

Index

- Academic admissions, bias in, 218–19
 Akerloff, George, 13, 196
The Alchemists (Jonson), 140–41, 141n6, 154–55
 Alchemy
 basilisk imagery and, 147–49
 Erasmus on, 144–45, 149–55, 149n22
 Great Mirror of Folly and, 144–49
 Keynes on, 144
 Mississippi Bubble and, 139–41, 144
 rooster imagery and, 147–49
 Smith on, 140
 Alchian, Armen, 125–28, 128n16
 Allais, Maurice, 145n12
 Allen, William, 125–28, 128n16
 Altruism, 215
American Banker, 172–73
 American Economic Association (AEA)
 economic experts and, 179–80, 183, 184, 192, 193, 239 (*See also* Revised code of ethics)
 overview, 240
 statisticians and, 212, 230
 American Statistical Association (ASA), 212, 213, 230, 239
American Statistician, 214
 Analytical egalitarianism, 7, 24, 199–200
 Angner, Erik, 7n10
Annals of Eugenics (Pearson), 105
 Approbation
 bias and, 216–18
 Smith on, 215
 statistical efficiency and, 216–18
 Archilochos, 10
 Arnold, Matthew, 14n21
 Arrow, Kenneth J.
 on discussion, 37–38
 on exogeneity of goals, 37
 generally, 9n11, 18, 189
 on new welfare economics, 50, 70, 83, 85
 Samuelson and, 84
 on savings, 60–61, 67
 ASA. *See* American Statistical Association (ASA)
 Ashenfelter, Orley, 228n26
 Asymmetric information, 14n23
 Asymptotics, 227–28
 Autism, vaccination and, 5, 11n17, 13, 202
 Bach, George, 115, 122–23, 129–30
 Baker, Dean, 24n36
 Banking Act of 1935, 161–62
 Banque Royale, 141–43
 Barber, William, 15n24
 Becker, Gary, 145n12
 Bentham, Jeremy, 76, 92–93
 Berlin, Isaiah, 10
 Besant, Annie, 35n15, 93, 97–103, 103n16, 105, 108
 Bias
 in academic admissions, 218–19
 approbation and, 216–18
 concealment of (*See* Concealment of bias)
 discussion and, 137–38
 economic experts and, 194
 implicit bias, 34n9
 Knight on, 237
 least biased estimates, 204–8
 Mississippi Bubble and (*See* Mississippi Bubble)
 Arrow, Kenneth J.
 on discussion, 37–38
 on exogeneity of goals, 37
 generally, 9n11, 18, 189
 on new welfare economics, 50, 70, 83, 85
 Samuelson and, 84
 on savings, 60–61, 67
 ASA. *See* American Statistical Association (ASA)
 Ashenfelter, Orley, 228n26
 Asymmetric information, 14n23
 Asymptotics, 227–28
 Autism, vaccination and, 5, 11n17, 13, 202
 Bach, George, 115, 122–23, 129–30
 Baker, Dean, 24n36
 Banking Act of 1935, 161–62
 Banque Royale, 141–43
 Barber, William, 15n24
 Becker, Gary, 145n12
 Bentham, Jeremy, 76, 92–93
 Berlin, Isaiah, 10
 Besant, Annie, 35n15, 93, 97–103, 103n16, 105, 108
 Bias
 in academic admissions, 218–19
 approbation and, 216–18
 concealment of (*See* Concealment of bias)
 discussion and, 137–38
 economic experts and, 194
 implicit bias, 34n9
 Knight on, 237
 least biased estimates, 204–8
 Mississippi Bubble and (*See* Mississippi Bubble)

