

# THE POLICY SCIENCES CENTER, INC.

127 Wall Street, Room 322

P.O. Box 208215

New Haven, Connecticut 06520-8215 U.S.A.

Tel: (203) 432-1993 • Fax: (203) 432-7247

MYRES S. McDOUGAL  
Chairman (1906-1998)

W MICHAEL REISMAN  
Vice Chairman

ANDREW R. WILLARD  
President

Please Reply to: DR. LLOYD ETHEREDGE  
7106 Bells Mill Road  
Bethesda, MD 20817  
Tel: (301) 365-5241  
Fax: (301) 657-4214  
Internet: [lloyd.etheredge@yale.edu](mailto:lloyd.etheredge@yale.edu)  
July 3, 2003

Dr. Warren Washington, Chair - National Science Board  
Dr. Rita Colwell, Director - National Science Foundation  
4201 Wilson Blvd.  
Washington, DC 22230

Dear Dr. Washington and Dr. Colwell:

I think the members of the National Science Board will agree that the breakdown of science-based economic policy is one of the most egregious scientific and intellectual failures of NSF programs in its history. There has been increasing damage to the country. Our national datasets are conceptually limited and too unreliable, and NSF-funded mechanisms for scientific supervision have been silent. As I wrote to you last fall, last-generation models and measures have been losing their grip on reality: Recently the Fed lowered interest rates for the 13<sup>th</sup> time since 2001, and still has not seen the results that academic models predicted should have occurred long ago.

I am writing to discuss these breakdowns further because the National Science Board has not held public hearings. I am concerned that you do not have a sufficiently deep understanding of the institutional barriers to your goal of fast-discovery science. NASA recently replaced its top three shuttle managers as a result of an investigation of its shuttle disaster: the downward cascade of the social sciences will require even greater changes.

As a background, I enclose a chapter, "Wisdom in Public Policy," that will appear next year in a volume from Cambridge University Press organized by Robert Sternberg, current President of the American Psychological Association. There is a discussion, on pp. 20-24, of the psychological schema (and new measures and datasets) that triggered panic, evasion, and suppression in the National Academy of Sciences/ NRC advising system. The National Science Board may be interested to observe that, while the new scientific formulation is mine, the principal credit for the unsettling ideas belongs to Plato.<sup>1</sup>

May I bring three additional models of these breakdowns of economic policy to your attention?

1.) Social Scientists are Fools

There is a perception, shared by many physical scientists, that social scientists either are fools or people whose best ideas were tried (and failed) in the 1960s. (The last Richard Feynman used to tell colleagues at Caltech that the occasional good ideas from social scientists were not worth the inherent goofiness that was the cost of having them around). As you may surmise, my own view is that there is an extraordinarily productive and creative potential for the social sciences. Nevertheless, if you are inclined to write-off the social sciences, I encourage you to hold public hearings to seek evidence with due process, and to be candid in your concerns.

2.) Dr. Bruce Alberts and Stagnation from Unsupervised Self-Interest

Thomas Kuhn's The Structure of Scientific Revolutions analyzed the tendency of (last-generation) Establishments to block competitors and change. This is an alarming part of the story of the social sciences, which has been made worse by NSF's sole-source contracting, for key functions, to the National Academy of Sciences/National Research Council, which confers agenda-setting power to a small group of social scientists who maintain a dominance hierarchy and secure self-interested rewards by restricting change.

For example, the economics profession has been engaged for years in a political war with politicians (and other social sciences) about whose ideas and variables will dominate economic policy. The preference of Presidents and Congress to use motivational and other psychological variables has remained unmeasured and untested because the active members of the National Academy of Sciences in economics have not promoted or supported the idea - and Dr. Bruce Alberts and our National Science Establishment in other fields (including the physical sciences) let them get away with it.

There are remarkable - selfish - rewards for this behavior. When economists can restrict market entry and achieve a monopoly for older models and limited ideas, they receive status and income as "monopoly rent." The New York Times reports that universities (e.g. NYU) now offer salaries of \$80,000 - \$200,000/year. (A \$200,000/year academic salary - i.e., not counting consulting income - is astonishing for scientists whose models have been failing, who operate with relatively simple mathematics (by the standards of the physical sciences) and with notoriously unreliable data, which does not bother them (a problem discussed in my earlier correspondence and the supporting letter from Dr. Reischauer)). Even as the models (and arguments about adding epicycles to

their Ptolemaic system) are failing, leading Departments counsel their NSF-supported graduate students that they will be academically unemployable if they deviate from mainstream constraints.

The same self-interested payoffs arise in other fields. Two leading NAS American political scientists, Dr. Philip Converse and Dr. Sidney Verba, were part of the decision to kill the evaluation of ideological assumptions.<sup>2</sup> Converse and Verba agreed to kill tests of the group psychological/ leadership/motivational assumptions involved in ideological arguments - but if there were non-zero coefficients for any of these models of citizen-government relations, the life's work of both men would be seen as flawed and become historical footnotes. Perhaps the ideas of Converse and Verba would have won, in a fair contest. But there are grounds to suspect that they spotted potential competition and killed it - and have assured continued scientific status for their ideas, power, research grants, and personal income for several additional decades.

