Washington DC, and making entrance into the DC museums free. A recently manufactured political value-image (with the ratings being the image time-feedback loop) might be,

increase in complexity of the image of relationship with the rise of science and of the social sciences. An extremely interesting example is the development of nationalism, especially democratic nationalism in the last few hundred year (Boulding 1956, 61).

*How does non-logical rational thought become more important under modern complex societies?*

As we have learned human motivational forces seek improved future states of being over existing states of being, we search for order and adjust our behaviors accordingly.<sup>19</sup> As technology advances in terms of recording history so does the complexity of society, symbolic messages become more depersonalized, or moreover, take non-logical forms of personalization. The ‘manuscript’ replaces personalized relationships and the way relational images are formed changes over time.

Organization is anything that is not chaos, anything, in other words, that is improbable. It consists of structures. In the course of the history of the



<sup>19</sup> “If we were miserable yesterday we are much more likely to assess the nonhabitual alternative favorably than if we were happy. At some point the misery in the contemplation of the habitual behaviour overcomes the uncertainty involved in contemplating any other kind of behaviour and we make a reorganization [of patterns]” (Boulding 1956, 87).

universe, we observe the record of continually increasing complexity of organization culminating at the present day man and his societies. (Boulding 2016, 19).<sup>20</sup>

It must not be thought, of course, that symbolic images are all “bad”. Indeed, the symbolic message is absolutely necessary as a part of the economy of image-formation. The human imagination can only bear a certain degree of complexity. When the complexity becomes intolerable, it retreats into symbolic images. We have an intense hatred, for instance, of multidimension value orderings. We cannot be content, for instance, by saying that John is better than Bill in mathematics but worse in history. We want to put John and Bill on a single linear scale and say, at the end of the year, John in “better” than Bill – or vice-versa. In order to do this however, we must do a certain violence to the complexity of the value-structure. This injury is the price we pay for simplicity (Ibid., 111).

We find then that in modern, formal not substantive, democracies, expressive voting may be the end result of historical ‘progress’, of human evolution through the stages of (an ever-changing and increasingly complex) history. Due to complexity some actions are rationally expressive and non-logical while other behaviors are more logical due to the immediacy of the price signal at a given time and place of decentralized decision.

*How can we use the role image to help us understand the rise of ‘experts’ in the modern welfare state?*

The depersonalized nature of the modern welfare-state means that the ‘organization’ (the firm, the bureaucracy, the relational images between the individual and the state) takes greater importance in the patterns organizing society as cognated through individual decision-making and action. The role image helps

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<sup>20</sup> “Only within the last few hundred years has there been a general acceptance of the more sophisticated view of earth as a ball suspended in almost empty space [sic], rotating around a sun which is star, a member of a galaxy of stars, which in turn is a universe of galaxies. This change in spatial orientation from the old three-story universe, even of the Middle Ages, to the sophisticated universe of today, is a profound one, and has a marked effect on man’s image of himself in many aspects. It has, perhaps deflated his self-importance, but it has led to serious problems in his image of his prevailing religions, most of which are phrased in terms of an unsophisticated cosmology” (Boulding 1956, 48).



the individual to organize these complex patterns, with shared role-images helping to define resultant social institutions.

Let us consider first the decision-making process itself in group organizations. It is customary to think of the structure of organizations in terms of a dimension of authoritarianism and democracy. The structural difference is reflected partly in a difference of the role-images involved and also in a difference in the lines of communication. In the ideal type of the authoritarian system we have a strict hierarchy of roles, each role-image containing the expectation of subordination to higher roles and authority over lower roles. Decisions originate with the higher roles and are transmitted to the lower roles as orders. The lower roles are expected to execute the orders without any back-talk. Information is transmitted from lower roles to higher roles on request of the higher role. All decisions originate at the top and are transmitted downward, where they are supposed to be feedback from these acts. The form of the information, however, is governed from above not from below. It is not volunteered, it is requested (Boulding 1956, 99).

