

Why Should Government Gather Statistics, Anyway?

Historical Justifications For Public Data Collection in the United States and Theories of the Role of Government

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Abstract: During an era of limited government in nineteenth-century America, one of the things that government did do was to gather statistics in prodigious quantities. One explanation for why a limited government would nonetheless gather statistics is provided by the theory of “public goods” in neoclassical microeconomics. This article examines justifications actually presented during nineteenth-century debates for why the U.S. government should gather statistics and compares them with the justification presented in microeco-

nomics theory. The evidence suggests that, although they, like contemporary microeconomic theorists, believed in limited government, people in nineteenth-century America nonetheless had a broader view of the role of government in our lives, a view that has been lost in contemporary economic theory.

Key words: Statistics; history; public goods; economics of information; role of government.

0. Introduction

In nineteenth-century America, federal spending ran at less than three percent of the GNP – and most of the federal budget was spent on interest payments for debts incurred during wars and on pensions to disabled war veterans.² Both the American people and the American government believed that the government’s role in society was limited.

Yet one thing that the government did do was gather statistics. The U.S. Constitution mandated that the federal government undertake a “decennial enumeration” to determine

representation in the House of Representatives, making the United States the first country in the world to take a regular population census.³ As early as 1810, the federal government attempted a census of manufactures, in addition to population. It was the first such attempt anywhere in the world.⁴ In 1840 the government added a census of agriculture and expanded the population census to count

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² Kendrick, S.M. (1955): *A Century and a Half of Federal Expenditures*. New York: National Bureau of Economic Research, Occasional Paper 48, pp. 10, 38.

³ Wright, C.D. and Hunt, W.C. (1900): *The History and Growth of the United States Census*, Committee of the Census, U.S. Senate, 56th Congress, 1st Session, n. 194, p. 13.

⁴ *Ibid.*, p. 23. See also Holt, W.S. (1929): *The Bureau of the Census: Its History, Activities, and Organization*. Washington: The Brookings Institution, p. 6. The Holt volume, along with Wright and Hunt, which is somewhat more detailed, provide excellent overviews of the changes in questions asked in the census during the nineteenth century.

the number of insane and mentally retarded, schools, and illiterates over twenty years of age.⁵ In 1850, it began to collect data on newspapers, public libraries, crime, and the number of people who had died the previous year (together with their age, occupation, and residence).⁶ By 1880 the volume of statistics gathered in the census was stupendous; the census then included no less than 215 schedules and over 13 000 discrete questions – up from 156 questions a decade earlier.⁷

By this time, census questions were detailed enough to call to mind recent complaints about the paperwork burdens of twentieth-century “big government.” Ranchers were asked whether their cattle was corraled, cotton manufacturers whether there had been improvement “in the dwelling houses of the operatives” and whether sanitary arrangements in workers’ homes were “better or worse than at former periods.” Insurance companies were required to report on the total amount of the company’s stock owned by the directors, and the company’s total assets and liabilities (including separate listings of the value of bonds and securities). Public schools were asked to report on the qualifications and salaries of teachers; on whether textbooks were provided free to pupils; on whether instruction was given, *inter alia*, in botany, geography, drawing, music, and civics; and on whether pupils were “regularly exercised in calisthenics, gymnastics, or military drill.” Museums were asked to report, for example, how many “ancient busts” and “copies of busts” they possessed, with separate listings for marble, bronze, metal, ivory, wood, terra cotta, and plaster. Furthermore, they were asked how many exhibits of weapons, domestic uten-

sils, articles of clothing, ornaments, and models of houses or boats they had.⁸

How could all this data-gathering be considered a function of government during an era when proposals for governmental activity needed to meet an especially heavy burden of justification? That is the puzzle this paper attempts to solve.

