

A Sociological Contribution to HAHR's Open Forum on Jeremy Adelman's (2013) Biography of Albert O. Hirschman

In the past few months, the *Hispanic American Historical Review* (HAHR Editors 2014) took the opportunity to launch an open forum galvanized by the recent publishing of Jeremy Adelman's ambitious biography, *Worldly Philosopher: The Odyssey of Albert O. Hirschman* (2013). This concerned the linkage between Hirschman's intellectual and professional development and the study of Latin America. The senior editors' primary focus was on the feedback between Hirschman and scholars of the subregion. The forum, curated by Sean Mannion, "started" with Peter Coclanis's review of Adelman's biography. Following, as *comments*, it listed reviews and responses by Paul Gootenberg, Joseph Love, Richard Salvucci, David Sartorius, Amy C. Offner and Jeremy Adelman. This launched a call for further reactions that would discuss Adelman's effort or that would add to the insights revealed in all of these contributions.

The herein response to this invitation has two purposes. First, it catches up with this editorial initiative from the sociological end of the debate. Second, it shows how sociologists, and sociologists of the unintended in particular, could benefit from re-visiting some of Hirschman's insights on the perception and rhetoric of unintended consequences of public policy and reform. In this regard, Adelman's biography is *a must* because, among other things, it also catches the development and the persistence of the unintended consequences issue in Hirschman's work. To be sure, there would be value in reviewing other recognized and celebrated issues in Hirschman, in addition to the problem of the unintended. Evans and Skockpol (2013), for instance, drew on Adelman's book and exploited the "progressive possibility" theme. Gladwell (2013), on the other hand, revealed the hiding hand and "the power of failure," and I expect the sociologists to be particularly interested in the account of, *Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States* (Hirschman 1970; on the story behind this book see Adelman 2013: Chapter 14—*The God Who Helped*). Yet, the issue of unintended deserves emphasis because sociologists, although aware of Hirschman's input on the unintended debate, still express a rather vague sense of knowledge when it comes to its particularities and ramifications. This is what can be inferred at least from the general lack of reference to his treatment of the unintended in the field.

Adelman's biography of Hirschman has twenty chapters—not counting the acknowledgements, introduction, conclusion and afterward sections. It is a magnificent undertaking, of a bit less than seven hundred and forty pages, which could be read for various reasons. Let me develop two points. First, there is the rich and adventurous life of the nonmathematical development of an economist, and later turned social scientist. Hirschman was born in Berlin, in a middle-class family of assimilated Jews, and left clandestine for France in the spring of 1933, at eighteen years of age, because of Hitler's rise to power. What followed was political involvement in anti-Nazi and anti-Communist political activity on various fronts. This evolved from intellectual debates with his sister Ursula, to helping refugees (including Hannah Arendt) get out of France, as part of the Varian Fry rescue network, through volunteering to fight in the Spanish Civil War on the side of Republicans and ulterior joining the French Army after the German invasion of the country—to point to some of the most memorable episodes.

After his arrival in the United States at the beginning of 1941, Hirschman's military experience continued with his enlisting in the U.S. Army in 1943, where he worked as a translator in Italy while serving with the Office of Strategic Services. After the war, he acted as an interpreter to Wehrmacht General Anton Dostler in the first of the Allies' war crime trial, he was engaged in the realization of the Marshall Plan, and from 1952 onwards, in development advising to the Colombian Government via the World Bank. It was only in 1956 that Hirschman got firmly involved in professorship at Yale University. Hirschman's academic career gained such a momentum that he successively accepted positions at seminal universities until he decided, in 1974, for what turned out to be the definitive stop, to take a position at the Institute for Advanced Study at Princeton University. Here he worked with Clifford Geertz in building the New School of Social Science.

The second possible reading of the biography is to follow Hirschman's scholarly and professional odyssey. Adelman tenaciously documented the influences (such as his brother-in-law, the intellectual thinker Eugenio Colorni) and stumbling rocks that eventually led to his successful career (Adelman 2013: Chapter 9—*The Biography of a File*). Regarding the latter, it was the unfavorable political circumstances that forced him to go to Colombia as an economic advisor and which resulted in close engagement with, as well as methodological understanding of public policy and development projects in Latin America. This is a very broad and complex topic which allows for the observation of the appearance and development of various theoretical ideas. Some of these are linked with the generic problem of the perception of unintended consequences—thus the aspect I am interested herein.