At the other end of the scale we have the ideal type of the democratic organization. Even in this we can still distinguish between the higher roles and the lower roles and between leaders and followers. Authority, however, is now supposed to proceed from below. What this means in practice is that decisions of the higher roles are supposed to act on behalf of and be responsible to the lower roles. What this means in practice is that the decisions of the higher roles have to be made by discussion. That is to say, hypothetical decisions are made and communicated to the lower roles. The lower roles react to these hypothetical decisions and as a result of these feedbacks the decisions are modified until substantial agreement is reached—the discussion proceeds until the high roles announce the decision which receives the approval of the lower ones or at least of a majority of them. There may be different conventions of what constitutes approval—majority rule is only one of these, and it does not constitute an essential part of the democratic process (Ibid., 99-100).

We find that in complex societies the images of various roles for the state increase in that we expect ‘leadership’<sup>21</sup> in depersonalized formal democracies. Due to time

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<sup>21</sup> The Federalists’ ‘vigorous’ government.

constraints and knowledge complexity it is impossible to have the necessary conversations to gain substantive agreement for public policy issues. It is for this reason we find that value images and role images are relational images, wherein evolves a technocracy to order society.

The use of statistics as transcript in the social sciences as intensified in the 1930s is another reason for the creation of expert role-images to help use these statistics as science to solve social problems, most obviously of course is Keynesian economics as necessary to fight any negative ‘animal spirits’.

The reduction of output automatically reduces income, the reduction of income automatically reduces sales of other commodities, and other manufacturers find themselves plagued with the same situation and may make the same response. Every time a message is interpreted as a signal to cut back output this creates messages in other parts of the system which may have the same effect. As the general pessimism grows there is an increasing preference for money and liquid assets and an increasing reluctance to engage in productive processes or to hold “real” assets. The greater this reluctance the more it is justified. The message system operates here in a kind of vicious spiral with the reactions to messages in one part of the system confirming the messages in other parts (Boulding 1956, 91).

We therefore then need, for example, omni-prescient central bankers to steer the economy with superior expert knowledge role-image.

Figure 3: The Expert Role-Image Personified

The New York Times

## *Yellen Will Leave Federal Reserve Next Year*



Janet L. Yellen announced Monday that she would step down from the Federal Reserve's board at the same time she ends her term as Fed chairwoman in February. Al Drago/The New York Times

By Binyamin Appelbaum

Nov. 20, 2017



WASHINGTON — Janet L. Yellen, chairwoman of the Federal Reserve, said on Monday that she would step down from the Fed's board at the same time that she ends her term as chairwoman.

President Trump decided earlier this month to nominate Jerome H. Powell, a Republican who sits on the Fed's board, as the next chairman, deciding against offering Ms. Yellen a second term. Ms. Yellen, whose term as chairwoman ends in February, could have remained on the Fed board until her term as governor expires in 2024.

Levy and Peart (2017) give examples of the 'expert's' role in economy and society and how turning ourselves over to experts relatively uncritically has led to negative unintended consequences. We also find that the rise of experts curtails egalitarian democracy in that fewer competing voices are heard (the image time-feedback loop is monopolized). Viewed in terms of Boulding's system, what is missing is a robust image time-feedback loop in the economics profession subculture. The 'discussion tradition' of classical liberalism, "...largely disappeared from the

economics literature with the advent of new welfare economics” (28).<sup>22</sup> The absence of discussion, of image-feedback, solidifies role, value and public images in subculture value structures due to the lack of competing images from other subcultures.<sup>23</sup>

As economists became akin to an engineering calculus to obtain efficiency, the space of discussion in the formulation or implementation of policy goals shrank markedly. At the same time, the role for the expert economist became less about exploring options and group goals and more about designing mechanisms to obtain efficient outcomes. As economists posited exogenous goals, the role of the expert economist shifted from participants in democratic deliberations to that of engineer (Levy and Peart 2017, 68)

We find that our institutions can take (in their own organizationally-created manufactured images) the role of supranatural super-heroes.

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<sup>22</sup> Once policy goals became exogenous instead of endogenous, losing sight of entangled political economy, macroeconomic and regulatory means-ends role images can become social institutions.