I take as my starting-point a theory proposed by neoclassical microeconomics. Microeconomic theory regards the functions of government as limited, just as most American thinkers of this period did. It sees the production of things that people value as best occurring through the market. Information is something of value. Individuals may use it to help them make decisions, for example, about what products to buy or produce. Information about the quality of a product gives a consumer a better idea of how to satisfy his preferences. Information about the customers in a market will give a firm a better idea of what the customers want. To take an example relevant to government-provided information from the nineteenth century, information about the yields of different crops in different growing areas can help a farmer decide which crops to produce.⁹

How does the theory of government in microeconomics justify governmental provision of information? It does so by seeing such information as what economists call a “public good” that will be underproduced by market processes alone. (When an economist says that market processes “underproduce” information, he is *not* arguing that the benighted

⁵ Holt, *op. cit.*, p. 11.

⁶ *Ibid.*, p. 15.

⁷ Wright and Hunt, *op. cit.*, pp. 86–87.

⁸ These examples are culled from the lengthy listings of census schedules for 1880 appearing in *ibid.* These examples appear on pp. 264, 330, 653–655, 679, 681, 691.

⁹ See, for example, Hirschleifer, J. and Riley, J. (1979): *Analytics of Uncertainty and Information: An Exposition Survey*. *Journal of Economic Literature*, 17.

multitude fails to appreciate the wonders of knowledge. He is instead suggesting that the quantity produced is less than people themselves would be willing to pay for.)

A good description of what a "public good" is appears in Nicholson's introductory text on microeconomic theory. Public goods are goods whose consumption has a "nonrival nature."

Once the good is provided, additional persons may use the good without reducing the benefits that those currently using the good are receiving. A private good, say, a pork chop, is consumed by either Smith or Jones. Consumption of the pork chop by Smith precludes its consumption by Jones. On the other hand, public goods do not have this property. For example, Smith may enjoy the prevailing level of public health without detracting from the level Jones enjoys. The incremental cost of Smith's enjoying public health is zero.

Why will such goods be underproduced in the marketplace?

In the case of a private good, the purchaser of that good can expropriate benefits of the good entirely for himself. Smith's pork chop, for example, yields no benefits to Jones. The resources that were used to produce the pork chop can be seen as contributing only to Smith's utility, and he is willing to pay whatever this is worth to him. The resource cost of a private good, then, can be "attributed" to a single individual. For a public good, this will not be the case. An individual in buying a public good would not be able to appropriate all the benefits of the good. *Since others cannot be excluded from benefiting from the good, society's utility obtained from the resources devoted to the good will exceed the utility that accrues to the single individual who pays for the good.* ...However, the potential purchaser will not take the benefits that his purchase has to others into account in his expenditure decisions. Consequently, private markets will tend to underallocate resources to public goods.¹⁰

To avoid this problem, people who value a public good can band together to purchase it collectively and let everyone consume it, without further charge. Such an agreement conveniently occurs through government. Public provision, unlike private provision, can bring about production of levels corresponding to people's preferences. "Since everyone in society can benefit from efficiency," concludes Nicholson, provision of public goods "is a proper governmental function."¹¹

Those who study the economics of information have noted that information is often (although not always) a public good. Perhaps the most straightforward example is information about the price and quality of competing consumer products. Information about competing brands of dishwashers has value to a consumer interested in purchasing a dishwasher. The information is of a nonrival nature; other consumers can use the information one consumer gathers without reducing the benefits of the information to the person who gathered it. Yet, in making decisions about the level of resources to devote to such information-gathering, any single consumer will only consider the value that he himself places on the information.

If something like the theory of government found in neoclassical economics motivated contemporary decisions about where government ought to be active, then the puzzle of widespread information-gathering in an age of limited government is solved. This proposed solution is a significant one, because it represents the application of a highly influential theory of the role of government in society to an interesting particular situation.

How does the microeconomic theoretical justification for a government's role in the provision of statistics compare with arguments people actually gave during an age of self-

¹⁰ Nicholson, W. (1978): *Microeconomic Theory*. Hinsdale: The Dryden Press, second edition, pp. 612-613.