- Bias (*cont.*)
 overview, 137–38
 Pigou on, 237
 praise and, 216–18
 rating agencies and, 163 (*See also* Rating agencies)
 sympathetic bias, 14
 sympathy and, 219
 transparency, bias-seeking and, 223–26
 Tullock on, 237
- Billings, Josh, 196
- Binmore, Ken, 86–87
- Birdzell, L.E., Jr., 4n1
- Blaug, Mark, 194n10
- Bond rating agencies. *See* Rating agencies
- Bond Ratings as an Investment Guide:*
An Appraisal of their Effectiveness
 (Harold), 162–63
- Bootstrap variance, 226–30
- Bostoen, K.J.S., 147–48
- Boyle, Robert, 144n11
- Bradlaugh, Charles, 93, 97–103, 105, 108
- Brandis, Royall, 115, 131–32
- Brethouwer, Melvin, 162n9, 174
- British Broadcasting Corporation, 15
- British Museum Catalogue of Prints and Drawings* (Stephens), 146n16, 147, 154–55
- Bruegel, Pieter, 149
- Bryce, James, 37, 47
- Bubbles. *See* Mississippi Bubble
- Buchanan, James
 on discussion, 30, 37–38, 44
 on economic experts, 190
 on endogeneity of goals, 46, 49, 65, 87
 on exogeneity of goals, 65, 87
 generally, 6–7, 9n11, 10, 18, 46
 on status quo, 86–88
 on sympathy, 92n1
 Thomas Jefferson Center and, 49, 61–62, 63, 65
 Tullock and, 200–1
- Buckley, William F., 34n11, 112n5
- Burns, Jennifer, 52–53, 56
- Burtchett, Floyd F., 165n13
- Cain, Daylian M., 183, 193, 195, 211n1, 222
- Calculus of Consent* (Tullock & Buchanan), 200
- Cambridge University, 69–70
- Carlyle, Thomas, 73n10
- Carroll, Tom, 63
- Central Intelligence Agency (CIA), 134
- The Challenge to the American Economy* (Fels), 130
- Chicago banking plan, 161
- Chicago School of Economics, 5–6, 6n7, 7, 47, 64, 87–88
- Chile, 6n7
- Clients, statisticians and, 213–14
- Coase, Ronald
 conflicts of interest and, 194
 on economic experts, 194
 generally, 15, 33, 185
 Thomas Jefferson Center and, 49, 63–65
- Code of ethics. *See* Revised code of ethics
- Colander, David, 17
- Cole, Arthur, 145–46
- Collective action problem, 27
- Commons, J.R., 104
- Compaigne de Chine, 141–42
- Compaigne des Indes Orientales, 141–42
- Compaigne d'Occident, 141–42
- Composite ratings, 165–66, 167–70, 171, 173, 175–76
- Comptroller of the Currency, 175
- Concealment of bias
 Corporate Bond Project and, 198, 208
 factionalized science and, 197–98, 199, 207–9
 Harold and, 198, 208
 Knight and, 198
 overview, 237
 rating agencies and, 198
 Soviet economic growth estimates and, 198
 Tullock on, 197, 198, 207–8
- Conflicts of interest, 183, 194, 195
- Continuity thesis, 92, 96–97
- Contraception, 92–93, 97–103
- Conventions, 48, 70–73, 85–86
- Cooper, L.A., 34n9
- Cooperation
 discussion and, 39–44
 overview, 27, 29–30
- Corn Laws, 82–83, 85–86
- Corporate Bond Project
 concealment of bias and, 198, 208
 funding of, 162–63
 Harold and, 159, 163, 173–74, 175, 176
 Hickman and, 159, 168, 171–73, 173n20, 175–76, 175n24, 176n25
 least biased estimates and, 204–8
 overview, 22, 159–60, 160n5, 161
 Palyi and, 167–69, 174
- Corporate Bond Quality* (NBER), 171–72, 175

- Council of Economic Advisers, 62
 “Crony capitalism,” 221, 240
 Cyclical policy goals, 8–10
- Darwin, Charles
 Bradlaugh-Besant trial and, 93, 97–98,
 99–102, 105
 debating strategy, 97n11
 Mill compared, 105, 108
 on natural selection, 89, 91–92, 94,
 95–97, 108
 Darwin, George, 97, 108
 Davenport, Guy, 10n15
 Default ratios, rating agencies and, 166–67
 Deming, Edward, 213–14, 217n8, 219
Descent of Man (Darwin), 92, 96–97,
 99–101
 “Dictator game,” 217–18, 217n8
 Director, Aaron, 33
 Director, Rose, 161n8
 “Dirty hands problem,” 192
 Discussion
 Arrow on, 37–38
 bias and, 137–38
 Buchanan on, 30, 37–38, 44
 cooperation and, 39–44
 empirical findings, 39–44
 endogeneity of goals and, 27, 30, 41
 exogeneity of goals and, 28
 “Knightian moment” (See “Knightian
 moment”)
 Knight on, 30, 37, 38, 39, 44, 48, 66–67,
 220n15, 240
 learning and, 33–36
 Mill on, 29–30, 33–36, 35n15, 36n16
 Mississippi Bubble and (See Mississippi
 Bubble)
 moral restraint and, 37–39
 new welfare economics (See New welfare
 economics)
 overview, 7–8, 28, 44–45, 235–36
 rating agencies and (See Rating agencies)
 secrecy and, 137–38
 self and, 30–33
 Sen on, 29, 30, 37–38, 43–44
 Smith on, 30–33, 36n16, 38–39, 43–44
 Stigler on, 33, 43n20
 trade and, 30–33
 transparency and, 40–43
 willingness of advisor to follow own advice,
 41–42, 43
 Distribution of ratings, 164, 167
- Dobbs, Betty Jo Teeter, 145
 Duesenberry, James, 59
 Durlauf, Steven, 222n19
- Easterly, William, 15n25
 Economic experts
 “best policy,” seeking, 190–91
 bias and, 194
 Buchanan on, 190
 Coase on, 194
 conflicts of interest, 183, 195
 “dirty hands problem,” 192
 “expert’s dilemma,” 226
 financial disclosure by, 183, 192, 192n8
 income inequality and, 191
 jury model of, 220–22 (See also Jury model
 of economic experts)
 Knight on, 184–86, 190, 192
 moral licensing problem, 195
 Pigou on, 184–85, 186–88, 192, 194
 primary and secondary, 202
 “racket,” economics as, 199
 Rawls on, 184, 190, 191–92
 revised code of ethics (See Revised code of
 ethics)
 Robbins on, 109
 Samuelson on, 109, 193–94
 Smith on, 135–36, 190, 192
 sympathetic expertise model, 214–19
 sympathy and, 182–83, 192–93
 transparency and, 194–95
 as truth-seekers, 188–90
Economic Journal, 73
Economics (Bach), 115
Economics: An Introductory Analysis
 (Samuelson), 59–60, 112, 115
Economics: Principles, Problems and Policies
 (McConnell), 115–16
Economics of Welfare (Pigou), 185
Economists and the Public (Hutt), 186
Elementary Economics (McConnell), 115
Elements of Economics (Tarshis), 112, 115, 123
 Elzinga, Kenneth, 115
 Endogeneity of goals
 analytical egalitarianism and, 199–200
 Buchanan on, 46, 49, 65, 87
 discussion and, 27, 30, 41
 exogeneity of goals compared, 136, 236
 factionalized science and, 197
 “Knightian moment” and, 46, 48–49, 50
 Knight on, 46, 47, 82
 Mill on, 46