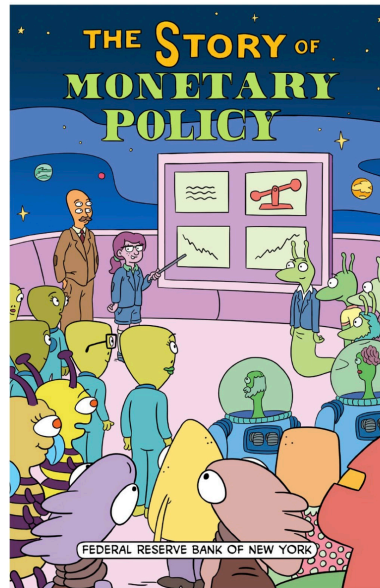
<sup>23</sup> Relational role images (cf ‘experts’) can become entrenched with the transcript as image channel and as manufactured by the state, for example, the Employment Act of 1946 and the Humphrey-Hawkins Full Employment Act of 1978. Of course many and proliferating administrative rule-making decisions fall into this expert role-image as well, as manifested in the social institutions of ‘governance’

Figure 4: The Fed as Super-Hero Image

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STRATEGIES

## *Splat! Bam! It's the Federal Reserve to the Rescue*



Characters featured in the new issue of “The Story of Monetary Policy” include Glix, a green, lizardlike creature who likes to sing and wear capes and to promote the benefits, when appropriate, of “expansionary monetary policy.” Federal Reserve Bank of New York

By Jeff Sommer

April 26, 2019

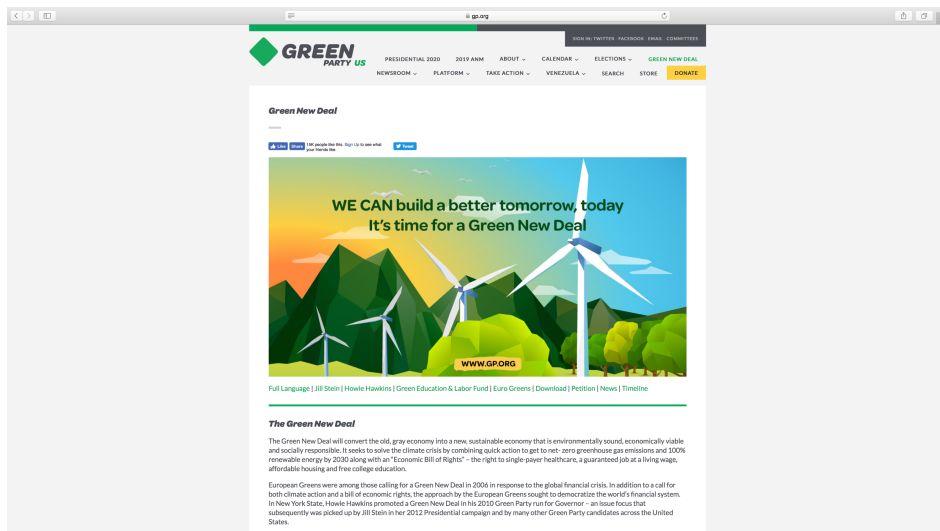


What do the Avengers, Wonder Woman and the Federal Reserve have in common?

It might be helpful to understand that the political economy of public works (and relatedly public debt) can also occur in the field of rational, but non-logical

action.<sup>24</sup> Wagner describes how public works and relatedly public debt can become non-rational and expressive.

Furthermore, public debt cannot be examined independently of the processes that generate the public spending that public debt supports....Rather it [in this case a sports stadium] is created through concerted entrepreneurial action from somewhere within society. It is here where Buchanan's treatment of debt could gain much from integration with Mosca's and Pareto's recognition that democratic process typically entail relatively small numbers of people pursuing their desires and promoting those desires by constructing and offering ideological images that resonate favorably with significant parts of the larger population....clever ideological articulation could induce people to support programs they would have opposed had the action environment in which they operated been one open to logical [price-signals] rather than non-logical action (Wagner 2017, 119).