¹¹ *Ibid.*, p. 614.

styled limited government? To answer that question, I examined Congressional debates, reports, and other available materials for the period from 1790, when the first Congress discussed the first census, through the end of the nineteenth century. Since at the time there did not exist a permanent census bureau or legislation allowing for a regular census, Congress debated the matter every decade. Furthermore, these were days when details such as specific census questions were debated in the Congress and not simply delegated to the executive branch, so there is rich material on both justifications for the general enterprise and on specific items.

Bewilderment and disorientation will be the lot of anyone who sits down with these hoary materials intellectually armed with only the view that government gets involved in the provision of information because the private market will not produce an optimal quantity, or that information is valuable mainly as a tool to help individuals make better production and purchasing decisions. The materials contain scant reference to any on these views. Instead, the debates are filled with arguments that bespeak a completely different set of concerns. One sees widespread embarrassment, after the first census of 1790, that the census showed the United States had fewer than four million inhabitants.¹² One comes upon the observation by a chronicler of American census history that "the 1880 census was designed as a great 'centennial contribution of facts' in the spirit of enthusiasm over the nation's hundredth anniversary."¹³ One encounters groups asking to have information collected about themselves as a token of the

importance with which their endeavors should be regarded. Repeatedly, one comes across the view that government should gather statistics because statistics are needed for public and legislative decisions, rather than because individuals need them for private use. In short, the justification economists give for a government role in information-provision bears little resemblance to the justifications contemporaries gave during the century following the founding of the Republic.

Still it is not convincing to give the rejoinder that political actors need be no more aware of the theory of public goods in order to follow it than do consumers need to be aware of indifference curves in order for the concept to explain consumer behavior. It is correct that the theory of public goods can explain the failure of data-gathering to emerge in the market without any necessity that actors be aware of the theory. However, the view that government is justified in providing public goods is a normative conclusion. One needs to understand the theoretical account, at least approximately, to justify public provision, because it is this account that allows one to distinguish between information and the private goods that some people might like the government to provide (say, government-produced gasoline sold at 50 cents a gallon).¹⁴ So, any disjunction between the justifications actually offered for a governmental role in statistics-gathering and the justification provided by the theory of public goods is significant.

Although they believed, as economists do, in limited government, the earlier generations of Americans nonetheless had a broader vision of the functions government serves, which has been lost in the theory of the role of government inspired by microeconomics. Given the importance of that theory in contemporary

¹² Alterman, H. (1969): *Counting People: The Census in History*. New York: Harcourt, Brace and World, pp. 204–205.

¹³ Scott, A.H. (1968): *Census U.S.A.: Fact Finding for the American Republic 1790–1970*. New York: Seabury Press, p. 33.

¹⁴ Nicholson is explicit on the normative character of the theory of public goods as a justification for government activity in *op. cit.*, p. 608.

debates over the proper role of government in society, the loss is not an unimportant one. The vision needs to be remembered, to see what is missed by constructing a theory of the role of government from microeconomics alone.

1. Arguments on Information-gathering

In this section, I present the most important arguments encountered through the end of the nineteenth century on government information-gathering. The arguments to be discussed are:

- (1) information as an aid to legislation,
 - (2) information as a source of patriotic pride for all citizens,
 - (3) information as a signal from society of recognition to individual groups, and
 - (4) information-gathering as a statement by society about the special value of knowledge.
- Finally, the scant references in the historical documents to information as an aid to private decision-making will be noted.

1.1. Information as an Aid to Legislation

Probably the dominant justification for governmental information-gathering, especially in the earlier debates, was that statistical information was needed to aid public officials in their decisions concerning government legislation. Legislators were attempting conscientiously to decide what laws best served the people. Statistics, by revealing more about the conditions of the people, would aid in that task.

