

More response from Clark

(1) Harvest Failures – I think Arnold Kling identified well the reasons why I put harvest failures in the “good” column for the Malthusian Era. But I also understand Bryan Caplan’s objection to this in terms of the model. So let me try and clarify.

Suppose you had to choose between two economies. In one through government policies or the nature of the climate the supply of food is the same each year. In the other every 20 years there is a bad harvest that kills 10% of the population. The average food production is the same. We can thus think of the second economy as having the same average technology schedule, but a higher death rate schedule.

My thinking was that you are better off on average in the one with the periodic disaster. Life expectancy will be roughly the same (life expectancy in the pre-industrial world is just the inverse of the birth rate). And because there is an extra source of mortality, on average deaths from economic causes have to fall.

So pre-industrial governments like those in China that stored grain and distributed them to the poor in years of harvest failure reduced, rather than increased, average material welfare.

(2) Technological Advance – Bryan is absolutely correct that technological advance improves human welfare, at least temporarily, in the Malthusian era. But I do not say in FTA that it is bad – I say instead that the rate of advance was so slow before 1800 that it had negligible effects on material welfare.

(3) Population Size – Bryan is also right in saying that population size may have a value also, as well as material welfare. And indeed the book accepts that one of the things bringing about the Industrial Revolution was the much greater population of the world in 1800 than in 100,000 BC. But in practice the weight we give to population as opposed to income per person in the modern world is very small, particularly when incomes are very close to physical subsistence. We do not have newspaper headlines warning “Uganda achieves record 3.5% annual population growth rate in 2007 – can the US meet this challenge?”

(4) Writing Style – In his introductory post on the book Bryan notes disapprovingly that Clark “delights in counterintuitive claims”, “scoffs” at the importance of institutions/policies. I confess to the crime. I tried to write a book that would both be sound in terms of analysis and evidence (there is a great deal of evidence in the book for various claims – there is a reason this book took 12 years to complete), but that would also be playful, surprising, and ironic. I know the book does not read like the standard economics monograph, or like an Intermediate Micro text. But since when did the economics profession become such a temple that we cannot laugh a little at some of our own sacred doctrines, which are maintained more by hope and faith than by any hard evidence? It is ironic that even after the Scientific Revolution of the 17th century the correct way to analyze the economies of people is the same way we would analyze hyena or wildebeest society.