- Endogeneity of goals (*cont.*)
 - overview, 10–12
 - Robbins on, 68–79
 - savings and, 49
 - Sen on, 46
 - Smith on, 46
 - sympathy and, 85
- Equal capacity, 73–74, 75–80
- Equal weighting, 69–70, 76–80
- Erasmus, Desiderius, 140, 144–45, 145n12, 145n13, 149–55, 149n22
- Essay on the Nature and Significance of Economic Science* (Robbins), 68–69, 70–73, 74–75, 80
- Ethics
 - economic experts (*See* Revised code of ethics)
 - statisticians and, 213–14
- Ethics of Competition* (Knight), 48, 179, 189
- Eugenics
 - continuity thesis and, 92, 96–97
 - economists and, 103–4
 - exogeneity of goals and, 108
 - Galton and, 95, 95n9, 96–97, 99–101, 107, 107n22
 - “happiness” versus “progress,” 94–97
 - “Jensenism,” 108
 - Jewish immigrants and, 93, 105–7
 - natural selection and, 89, 91–92, 94–97
 - negative eugenics, 97
 - “New Eugenics,” 108
 - overview, 89, 91–94, 107–9, 236
 - Pigou and, 104, 202
 - “racial progress” and, 91, 96–97
 - Rawls on, 191n6
 - selectively picking results, 105–7
 - Smith and, 91, 107
 - sympathy and, 94–95
- Exogeneity of goals
 - Arrow on, 37
 - Buchanan on, 65, 87
 - discussion and, 28, 30, 41
 - endogeneity of goals compared, 136, 236
 - eugenics and, 108
 - Lane on, 55–56
 - natural selection and, 95
 - new welfare economics and, 68–70, 84–85, 88
 - overview, 10–12
 - Robbins on, 71
 - Samuelson on, 50
 - savings and, 57
 - Sen on, 46
 - transparency and, 223–26
- Experts. *See* Economic experts
- “Expert’s dilemma,” 226
- Expert witness model. *See* Jury model of economic experts
- Extraordinary Population Delusions and the Madness of Crowds* (Mackay), 139–40, 145–46
- Fabian Society, 15, 64
- Factionalized science
 - analytical egalitarianism and, 199–200
 - concealment of bias and, 197–98, 199, 207–9
 - dangers of, 237
 - endogeneity of goals and, 197
 - least biased estimates and, 204–8
 - motivational homogeneity and, 199–200
 - overview, 180, 197–98, 207–9
 - Popper on, 202–3
 - primary and secondary economic experts, 202
 - “racket,” economics as, 199
 - social sciences versus natural sciences, 199, 199n2, 201
 - transparency and, 201–2
 - Tullock on, 199–202
- Failure of models
 - eugenics (*See* Eugenics)
 - overview, 8, 16–18, 89–90
 - Soviet economic growth estimates (*See* Soviet economic growth estimates)
- Falsification principle, 198
- Federal Deposit Insurance Corporation (FDIC). *See* Corporate Bond Project
- Federal Home Loan Mortgage Corporation (Freddie Mac), 22–23
- Federalist Papers* (Madison), 237
- Federal National Mortgage Association (Fannie Mae), 22–23
- Federal Reserve Bank of New York, 175
- Federal Reserve Bulletin*, 172
- Federal Reserve System, 175
- Fels, Rendigs, 113, 113n6, 130–31
- Fetter, Frank, 104
- Final-offer arbitration, 226–27, 228n26
- Financial alchemy, 139–41
- Financial disclosure, 183, 192, 192n8
- Finite samples, 228
- Fisher, Irving, 57n15, 104
- Fitch’s (rating agency), 164–65, 164n12, 174, 175, 205