In the 1790 Congressional debates on the first census, James Madison, as a member of the House, urged that the census be expanded beyond the constitutional requirement. His main argument was that it would aid legislation. According to Madison, Congress had now an opportunity of obtaining the most useful information for those who should hereafter be called upon to legislate for their country, if (the census) was extended

so as to embrace some other objects besides the bare enumeration of the inhabitants. ...In order to know the various interests of the United States, it was necessary that the description of the several classes into which the community is divided should be accurately known. On this knowledge the Legislature might proceed to make a proper provision for the agrarian, commercial, and manufacturing interests, but without it they could never make these provisions in due proportion.¹⁵

Madison's suggestion for an expanded census was referred to a select committee, which reported back a plan to include a question about occupation as well as a division of returns by sex and gross age category (over and under 16 years old). The question about occupation was defeated in the Senate, but the 1790 census did provide returns by age and sex.

The surviving Congressional records for censuses between 1800 and 1840 contain no appreciable information on the content of Congressional discussion, suggesting that little substantive debate took place. The 1810 census of manufactures, the first major addition to the population count, resulted from an amendment proposed by Representative Bacon of Massachusetts, after the enabling legislation for the census had already been passed.¹⁶ No details are provided on any debate on the resolution, and the resolution itself provides no justification for introducing the change. However Representative Bacon had one year earlier moved that the Secretary of the Treasury report to the House "a plan for the application of such means as are within the power of Congress, for the purpose of protecting and fostering the manufactures of the

¹⁵ *Annals of Congress* (1834): First Congress, House of Representatives (January 25, 1790). Washington: Gales and Seaton, p. 1077.

¹⁶ *Ibid.*, 11th Congress, 2nd Session (April 25, 1810). Washington: Gales and Seaton, 1853, p. 1954.

United States.”¹⁷ It would appear that Bacon proposed a census of manufactures to provide information for legislation (such as tariff protection) to help industry.

The impetus for the first major expansion of the census in 1840 came from Joseph Worcester, a compiler of dictionaries, atlases, and almanacs. In the preface to the 1838 edition of his almanac, Worcester wrote that “all intelligent and judicious legislation must be founded, in a great measure, on statistical knowledge.” If statistics on population, manufactures and agriculture, crime and pauperism, and education and religion “were collected regularly,” it would “greatly increase the ability of the national and state governments, as well as of societies and individuals, to promote the interest, and advance the moral civilization and improvement, of the people.”¹⁸ Worcester persuaded President Van Buren, who as Secretary of State had been in charge of conducting the census of 1830, that his ideas were sound.¹⁹ Van Buren recommended census expansion in his 1838 state of the union message.

The most impassioned (and by far the most lengthy) debates prior to the Civil War on government’s role in statistics-gathering were those concerning the 1850 census. Some of the proceedings occurred in the midst of the wrenching disputes over the fate of slavery in the territories that were later in the year to produce the Compromise of 1850. The expansion of the census hence became embroiled in debates over strict construction of the Constitution. Southerners argued that there was no

sanction for statistics-gathering beyond the enumeration the Constitution mandated.

The proponents answered by pointing out the role that information would play in helping produce better legislation. Representative Thompson, who presented the bill on the House floor, told his colleagues that statistics were “necessary to inform the legislator.”²⁰ Senator Hunter stated that it was especially important “for the American statesman to obtain a full and accurate view of all the parts of that vast society whose machinery he directs.”²¹

Participants in the debate were specific. It was necessary to know the “extent and condition” of industries and of agriculture, so that Congress would know the significance for the country of various industries for which tariff protection was being proposed.²² Proper legislation regarding “the amount of currency which the wants of the country required” was dependent on information about the value of property in the country.²³ Information on the number of illiterates could lead to legislation “to remedy such an evil.”²⁴

Post-Civil War Congressional debates on the census were quite extensive, particularly those on the censuses of 1870 and 1880. In 1869 the House passed a bill dramatically increasing the scope of census questions, based on a lengthy study by a special committee chaired by Representative, later President, James Garfield. The bill called for a great increase in social statistics as well as statistics of cities, wage statistics, and special censuses of the railroad and insurance industries. The bill failed in the Senate that year, but ten years later it became law.

¹⁷ *Ibid.*, 11th Congress, 1st Session (May 31, 1809), p. 162.

