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The Economy is Language

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Professor Bart Wilson of Chapman University in California and I are writing an essay directed at our fellow economists about what we call “humanomics.” Wilson and I, with a very few others, such as the Nobelist Vernon Smith, have for decades been trying to persuade economists to look beyond a narrow behaviorism, the methodological dogma that humans have to be studied as though they were gorillas or ants or molecules, or for that matter rocks, always from the outside. Behaviorism assumes that the economist doesn’t know what’s going on in humans heads. Behaviorists say, “Look only at their external acts. Talk is meaningless.”

But of course as humans we do have at least some idea of what’s going on in our husband’s or co-worker’s or son’s head. After all we do more than signal offers. We talk to others all day long, we read *The Posthumous Memoirs of Brás Cubas*, we watch movies, we laugh with friends, we do our business with other humans talking, talking, talking.

But I said that Wilson and I have been trying for “decades” to get this obvious point across. I’ve been in the case since 1983. Our colleagues think it’s somehow unscientific to look at all the available evidence for a human science.

Last week, though, Wilson and I had a breakthrough. We now believe we can gently persuade other economists to take seriously human thought and speech, and loving and laughing, and stop treating their science as similar to the study of ants.

We suddenly realized that we can tell them about the enormous scientific – and humanistic – literature that points to language as the distinguishing characteristic of humans. True, humans have a great deal in common with our great-ape cousins. But the cousins cannot, as we can, think symbolically and abstractly. About economics, say.

Obviously, the result of this uniquely human feat is the mental and verbal culture that we share and trade. Imagine humans without language, grunting and

pointing at best. Grunting and pointing, contrary to the implicit assumption of our behaviorist colleagues, does not suffice to run an economy. Negotiating deals, designing products, imaging a new job, expecting inflation, believing in to-down state action, and believing in free trade are all thought and speech together.

Better economics, yes?