- Flandreau, Marc, 157n2
Forbes, 218–19
 Ford Foundation, 49, 61–66, 110–11, 131
 Foundation for Economic Education, 52
Foundations of Economic Analysis
 (Samuelson), 50, 51, 82–83, 83n15
 Fraine, Harold, 157, 162n9, 167–69, 174
 Freddie Mac (Federal Home Loan Mortgage Corporation), 22–23
 Freedman, David A., 227–28
Freedom and Reform (Knight), 37
 Frehen, Rik, 154
 Fried, Rebecca, 4n2
 Friedman, Milton
 generally, 27, 49–50
 on housing shortages, 27, 48–49, 52–56
 on rationing, 53n10, 66
 on savings, 49, 56–61, 67, 104
 Froeb, Luke M., 225, 226
Fruits of Philosophy (Knowlton), 98–99
- Gaither Report, 62, 62n22
 Galton, Francis
 eugenics and, 95, 95n9, 96–97, 99–101, 107, 107n22
 generally, 12, 221n17, 241
 Gardiner, John, 213
 Glass-Steagall Act, 161
 Godwin, William, 93n5
 Goetzmann, William N., 154
 Goldwater, Barry, 15–16
 Gordon, Kermit
 generally, 10, 10n14
 Thomas Jefferson Center and, 49, 62, 63–64, 65–66
 Government-sponsored enterprises, 22–23
Great Mirror of Folly
 alchemy in, 144–49
 Erasmus on, 149–55
 Law in, 140, 143, 150–51
 Mississippi Bubble and, 144–49
 overview, 140n4, 155–56
 Greenspan, Alan, 22
 Greenwald, A.G., 34n9
 Greg, W.R., 94–95, 94n8, 96–97
 Grossman, Gregory, 122, 130
The Growth of Industrial Production in the Soviet Union (Nutter), 110–11
 Gruber, Jonathan, 5n6, 13
- Harberger, Arnold, 47n3
 Harkavy, Oskar, 64
- Harold, Gilbert
 concealment of bias and, 198, 208
 Corporate Bond Project and, 159, 163, 173–74, 175, 176
 least biased estimates and, 204–8
 prudent estimator of investment quality, 162–67
 on rating agencies, 158, 159, 160–61, 176–77
 Harrod, Roy, 73–74, 80, 85–86
 Hayek, F.A.
 on Buckley, 112n5
 generally, 15, 34n11
 Keynes and, 179, 187
 on status quo, 87, 88
 Hazlitt, Henry, 130–31
 Heckman, James, 106n20, 108n26, 109
 Heilbroner, Robert, 115, 125–28, 125n15, 129–30
 Heller, Walter, 62
 Hickman, W. Braddock
 Corporate Bond Project and, 159, 168, 171–73, 173n20, 175–76, 175n24, 176n25
 on rating agencies, 162n9
 Hicks, John, 28, 68–69, 70, 81–82, 84, 85
History and Description of the Corporate Bond Project, 174, 175
 Hitler, Adolf, 60, 92
 Hobbes, Thomas, 200–1
 Houser, Daniel, 41
 Housing bubble, 21–23
 Housing shortages, 27, 48–49, 52–56
 Hunt, James, 94, 94n6
 Hutt, William H., 19, 186, 189
- Icarus, 156–55
 Ideology
 overview, 15–16
 revised code of ethics and, 179–80
 of Samuelson, 128–29
 Soviet economic growth estimates and, 128–32
 of Tarshis, 128–29
 Implicit bias, 34n9
 Incentive compatibility of transparency, 222–26
 Income inequality
 economic experts and, 191
 Knight on, 191
 new welfare economics and, 69n1, 74
 overview, 235n1
 Rawls on, 191