¹⁸ Worcester, J.E.(1838): *The American Almanac and Repository of Useful Knowledge*. Boston: Charles Bowen, pp. iii-iv.

¹⁹ For an account, see Cohen, P.C.(1982): *A Calculating People: The Spread of Numeracy in Early America*. Chicago: University of Chicago Press, p. 179.

²⁰ *Congressional Globe*, (April 24, 1850): Washington: Blair and Rives, p. 812.

²¹ *Ibid.*, 30th Congress, 2nd Session, (March 1, 1849), p. 628.

²² *Ibid.*, 31st Congress, 1st Session, (April 24, 1850), p. 810.

²³ *Ibid.*, p. 813.

²⁴ *Ibid.*, (April 29, 1850), p. 837.

Debates over the 1870 and 1880 censuses are rich in various justifications for a government's role in statistics-gathering. The view that the census was necessary to give information for legislation no longer had a unique place among the plethora of arguments, but it nonetheless continued to appear. The report of the House Committee in 1870 noted that "healthy legislation can only flow from an exact knowledge of the condition and wants of the people," and added that "public statistics... have become more and more the basis of the enactment and administration of laws."²⁵

If statistics are gathered to provide information needed to evaluate legislation, it becomes clearer why some questions were included and others not. Questions were asked that reflected contemporary demands for legislation. The introduction of questions on manufactures in the 1810 census reflected a new interest in the industries of the industrial revolution and demands for legislative action to aid them. The dramatic expansion of statistics about social problems such as illiteracy, ill-health, insanity, pauperism, crime, and so forth that began in an important way with the censuses of 1840 and 1850 mirrored the growing concern that the large wave of impoverished immigrants was creating social problems. The collection of wage statistics and of detailed information about the railroad and insurance industries, introduced after the Civil War, reflected the growing interest in legislation regarding labor and big business.

For example, one of the major innovations proposed for the 1870 census was the introduction of detailed questions regarding railroads. The proposed questions ranged from queries about rates and profits to interrogatories on accidents to railroad workers and the

public. The committee report was quite explicit about the justification for gathering this new information:

Now that the great question of human slavery is removed from the arena of American politics, the committee are persuaded that the new great question to be confronted will be that of corporations and their relationship to the interests of the people and to the national life. ... (We seek to) demand from these corporations a statement of the elements of their power and an exhibit of their transactions.²⁶

Floor amendments were adopted during House debates to collect similarly detailed information about insurance companies and banks.²⁷

Another House floor amendment that year called for collecting wage statistics on an individual level, rather than using the previous method of asking firms about average wages paid. The Congressman who moved the amendment argued that many people believed that the country's economic system "whether wittingly or unwittingly, is calculated for the benefit of the capitalists and the injury of the laboring people." He wanted the census therefore "to ascertain what progress has been made towards the building up of distinctive poor and rich classes in this country."²⁸ The amendment passed.

Agrarian unrest spread through the 1880's, and in connection with the 1890 census there were 66 petitions to the House from local farmers' groups requesting inclusion of statistics on agricultural indebtedness. Such information would presumably show the extent of the farmers' plight and encourage legislation to ameliorate it. Such an inquiry was also added.²⁹

²⁵ Report of the Committee on the Ninth Census, U.S. Congress, House of Representatives, 41st Congress, 2nd Session, (1870), pp. 7, 9.

²⁶ Ninth Census, *op. cit.*, pp.56-57.

²⁷ *Globe*, *op. cit.*, (December 14, 1869), p. 128.

²⁸ *Ibid.*, p. 158.

²⁹ Memorial of William G. Moody and Other Citizens. Senate Miscellaneous Documents, 50th Congress, 2nd Session (188), n. 19.