As pointed out by some of the commentaries hosted by HAHR, this problem appeared prominently in Hirschman. Salvucci (2014) depicted it in *The Passions and the Interests: Political Arguments for Capitalism before Its Triumph* (Hirschman 1977) with regard to the unintended and perverse outcomes produced by markets. While Love (2014) highlighted Hirschman's incurable optimism in this respect: "he saw positive unintended consequences even in development schemes that went sour." In his commentary, Love invoked *Development Projects Observed* (Hirschman 1967) where

Hirschman detected distributed and less perceptible positive outcomes of projects generally accounted as failures by their observers. He picked up the case of the building by the Damodar Valley Corporation in India of a huge dam to supply water and hydroelectric power, which had the effect of activating competitors to the governmental enterprise project. Yet there are many more examples that we could delve into. Based on Adelman's research, I will capture the three most recurrent *petit ideas* on the unintended in Hirschman. I will proceed in a manner similar to Foxley (2013) who identified four key aspects of Hirschman based on this biography. I will try to contribute to HAHR's forum by showing how his treatment might/should influence sociologists of the unintended.

The positive unintended effects

Hirschman advanced a treatment of unintended consequences of social intervention, and not of social action (which accounts for the dominant genre in sociology). He revealed the unintended in relation to the purposive activities of improving and perfecting the social world—i.e., through reform. The fact that he was committed to reform and was suspicious of revolutionary and reactionary arguments (Adelman 2013: 14) transpired in the manner in which he sorted out the unintended consequences of development projects. Although Adelman does not state it directly, it emerges that Hirschman was inclined to underline the positive indirect outcomes in terms similar to what today is commonly referred to as *institutional work*. He avoided fatalist and black-and-white perspectives commonly associated with more ambitious and all-or-nothing attempts to perfect humanity. In fact, as the *Colombia Years* (Adelman 2013: Chapter 10) showed, the economist developed an atypical predisposition quite early to look for instances of successful economic development, and less for failed ones—“Impossibility, futility, backwardness—the keywords of pessimism—were not part of Hirschman's lexicon” (Adelman 2013: 312). Also unusual for scholarship of the unintended, sociology included, Hirschman drew attention to the symmetrically opposite manifestation to ironic and unexpected outcomes—“the intended but unrealized effects of social decisions”—see *The Passions and the Interests: Political Arguments for Capitalism before Its Triumph* (Hirschman 1977).

This [Weber's] thesis was more than a magnificent paradox: it spelled out one of those remarkable unintended effects of human actions (or, in this case, thoughts) whose discovery has become the peculiar province and highest ambition of the social scientist since Vico, Mandeville, and Adam Smith. Now I submit [...] that discoveries of the symmetrically opposite kind are both possible and valuable (Hirschman 1977: 130).

How initial failure moves the activity along and might turn it into success

This documented fondness for the positive outcomes notwithstanding, Hirschman did have an ear for the paradoxical and critical outcomes of public policy and reform. As traced by Adelman, Hirschman came over ironic effects already while working for the

Istituto di Statistica, during his stay in Trieste between 1937–1938, where he showed that the fascist pronatalist policies which were rewarding women for reproducing could result in higher fertility rates, but also lead to an increase in child mortality rates (Adelman 2013: Chapter 4—*The Hour of Courage*). What soon came out of this observation of failed development projects, and was again and again confirmed in his ulterior work, is that the observer’s attentive scrutiny and patience might reveal some hidden reason in these instances which might turn failure into success (on the story behind *Development Projects Observed* (Hirschman 1967) see Adelman 2013: Chapter 13—*Sing the Epic*).

He wondered to himself: Maybe a narrow failure was *necessary* for a project to have wider effectiveness? Maybe projects “fail” because they induce competitors and imitators? They themselves might not be very efficient, but they stimulated efficiency and entrepreneurship among others. Having created a surge in demand, the project was a constructive “pressure point” sparking more activity (Adelman 2013: 390–391).

There are several variations and related notions to this idea that initially encountered failures might unexpectedly end in success by rendering their initiators stronger and more determined to move things forward. Adelman’s book depicts their dynamics in the story behind Hirschman’s trilogy on economic development. To make a long story short, there is first the concept of the “«optimal» crisis—deep enough to provoke change but not so deep that it wiped out the means to make it” (Adelman 2013: 262). Then, closely related, is Hirschman’s interest in the role of disequilibria and tension in social change (Adelman 2013: Chapter 11. *Following my Truth* on the story behind *The Strategy of Economic Development* (Hirschman 1958)). Third, there is *fracasomania*—the complex of failure—which depicts the insistence on the failure and unintended consequences of past efforts, and the tendency to frame policy work as wholly unsolved or as totally solved (see the story behind *Journey toward Progress. Studies of Economic Policy-Making in Latin America* (Hirschman 1963) in Adelman 2013: Chapter 12. *The Empirical Lantern*; see also Hirschman 1975). What *fracasomania* tells sociologists is that the rhetorical sensitivity of organizations to particular types of unintended consequences is determined by the overall self-perception of their effectiveness. This summons the scholars of the unintended to be aware of possible exaggerations regarding the pervasiveness of unintended consequences and the implications of such discourses. Fourth, there is the method of sorting development projects into “Yes” or “No,” not by focusing on the immediately striking triumphs or perverse outcomes but rather on the manner in which such critical moments are overcome in the projects and happen to be conducive to creative solutions (see the story behind *Development Projects Observed* (Hirschman 1967) in Adelman 2013: Chapter 13. *Sing the Epic*). This measure of success (and thus of the unintended) is quite intriguing. In sociological fashion, we might catalogue it as a special and extreme case of the *shift in mid-course* in the wider typology of unexpected turns of social action (see Portes 2010).