- Information aggregation theorem
 of median estimates, 12
The Inside Job (film), 5n6
 Internalities, 9–10
 International Statistical Institute, 212
- Jenkins, Fleeming, 19–20
 “Jensenism,” 108
 Jevons, William Stanley, 112n3
 Jewish immigrants, eugenics and, 93, 105–7
 Johnson, Lyndon B., 15–16
 Jonson, Ben, 140–41, 154–55
Journal of the American Statistical Society, 51
Journal of Business, 161
Journal of Conflict Resolution, 40
Journal of Political Economy, 6
Journal of the Royal Statistical Society, 105n19
 JSTOR, 16
 Jury model of economic experts
 economic experts and, 220–22
 Knight on, 220–21
 overview, 19n31, 23–24, 180, 239–41
 Rawls on, 220–21
 transparency and, 226–30
 Tullock on, 180
 “Justice as Reciprocity” (Rawls), 75–76
- Kaldor, Nicholas, 28, 68–69, 70, 80–81, 85
 Kaldor-Hicks efficiency, 28
 Kennedy, John F., 15–16
 Keynes, J. Neville, 185n2
 Keynes, John Maynard
 on alchemy, 144
 generally, 104, 135, 186
 Hayek and, 179, 187
 Tarshis and, 112
 Keynesian theory
 savings in, 58–59
 Soviet economic growth estimates and, 112
 Khrushchev, Nikita, 130
 Kipling, Rudyard, 186, 188
 Knight, Frank
 on bias, 237
 Chile and, 6n7
 concealment of bias and, 198
 on discussion, 30, 37, 38, 39, 44, 48, 66–67, 220n15, 240
 on economic experts, 184–86, 190, 192
 on endogeneity of goals, 46, 47, 82
 generally, 3, 7, 8, 10, 18, 19, 28, 68, 84, 87, 161, 182, 196
 on income inequality, 191
 on jury model of economic experts, 220–21
 Pigou and, 179, 184–85
 on rationing, 53, 53n9, 56
 Robbins compared, 69
 on savings, 58
 on truth-seeking, 188–90
 “Knightian moment”
 Chicago School of Economics and, 47
 endogeneity of goals and, 46–50
 generally, 68, 88
 housing shortages and, 56–61
 new welfare economics and, 50–51
 overview, 27, 46–50, 66–67
 rationing and, 52–56
 savings and, 56–61
 Thomas Jefferson Center and, 49, 61–66
- Knowlton, Charles, 98–99
 Kobayashi, Bruce H., 225, 226
 Kolmogorov-Smirnov test, 164n12
 Kuhn, Thomas, 180, 198, 203
 Kuznets, Simon, 59, 124
- Lancaster, Kelvin, 132
The Lancet, 5, 11n17, 13, 202
 Landreth, Harry, 17
 Lane, Rose Wilder, 53–56, 53n11, 123, 123n11
 Lange, Oskar, 15
 Law, John
 banks and, 141, 151–52
 basilisk imagery and, 143, 148–49
 depictions of, 154–55
 generally, 12, 16, 137, 138, 139–40, 155–56
 on gold, 151, 151n29
 in *Great Mirror of Folly*, 140, 143, 150–51
 managed money theory, 142–43, 142n8
 Mississippi Bubble and, 141–44 (*See also* Mississippi Bubble)
 paper money and, 141–43
 rooster imagery and, 143, 147, 148–49
 Learning, discussion and, 33–36
 Least biased estimates, 204–8
 Lerner, Abba, 15, 53, 53n9
 Levy, David M., 200n4
 Linear policy goals, 8–10
 Lipsey, Richard G., 132–34, 136
 Little, Ian, 83–84
 Loewenstein, George, 183, 193, 211n1
Logic (Mill), 29–30, 30n1
 London School of Economics, 64, 69–70, 179, 188n4
 Longfield, Mountfort, 202n5
 Lucas, Robert, 87, 88

- Mackay, Charles, 139–40, 144, 145–46, 147–48
 Madison, James, 237
 Madoff, Bernie, 143
 Maine, Henry, 76–80
 Malthus, T. Robert, 103n17
The Malthusian, 103
 Malthusian League, 103
 Managed money theory, 142–43, 142n8
 Marshall, Alfred, 186–87
 “Mathiness,” 21n33
 Matthews, R.C.O., 14n23
 Mayer, Thomas, 6n8, 59
 McCloskey, Deirdre, 4n1, 30n3
 McConnell, Campbell, 115–18, 117n9, 119–20, 122, 129–30
 Mill, John Stuart
 Bradlaugh-Besant trial and, 97–98, 98n13, 100f5.2, 102–3, 105
 on contraception, 92–93
 Darwin compared, 105, 108
 on discussion, 29–30, 33–36, 35n15, 36n16
 on endogeneity of goals, 46
 generally, 8, 47, 76
 on learning, 34n10
 on natural selection, 98
 on slavery, 85–86
 Smith compared, 35–36
 on transparency, 42
 Mises, Ludwig von, 15, 52, 56, 112
 Mississippi Bubble
 alchemy and, 139–41, 144
 Great Mirror of Folly and, 144–49
 historical background, 141–44
 managed money theory and, 142–43, 142n8
 overview, 12, 16, 137, 138, 139–41, 155
 paper money and, 141–43
 Smith on, 154, 154n32, 156–55
 Mississippi Company, 141–43
Modern Economics (Tarshis), 123–24
 Modigliani, Franco, 59
Money and Trade Considered (Law), 141
 Moody’s (rating agency), 162, 164n12, 175, 205
 Moore, Don A., 183, 193, 211n1
 Moral licensing problem, 195
 Moral restraint, discussion and, 37–39
 Morris, Max, 214
 Motivational homogeneity, 199–200
 Moul, Margaret, 105–7
 Munafo, Marcus, 4–5
 National Bureau of Economic Research (NBER)
 Corporate Bond Project (*See* Corporate Bond Project)
 Soviet economic growth estimates, 122
 Natural selection
 Bradlaugh-Besant trial and, 98, 100f5.2
 Darwin on, 89, 91–92, 94, 95–97, 108
 eugenics and, 89, 91–92, 94–97
 Mill on, 98
 Negative eugenics, 97
 Neoclassical synthesis, 125, 125n14
 Neo-Malthusianism, 92–93
 “New Eugenics,” 108
 Newton, Isaac, 144, 149
 New welfare economics
 Arrow on, 50, 70, 83, 85
 cost-benefit analysis and, 84, 85
 exogeneity of goals and, 68–70, 84–85, 88
 income inequality and, 69n1, 74
 Kaldor-Hicks framework, 70, 81–83, 81n13, 85
 “Knightian moment” and, 50–51
 overview, 28, 68–70, 84–88
 Robbins on, 68–79, 84–85
 Samuelson on, 50, 51, 70, 82–83, 84
 scientific analysis and, 80–82, 84–85
 slavery and, 85–86, 86n21
 status quo and, 86–88
 Stigler on, 48, 50–51, 51n6, 66
 sympathy and, 85
 Nixon, Richard M., 15–16
 Nussbaum, Martha, 30n2, 32n6
 Nutter, G. Warren
 Fels and, 130–31
 overview, 15–16
 Soviet economic growth estimates, 110–11, 113, 122, 124, 128, 130, 135, 198
 at Thomas Jefferson Center, 49, 63, 110–11