A third example is Dr. Neil Smelser, who still uses his agenda-setting power in the NAS/NRC system (e.g., via the Division of Social and Behavioral Sciences and Education and the Committee on National Statistics) to kill the new generation of interdisciplinary (especially psychological) measures and statistical controls for economic policy. Neil Smelser was an early proponent of psychoanalytically-informed social science and interested in economic sociology. And the psychoanalytically-informed framework for new datasets in the social sciences that I submitted in the mid-1980s, and appealed in the 1990s, had a clarifying power and potential benefit to the social sciences and public (and economic) policy beyond anything that he achieved during his years as a productive scientist. More recently, Dr. Smelser has become a lay psychoanalyst and can speak to his own motives - but he did not recuse himself, and the secrecy of the NAS/NRC permits the impression that he has spent fifteen years adroitly managing and deftly rationalizing a top-down dominance hierarchy and derailing datasets that could have permitted an entire generation of younger scientists to move beyond him, many years ago.<sup>3</sup>

My contribution - which I think was one of my most creative to the social sciences - is only one small part of the story of the intellectual stagnation in the social sciences and economics. But I think it is a worthwhile example as others have found it an integrating and clarifying synthesis that renders opposing theories testable - i.e., the kind of framework that would create extraordinary excitement in physics.<sup>4</sup> As a much younger scientist, I thought it would have the same response within the National Academy of Sciences.

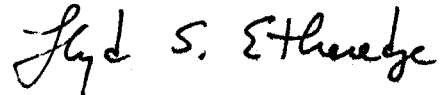
### 3.) Political Suppression

As I have grown older, it seems to me that fast-track social scientists who (via appointment by Dr. Alberts) rule the National Academy system are extraordinarily good at manipulating institutions. They also are extraordinarily creative in shifting blame to other people. Their favorite maneuvers have been political excuses: Right zealots would be angry if social scientists played an honest broker role and tested their assumptions. Or, they have warned, it would outrage liberals if hated conservative ideas were taken seriously (I have been called a "Reagan admirer.") Defenders of Frank Press and Bruce Alberts told the President's Committee of Advisers on Science and Technology that it was "the American people" who were the cause of inaction, because they (allegedly) did not support evidence-based public policy. A more recent excuse for silence has been to claim that "no elected politician" would support the appropriations. NSF has been blamed because it did not specifically ask for such studies and give them political cover. (Philip Converse sought to deflect criticism by the defense of blaming almost everyone else - that "Some people may have done things they should not have done, but it probably would not have made any difference.") Alternative theories have blamed me as the guilty party and the cause for the national impasse and non-testing of ideological assumptions - Duncan Luce blamed me because I allegedly lacked political skills. A further exculpatory rationalization is that when I criticized the derailing and legitimately complained as a scientist and citizen - I then made it politically impossible for the NAS/NRC to act without admitting past error and losing face.

Concerning all of these arguments, I would suggest that - after the OMB Director David Stockman resigned in the early Reagan years - all of the political arguments have been rationalizations. The imaginative arguments vary, and no compelling evidence has ever been offered for them. The constancy, however, has been the self-interest of the people making them.

In support of this conclusion, may I bring to your attention the better behavior of the Academies that were not controlled by Dr. Frank Press and Dr. Bruce Alberts? For example, the Institute of Medicine has been exemplary in serving the public interest by initiating studies of patient safety that (legitimately) discomfit physicians and hospitals, even those who are well-connected politically. (And IOM is a leader in planning new 21<sup>st</sup> century health information and data systems). Or contrast the lax standards for economic data and excuses of Dr. Smelser's CNSTAT with the integrity and professionalism in the relationship of the National Academy of Engineering and NASA, with hundreds of sensors aboard the space shuttle so that, in the event of a disaster, we could learn lessons.

Yours sincerely,



(Dr.) Lloyd Etheredge, Director  
Government Learning Project

1. The suppression also has been egregious and irresponsible because the psychological model and new measures are a breakthrough that opens new pathways (via the investigation of brain physiology and vivid hierarchical images) for understanding mental illness - support via the Group for the Advancement of Psychiatry and from Dr. David Hamburg, a psychiatrist and former President of the Institute of Medicine, being part of the history of the suppression by Drs. Press, Alberts, and Smelser.
2. Testing ideological assumptions still is the obvious plan for fast discovery social science, and civic relevance, if you are interested. The derailment continued in the latest round of planning for infrastructure investments for fast-discovery science. Dr. Alberts assigned a member of the NRC professional staff to serve as liaison to the National Science Foundation project - one result being the innocent silences that were part of the draft Report that was forwarded to the NSB staff and that you received last December.
3. Dr. Smelser is the author of The Social Edges of Psychoanalysis (1999). He is less than candid about his central role in effecting and maintaining the marginality of psychoanalytic ideas through his signature on the Luce-Smelser Report and signing-off, without protest, in all of the cycles of suppressive decisions since.
4. Dr. Bruce Alberts gives a wonderful speech but innocence is not a plausible explanation. His recent Presidential address (available on the [www.nas.edu](http://www.nas.edu) Website) claims that the NAS operates by consensus, but - concerning the marginalization of the social sciences - it is a lie. There continues to be conflict and controversy, but intense pressure to keep the internal conflict from becoming public knowledge. Nobody with dissenting views concerning economic data (e.g., Dr. Reischauer) is invited to serve on key panels; nor is anyone who has criticized the ethics, scientific, or civic breakdowns or top-down operating style of the past fifteen years.