It was, of course, not just legislators who might be interested in information as an aid to legislation, but also citizens involved in the political process. In fact, the growth of the scope of statistics-gathering from 1840 through the remainder of the century cannot be understood without taking into consideration the early humanitarian social reform movements, from prison or educational or public health reform to temperance to abolitionism.³⁰

The reformers, who were often academically trained, brought to the value of statistics debate a view somewhat more sophisticated than the traditional one. The traditional view had been that statistics gave a simple expository account of the situation of the country. For example, statistics on textile manufacturing provided a basis for deciding whether textiles were important enough to the country to deserve tariff protection. The new view was to use statistics to uncover the relationship between what one would today refer to as independent demographic variables (race, occupation, region of residence, etc.) and dependent life circumstances variables such as insanity or disease. The best example in the first part of the nineteenth century was the diligent effort by Dr. Edward Jarvis, one of the founders of the American Statistical Association, to include mortality statistics in the census. If mortality was compared among people of different occupations and regions, Jarvis believed that the data would disclose what society needed to do to curtail premature

deaths.³¹ In seeking to uncover these relationships, or "laws of society" as they frequently were called at the time, social reformers were motivated by the view that the problems individuals suffered were not simply the will of God, but the result of bad environments that wise legislation might remedy.³²

1.2. *Information as a Source of Patriotic Pride*

From the very beginnings of governmental statistics-gathering in the United States, an important justification for government's role was that the good tidings brought by the information would instill pride among Americans. Foreigners as well, beholding our progress, would have greater respect for the United States. The value derived from the information would be a stronger sense of common identity and greater pride in this identity.

Initially, this use of information was more to defend Americans against detractors than to trumpet our wonders. At the time many believed that the larger a country's population, the more influential it would be. And a growing population was seen as a sign of a thriving economy and a well-ordered polity. The very first census in American history was held by the Virginia colonists in 1624–25 to show sponsors in London that the colony was not dying out, as some had alleged.³³ So when the census of 1790 showed that the United States had under four million people – previous guesses had ranged up to five million – there was some embarrassment. Secretary of State Thomas Jefferson was "concerned about the effect of the size of the population upon foreign opinion." He sent American diplomats copies of the census, "with explanations

³⁰ A good general account of these movements appears in Felt Tyler, A. (1944): *Freedom's Ferment*. Minneapolis: University of Minnesota Press, Part 3. See also Rothman, D.J. (1971): *The Discovery of the Asylum*. Boston: Little, Brown. On public health, see Grob, G.N. (1978): *Edward Jarvis and the Medical World of Nineteenth-Century America*. Knoxville: University of Tennessee Press. On abolitionism, see Walters, R.G. (1976): *The Antislavery Appeal: American Abolitionism after 1830*. Baltimore: Johns Hopkins University Press.

³¹ See Grob, op. cit.

³² See Rothman, op. cit., Ch. 5, 7 and Walters, op. cit., Ch. 4.

³³ Willcox, W.F. (1940): *Studies in American Demography*. Ithaca: Cornell University Press, p. 68.

as to why, in his opinion, the totals were seriously in error.”³⁴ President Washington wrote to an American in Europe that, corrected of errors, the true population of the United States was “far greater...than has ever been allowed in Europe,” and that “this fact will have no small influence in enabling (Europeans) to form a more just opinion of our present growing importance than have yet been entertained there.”³⁵

Nineteenth-century Americans had a special reason to feel pride at signs that their country was flourishing. These signs spoke of the success of the unique American experiment in popular government. In 1800 the American Philosophical Society, in a communication signed by Thomas Jefferson, petitioned Congress for various expansions of the census. The petition emphasized the patriotic value of the information. The “duration of human life in this portion of the earth will be found at least equal to what it is in any other” and “its population increases with a rapidity unequalled in all others.”³⁶ In 1850 critics asked what possible legislative purpose might be served by gathering information on membership in religious denominations, since the Bill of Rights prohibited legislation regarding religion. Representative Thompson replied that the information would allow Americans to show how well religion flourished in the United States, even without the government support received in Europe.³⁷