Organization and Administration of the Corporate Bond Project, 174–75
Organization of Inquiry (Tullock), 197, 199, 200, 203
Origin of Species (Darwin), 92, 95–96
 Ostrom, Elinor, 27, 39
Oxford Journal of Social History, 4n2

 Padgitt, Kail, 41
 Palyi, Melchior
 Corporate Bond Project and, 167–69, 174
 generally, 161–62, 161n8
 on rating agencies, 158, 159, 160–61

- Paper Credit* (Thornton), 143
 Partnoy, Frank, 163n10
 Pearson, Karl, 21, 93, 105–7, 236
 Peart, Sandra J., 200n4
 Pigou, A.C.
 on bias, 237
 on economic experts, 184–85, 186–88, 192, 194
 eugenics and, 104, 202
 Knight and, 179, 184–85
 Place, Francis, 92–93, 92n4, 93n5
 Plato, 19
 Polanyi, Michael, 11–12, 180, 201–2, 237
 Poor's (rating agency), 164n12, 174, 175, 205
 Popper, Karl, 180, 198, 202–3, 203n7
 Posner, Richard, 210, 225, 226–27
 Praise
 bias and, 216–18
 Smith on, 215
 statistical efficiency and, 216–18
 Princeton Robustness Study, 205, 221n16
Principles of Political Economy (Mill), 8, 35n15, 102–3
 “Prisoner's dilemma,” 27, 218n11
 Production possibility frontier, 111–12, 115, 128–29, 131–32
 Prudent estimator of investment
 quality, 162–67

 Racial discrimination
 eugenics (*See* Eugenics)
 Jewish immigrants, eugenics and, 93, 105–7
 Robbins on, 73n9
 savings and, 57, 60–61, 67
 “Racket,” economics as, 199
 Rand, Ayn, 52–54, 56
 Rating agencies
 attitude of investment bankers and, 164
 bias and, 163
 Chicago banking plan and, 161
 composite ratings, 165–66, 167–70, 171, 173, 175–76
 concealment of bias and, 198
 Corporate Bond Project (*See* Corporate Bond Project)
 default ratios and, 166–67
 distribution of ratings, 164, 167
 early criticism, 161–62
 Glass-Steagall Act and, 161
 Harold on, 158, 159, 160–61, 176–77
 Hickman on, 162n9
 least biased estimates and, 204–8

 overview, 137–38, 157–61, 176–77
 Palyi on, 158, 159, 160–61
 pessimistic theory and, 165–67
 prudent estimator of investment
 quality, 162–67
 questions regarding, 175
 “rating shopping,” 158, 207–8
 recapitulation and, 165
 2007–2008 crisis and, 157–58
 “Rating shopping,” 158, 207–8
 Rationing
 Friedman on, 53n10, 66
 “Knightian moment” and, 52–56
 Knight on, 53, 53n9, 56
 Stigler on, 66
 Rawls, John
 on economic experts, 184, 190, 191–92
 on eugenics, 191n6
 generally, 18, 27
 on income inequality, 191
 on jury model of economic experts, 220–21
 on Robbins, 73, 74–80
 on truth-seeking, 188–90
 Recapitulation, rating agencies and, 165
 Reciprocity, 24–25
 Recommendations regarding economic experts
 factionalized science (*See* Factionalized science)
 jury model (*See* Jury model of economic experts)
 overview, 8, 18–24, 179–81
 revised code of ethics (*See* Revised code of ethics)
 transparency (*See* Transparency)
 Reder, Melvin W., 47n2, 50n5
 “Regulatory capture,” 9–10, 240–41
Republic (Plato), 19
 “The Republic of Science” (Polanyi), 237
 Revised code of ethics
 conflicts of interest, 183, 195
 financial disclosure, 183, 192, 192n8
 ideology and, 179–80
 overview, 179–80, 182–84, 193–96, 238
 transparency, 194–95
 Riddick, Elaine, 91
Risk, Uncertainty and Profit (Knight), 48, 179, 184–85
 Robbins, Lionel
 on conventions, 48, 70–73, 85–86
 on economic experts, 109
 on endogeneity of goals, 68–79
 on exogeneity of goals, 71

