Not for the Cynic: A Gentle Approach to Personal Discovery

Three Faces Of Power. By Kenneth E. Boulding

Reviewed by Dwight M. Gadsby

Professor Boulding has arrived at a rare and exalted position where, as an author, he becomes almost as interesting as the subject matter he explores. He has been described as one of the “magistral” figures of the social sciences, and he is Boulding himself represents a number of important cloufices unique in economic science today. Although denying that he is a strict Keynesian, he may have more in common with that body of thought than any other. He appears to have important ties with the earlier “New Economics” practitioners, such as Professors John R. Hicks and Nicholas Kaldor. It is important to remember that at the age of 31, he made economic theory readable in Economic Analysis. Several later editions remain as touchstones for economists who take economic theory seriously.

Three Faces of Power is an essay about power, all kinds, and its use and misuse. The reader will find the book devoid of mathematical symbols and complex formulas, which are commonly used today to condense relationships and concepts. Some might even go so far as to question where the economic relationships are located. The book deals with ultimate economic questions and issues, such as the fragile nature and the organization of the international economy. Boulding confronts the value of short-term domestic and international gains relative to tradeoffs in terms of the life and death of the planet.

Boulding’s life appears to be an affirmation of turning economics from a dismal science into a moral one. He approaches the writing of this book as an economist, a philosopher, and a poet. His words dance with a delicate subtlety that convinces the reader to read it several times. In his impeccable style, little moral lessons drift in softly. “Benevolence seems easier to express than does malevolence. Smiles take fewer muscles than frowns. It is harder to injure someone than to assist them.” And those who expect a narrow interpretation of the use of power in the same sense Galbraith might employ will be disappointed. Boulding is much more subtle and philosophic.

Boulding centers his essay on power and divides it into three major categories: threat power, which can be fashioned into destructive features, particularly when applied to political life, economic power, which rests on the capacity to function in the marketplace, especially in the ability to produce goods and services, based on the distribution and ownership of the factors of production, and integrative power, the power that emanates from personal relationships based on love and identity.

Boulding creates a setting from which to analyze threat power, which is effective only if it can be backed with economic and integrative power. Some of the thinking presented here may relate to his earlier analysis of macroeconomic aggregates. Boulding used some of these constructs when he supported the anti-nuclear movements in the 1950’s and 1960’s. I remember that in some of his rations for disarmament in the 1950’s, he invoked the threat of global destruction and the alarming exploitation of natural resources for short-run international political gains. His concern for the protection of natural resources and the environment marked him as a pioneer environmentalist. Today, he appears more uncertain about not confronting evil with force no matter the nature of threat. I wonder whether Boulding has changed since the 1950’s when he opposed nuclear threat response, which was well on its way to providing the world with one of its longest periods of peace in this century. In this essay, he contends that any such deterrent can only be of short-term duration because if the probability of use is zero, then, in effect, it is no deterrent. But, the probability of global nuclear response has not been zero. Even if this probability is near zero, the tactic can be and has been of more than short-term duration due to the high impact of response and related consequences. A nuclear response has been arguably of low probability, but this seemingly low-probability event still carries dire consequences.

But have Boulding’s views changed in the face of the need to confront unprovoked aggression with military and economic power, even as acquiescence threatens universally held values? Probably not. His essay is less about technological potentials and more about the hopes of people to adapt and cooperate. What would Boulding say about the events in the Persian Gulf, the international cooperation against aggression, the causes and aftermath? Even if Kuwait had been applying Boulding’s power principles (economic and integrative power in anticipation of an invasion by an outside force), Iraq, with comparable economic and integrative power, would still have invaded.

Boulding holds out great hopes for the human spirit. Anatol Rapoport has said that Boulding sees science not as a system of theories, but as an ongoing struggle of human enterprise, a triumph of the human spirit.
and a passionate search for wisdom. Boulding tells us not to be frightened to be human and not to fear failure. I wish he would have written more about the economics of compassion and how investment rates and opportunities could be integrated with the economic systems of this world.

Could Boulding help resource economists deal with questions about aggregate investments in human, social, and natural resources, both domestically and internationally? He reminds us that there is a profound ignorance about how a total world system would operate. He points out the need to overcome the stability of “poverty subcultures” as well as to explore the possibility of another “Great Depression.” He asks us to consider the limits of world governments and their ability to deal with world problems. He wonders if there may be “positive-feedback” systems in operation that might destabilize a world economy and lead to a global disaster. Boulding is really stating that we live in a world that is a total system with nobody in charge. He sees that we must eventually deal with the reality of a “carrying capacity” for the earth’s riches. He implies that a need exists to reorganize our disciplines so that social scientists can address many unanswered questions.

The value of reading Boulding’s essay is that of personal discovery. Besides the many glittering economic ideas and suggestions lying about like diamonds in a field, his essay provokes self-knowledge. Boulding is unashamed of advocating “hugs” over “clubs” in solving international economic problems. In reading Boulding, I wondered what he learned from James A. Hobson’s *Imperialism: A Study*, and did Boulding really know what the British Empire was all about? I would like him to have addressed the issues of international demographic models, using them to describe international macroeconomic aggregates. Also missing are his estimates of the finite limits and safety zones for the international economy. Boulding might have included some of those things he does so well, the nuts and bolts of economics, such as economic structure, income relationships, price flexibility, and international relationships between price and wage levels. But, despite these lapses, you as an economist will know a lot more about yourself and the failures and successes of your profession after reading this book.