Instead of asking: what benefits [has] this project yielded,” mused Hirschman, “it would almost be more pertinent to ask: how many conflicts has it brought in its wake? How many crises has it occasioned and passed through? And these conflicts and crises should appear *both* on the benefit and the cost side, or

sometimes on one—sometimes on the other, depending on the outcome (which cannot be known with precision for a long time, if ever) (Adelman 2013: 393).

The possibilism of the unintended

Such treatment of the unintended poses obvious advantages and it has potential for sociologists already trained in depicting latent and side-effects of social action. Still, there is also the risk that unrestrained bias for optimism and tolerance of failure, on the account that this might be good for success, might render the scholars immune to the crisis in the making. Adelman emphatically documented Hirschman's failure to grasp the devastating consequences of the World Bank funded Bornu Railway Extension in Nigeria which contributed to the civil war that erupted soon after he evaluated this country. From a more theoretical point of view, this incomprehensible blindness to the disastrous outcomes of the Nigerian project seems to suggest an exception or a manifestation of the *hiding hand* principle that went wrong. This notion, again elaborated by Hirschman, depicted the ignorance and misrepresentation of future obstacles as facilitators of successful engagement in problem solving (for the story behind the *hiding hand* see Adelman 2013: 400–406). It was out of these tensions and inquiries in the dead-end failure that happened in Nigeria that *Exit, Voice, and Loyalty* (Hirschman 1970) was born (for a brief summary see Adelman 2013: 393, Chapter 14. *The God Who Helped*). With this seminal work, Hirschman began to resemble an economist of the unintended less and less, and more and more the social scientist analyzing this problem in an interdisciplinary manner. Arguably, the most notable contribution at this level is that he underlined the *possibilism* of unintended consequences, with all the implications that this idea might pose.

The term possibilism was coined in *A Bias for Hope* (Hirschman 1971) and it depicted “the discovery of paths, however narrow, leading to an outcome that appears to be foreclosed on the basis of probabilistic reasoning alone” (Hirschman [1986] 1992: 173). With regard to the treatment of the unintended, the notion implied that we should refrain from coining the undesirable effects as inevitable and predictable outcomes of adverse social conditions. The possibilism made Hirschman on guard against scenarios of unintended consequences which portray these as irreversible and almost predictable (for more information on the premise of this book see Chapter 14. *The God Who Helped*).

Rejecting the prevailing concern to catalogue preconditions for successful outcomes or doomed fates, he wanted attention focused instead on possible paths, oddities, anomalies, unexpected and unintended effects, and of course his perennial affection for inverted sequences to chart a different way of thinking about social improvement (Adelman 2013: 451)

Here is an interesting point that seems to imply two things for sociologists of the unintended: the probability of emergence of unintended consequences, but also the possibility of their non-occurrence. This latter aspect concerns rather the unintended outcomes with negative implications, with its relevance coming to light in Hirschman's last major work on *The Rhetoric of Reaction: Perversity, Futility, Jeopardy* (Hirschman

1991; for more information on the premise of this book see Adelman 2013: Chapter 20. *Reliving the Present*). Wherein, he made the statement that the appeal of the rhetoric on perverse effects also stems from the fact that the discourse initially linked with uncertainty gradually evolved in the direction of predictability. Thus we see the potential of possibilism to turn back the wheel in the direction of uncertainty.

The concept of unintended consequences originally introduced uncertainty and open-endedness into social thought, but in an escape from their new freedom the purveyors of the perverse effect retreat to viewing the social universe as once again wholly predictable (Hirschman 1991, 36–37).

For the manner in which possibilism might hit a nerve in the scholarly field on unintended, I refer sociologists to Adelman's (2013: 636–638) account of the sharp exchange of reactions, subsequent to the book being published between Raymond Boudon and Hirschman on perverse effects. As with the micro-history of other reviews and reactions to Hirschman's work, this part offers a catching and intriguing reading. Adelman's biography gives one the possibility to collect additional evidence on the story behind the petit ideas on unintended in Hirschman, and to follow their concretization, dynamics, appeal and sometimes temporary defeat.

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