- generally, 28, 80
 Knight compared, 69
 on meaninglessness, 72n6
 on new welfare economics, 68–79, 84–85
 on racial discrimination, 73n9
 Rawls on, 73, 74–80
 Samuelson on, 72n8
 Romer, Paul, 21n33
 “Roofs or Ceilings” (Friedman & Stigler),
 48–49, 52–56
 Roosevelt, Franklin D., 161
 Rosenberg, Nathan, 4n1
 Rostow, Walt Whitman, 15–16, 110–11, 113,
 128, 135
 Rouwenhorst, K. Geert, 154
 Rubinstein, Ariel, 9n11
- Sally, David, 39–40
 Samuelson, Paul
 Arrow and, 84
 on economic experts, 109, 193–94
 on exogeneity of goals, 50
 Fels and, 131
 generally, 17, 28, 49–50, 53, 68–69, 80, 83
 ideology of, 128–29
 on neoclassical synthesis, 125, 125n14
 on new welfare economics, 50, 51, 70,
 82–83, 84
 on Robbins, 72n8
 on savings, 59–61, 67
 Soviet economic growth estimates, 112, 115,
 118–22, 125, 129–30, 134–35
 Savage, L.J., 221n16
 Savings
 Arrow on, 60–61, 67
 endogeneity of goals and, 49
 exogeneity of goals and, 57
 Friedman on, 49, 56–61, 67, 104
 in Keynesian theory, 58–59
 “Knightian moment” and, 56–61
 Knight on, 58
 racial discrimination and, 57, 60–61, 67
 Samuelson on, 59–61, 67
 Tarshis on, 58–59
 Scarcity, 70n3
 Schama, Simon, 147–48
 Schuck, Peter, 9, 81
 Second-best test, Soviet economic growth
 estimates and, 113, 132–34
 Secrecy
 Mississippi Bubble and (See Mississippi
 Bubble)
- overview, 137–38
 rating agencies and (See Rating agencies)
 Security rating agencies. *See* Rating agencies
 Self, discussion and, 30–33
 Self-interest, 179–80
 Self-restraint, discussion and, 37–39
 Sen, Amartya K.
 on discussion, 29, 30, 37–38, 43–44
 on endogeneity of goals, 46
 on exogeneity of goals, 46
 generally, 9n11
 Senate Banking Committee, 170–71, 173, 176
 Shannon, Edgar, 63
 Shazam, 205n8
 Shearmur, Jeremy, 198n1
 Sidgwick, Henry, 76
 Simons, Henry, 161
 Slavery
 Mill on, 85–86
 new welfare economics and, 85–86, 86n21
 tariffs and, 73n10
 Smith, Adam
 on alchemy, 140
 analytical egalitarianism and, 199–200,
 200n3
 on approbation, 215
 on discussion, 30–33, 36n16, 38–39,
 43–44
 on economic experts, 135–36, 190, 192
 on endogeneity of goals, 46
 eugenics and, 91, 107
 generally, 9n11, 14, 18, 23, 110, 201
 Mill compared, 35–36
 on Mississippi Bubble, 154, 154n32, 156–55
 on sympathy, 215n3, 219
 on “systems,” 18n29
 on transparency, 42
 Smith, Vernon, 11, 237
Social Choice and Individual Values (Arrow),
 83, 189
 Solzhenitsyn, Aleksandr, 134
 Soviet economic growth estimates
 Bach, 115, 122–23, 129–30
 Brandis, 115
 concealment of bias and, 198
 in economics textbooks, 114–15
 failure of models, 128–32
 Heilbroner, 115, 125–28, 125n15, 129–30
 ideology and, 128–32
 Keynesian theory and, 112
 McConnell, 115–18, 117n9, 119–20,
 122, 129–30