*A note on Wagner on prices for 'public goods'*

Wagner uses the absence of prices for those making charitable donations as an example of an expressive or non-logical act. We would like to apply with obvious caveats the same reasoning to prices in the public sphere for public goods (with taxes as the price signal), and can use Wagner to illustrate an important difference, with the manufactured image as a 'price signal'.

Whether one buys an armchair or contributes to a charity, the form of interaction is the same: there is an exchange of money for services in both cases. With the charitable organization [a beneficent state for our illustrative purposes here], however, the link between action and consequences is indirect, perhaps vague, and is non-logical in any case (Tullock 1971). In the absence of prices, there is no logical basis for the appraisal of options....A donor to a charitable donation [a taxpayer] cannot make such a comparison, both because prices are absent and because the services offered are more on the order of credence goods than inspection or experience goods (Wagner 2016, 98).<sup>25</sup>

We find that Wagner is being too 'charitable'. Politicians use the exogenous Other to pay for the programs the manufactured "we" value- and public-image supports, and therefore then an image is created to where we, our partisan subculture, can have these programs, and not have to pay for them (or better yet, have the Other pay for them, which may be a form of social justice). Is this a non-logical expressive act in voter behaviour, or logical, economizing behaviour? (Both).

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<sup>25</sup> "Pareto recognized that one feature of human nature is the desire people have to feel good about their actions" (Wagner 2016, 99).

Figure 5: Tax the Rich as Price Signal for ‘Public Goods’<sup>26</sup>



People have preferences over other people and their activities, but without arriving at identical rankings. Qualities and actions that elicit admiration from some people will elicit envy from others. To speak of community or society is not to speak only of such friendly things as dancing and playing poker. Fighting, after all, is also a social activity, as is the use of politics as an instrument by which some people dominate others. Societies have natural turbulence, and with the intensity of that turbulence varying across time and place (Wagner 2016, 48-49).

*On the fragility of democracy*

Boulding (who again is writing during the cold war) also finds oscillations between forms of the state.

It is the object of what we might be called the paraphernalia of democratic organizations: the elections, the rules of order, the parliamentary procedure, etc., to establish what might be called an image of conventional leadership. These procedures are by no means always successful, and when they break down, there is a certain tendency for organizations to slip back into

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<sup>26</sup> When I typed in Google “tax the rich” the first thing I see is t-shirt images containing the necessary price signals to support our (subculture’s) programs. We don’t need attach current politician’s names to this venerable trope.



authoritarian forms are inherently instable, and that the general political dynamic consists of an oscillation between the two (Boulding 1956, 102)<sup>27</sup>

#### IV. Conclusion

Boulding (1956) believes that his system of images might represent the possibilities of a new social ‘science’, one that facilitates placing the analyst within the model. This method is consistent with the public choice economists we have studied here related to Boulding’s work on the image and public orderings. Whether we can believe with Boulding that his ‘system of images’ may represent a possible new unified interdisciplinary social science of course remains to be seen. We do know however, that some value images remain evergreen, eventhough they represent a leveling rather than raising ideology.

Figure 6: On the New Deal (Postcard)



**We Need a New Deal!**

In the face of the Great Depression, presidential candidate Franklin Roosevelt pledged a “new deal” to the American people. Upon entering office in 1933, he made that New Deal a reality, putting millions of men and women back to work. In just a decade, they built tens of thousands of public works—libraries, courthouses, post offices, airports, schools, houses, roads, parks, and playgrounds—improving the lives of people across America and laying the foundation for the nation’s future prosperity. By its support for artists, writers, actors, and musicians, the New Deal sparked a renaissance of American art and culture.

The Living New Deal is engaged in the monumental task of documenting all that the New Deal left to America. We have cataloged thousands of New Deal public works and artworks on our online map. Our website features photographs, films, articles, and stories about those whose lives were touched by the New Deal, and has become a premier source for New Deal history, bibliographies, and news.

The Living New Deal’s digital catalog, available to everyone, is a volunteer- and crowd-sourced effort. We invite you to send us photos, information, and stories about the New Deal in your community for our growing online archive. We also support the signing, interpretation, and preservation of New Deal sites and artworks.

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<sup>27</sup> What does Schumpeter (1950) have to say about the fragility of democracy?

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