- Soviet economic growth estimates (*cont.*)
 Nutter, 110–11, 113, 122, 124, 128, 130, 135, 198
 overview, 15–16, 89–90, 110–14, 134–36, 236
 production possibility frontier and, 111–12, 115, 128–29, 131–32
 Samuelson, 112, 115, 118–22, 125, 129–30, 134–35
 second-best test, 113, 132–34
 Tarshis, 112, 115, 123–25, 129–30, 135
 “thick” treatment, 111–12, 113
 “thin” treatment, 112, 113
 tyranny and, 134, 134n20
Soviet Economy (CIA), 134
 Speculative bubbles. *See* Mississippi Bubble
 Spencer, Herbert, 76, 94n7
 Spieth, Darius, 150, 152
 Stable preferences, 69
 Standard’s (rating agency), 164n12, 174, 175, 205
 Statistical consulting, 212, 214
 Statistical efficiency, approbation and, 216–18
 Statisticians
 clients and, 213–14
 ethics and, 213–14
 Steiner, Peter O., 132–34
 Stephens, George, 145–46, 147, 149, 151–52
 Sterilization, 8, 85, 91–92, 191
 Stigler, George
 on addiction, 145n12
 Chicago School of Economics and, 47
 on discussion, 33, 43n20
 generally, 12, 27, 83
 on housing shortages, 27, 48–49, 52–56
 jokes of, 66n29
 on new welfare economics, 48, 50–51, 51n6, 66
 on rationing, 66
 Structural equation estimation, 222–23
 Supply and demand analysis of
 transparency, 223
 Sylla, Richard, 176n25
 Sympathetic bias, 14
 Sympathetic expertise model, 214–19
 Sympathy
 bias and, 219
 Buchanan on, 92n1
 economic experts and, 182–83, 192–93
 endogeneity of goals and, 85
 eugenics and, 94–95
 material motivation versus, 216n6
 multiple groups and, 219
 new welfare economics and, 85
 Smith on, 215n3, 219
 Tariffs, 73n10, 199
 Tarshis, Lorie
 ideology of, 128–29
 Keynes and, 112
 on savings, 58–59
 Soviet economic growth estimates, 112, 115, 123–25, 129–30, 135
 Tetlock, Philip, 10, 17
Theory of the Consumption Function (Friedman), 49, 56–61
Theory of Economic Policy in English Classical Political Economy (Robbins), 74–75
Theory of Justice (Rawls), 18, 75n12, 184, 188–90
The Theory of Moral Sentiments (Smith), 31, 32, 38–39
Theory of Price (Stigler), 51
 Thomas Jefferson Center, 49, 61–66, 110–11, 131
 Thompson, Dennis, 188n5
 Thompson, Donald, 167–69
 Thornton, Henry, 141, 142–43, 143n9
 Tobin, James, 62
 Trade, discussion and, 30–33
 Transparency
 asymptotics and, 227–28
 bias-seeking and, 223–26
 bootstrap variance and, 226–27
 complexity of, 12–13
 discussion and, 40–43
 economic experts and, 194–95
 exogeneity of goals and, 223–26
 “expert’s dilemma,” 226
 factionalized science and, 201–2
 finite samples and, 228
 hierarchy of, 13
 incentive compatibility of, 222–26
 jury model of economic experts and, 226–30
 Mill on, 42
 overview, 12–13, 24–25, 210–13, 229–31, 238–39
 Smith on, 42
 structural equation estimation and, 222–23
 supply and demand analysis, 223
 sympathetic expertise model, 214–19

- “Transparent nontransparency,” 208–9,
 229–30, 238–39
- Truth-seekers, economic experts as, 188–90
- Tukey, John, 165
- Tukey distribution, 205n8
- Tullock, Gordon
 on analytical egalitarianism, 199–200
 on bias, 237
 Buchanan and, 200–1
 on concealment of bias, 197, 198, 207–8
 on economics as “racket,” 199
 on factionalized science, 180, 199–202
 generally, 11–12, 21n32, 23, 197, 198n1
 on jury model of economic experts, 180
 on motivational homogeneity, 199–200
 Popper and, 203n7
 on public good, 204
 social sciences versus natural sciences, 199,
 199n2, 201
- 2007–2008 crisis, 157–58
- “Two Concepts of Rules” (Rawls), 75
- Tyndale, William, 148
- Tyranny of Experts* (Easterly), 15n25
- University of Chicago, *Journal of Business*, 161
- University Economics* (Alchian & Allen),
 125–28, 128n16
- University of Virginia, Thomas Jefferson
 Center, 49, 61–66
- Used cars, 196
- Vaccination, autism and, 5, 11n17,
 13, 202
- Valdes, Juan, 6n7
- The “Vanity of the Philosopher”: From Equality
 to Hierarchy in Post-Classical Economics*
 (Levy & Peart), 19–20
- Vardeman, Stephen, 214
- Vienna Circle, 71
- Viner, Jacob, 39, 111n2, 161
- Voltaire, 139, 143–44, 151, 154
- Wagner, Robert F., 170–71, 173, 176
- Wald, Abraham, 165
- Wallace, A.R., 89, 91–92, 94–95, 94n7
- Warburton, Clark, 174, 174n23
- Watts, Orval, 53–55, 53n11
- The Wealth of Nations* (Smith), 23, 32, 39
- Webb, Sydney, 104
- Weber, Max, 158, 161
- Weisbrot, Mark, 24n36
- Whately, Richard, 86n20, 201
- White, Lawrence J., 163n11, 173n21
- Wiesel, Elie, 143
- Wolf, Charles, 9–10
- Works Progress Administration (WPA),
 159, 175
- Xiao, Erte, 41
- Zenith Corporation, 194