That information about America should be gathered in ever greater quantities because it would display the grandeur of American society became perhaps the dominant theme in justifications for government statistics-gathering in debates over the censuses of 1870 and 1880. These debates were held in the aftermath of the salvation of the Union and of

the nation’s centennial. “The next census should furnish a muster-roll of the American people, showing...their vital, physical, intellectual, and moral power,” Representative Garfield told his colleagues in 1869.³⁸ Debates over the 1880 census gushed with patriotism. Representative Cox commended the expanded census as “the great picture of our social and physical freedom...displayed for the judgment of mankind, ...so that our development upon this continent can be justly appreciated.”³⁹ Another representative exclaimed:

When the whole world knows...the extent of (our) boundless contributions to the support of man, ...then for the first time will we...attain that rank in the family of peoples to which we are entitled. ...Let us know what all of our institutions are doing, and the record will soon be such that we can point to it with pride. ...Gather all these things, garner them up in one capacious storehouse of knowledge, and invite not merely our own people, but those of other countries, to learn what we really are.⁴⁰

The sources of pride were not only economic growth, but also American social conditions. Referring to a proposal to add statistics about housing to the census, the Garfield committee stated, “Few things indicate more fully the condition of a people than the houses they occupy. The census ought to show us how comfortable a place is the average American home.”⁴¹ In connection with debates over the census of 1870, Representative Garfield noted that the British historian Macauley had argued that the historian of the future should not write solely of kings and lords, but the history of ordinary people as well. A census made that possible, because it enabled the observer to go “into the hovels, homes, workshops, mines, fields, prisons, hospitals, and all places where human nature displays its weak-

³⁴ Alterman, *op. cit.*, p. 204.

³⁵ *Ibid.*, p. 205.

³⁶ Quoted in Ninth Census, *op. cit.*, p. 36.

³⁷ Globe, *op. cit.* (April 24, 1850), p. 813.

³⁸ *Ibid.*, (December 9, 1869), p. 183.

³⁹ Congressional Record, 45th Congress, 3rd Session (February 18, 1879), p. 1543.

⁴⁰ *Ibid.*, p. 1552.

⁴¹ Ninth Census, *op. cit.*, p. 52.

ness and its strength.”⁴² It was therefore fitting that the census should be most developed in the United States, where popular government had raised the common man to a status unknown in Europe.

1.3. *Information as a Signal of Social Recognition*

There are glimpses in the historical material of the different ways collection of information was justified as providing a source of pride. Congressmen suggested that gathering information about some particular group of Americans dignified the group and its pursuits. Patriotic pride is something all people can feel simply by virtue of membership in the community. Social recognition, by contrast, is a feeling of pride that comes when the community singles out some groups or individuals as worthy of a special accolade.

This theme did not appear with the same frequency or obviousness as the other two justifications discussed above. It was often presented more subtly. In presenting plans for the 1870 census to the House, Representative Garfield noted the addition of mining statistics, arguing that mining was “worthy of a place” in the census. He used similar language regarding the addition of statistics of fisheries and of commerce.⁴³ Use of the word “worthy” is unusual, unless what the speaker was trying to get across was the concept of social recognition of a group’s esteem.

The theme was raised less subtly by Senator Sumner when he argued for the 1870 plan. He repeatedly referred to pursuits that had not been counted separately in the census of 1850. Sumner’s suggestion was that this failure was an insult, a statement that the pursuits themselves were not important. Speaking of the fish-

ing industry, Sumner exclaimed that it was once the commanding interest of this Republic, the interest which occupied more of the attention of our early plenipotentiaries in Europe than any question except that of independence itself – the interest which entered into the debate that ended in the acknowledgement of independence. ... And yet – would you believe it, sir? – the law of 1850 has no provision for them.⁴⁴

As for the limitation of the manufacturing census of 1850 to merchantable articles, with a consequent exclusion of information regarding construction of railways, bridges, factories, and homes, Sumner stated:

The labor of (these) men..., who make the grand, the permanent, almost the only real addition to the capital of the country, is treated as of no account, while the production of articles for immediate, it may be for mischievous, consumption is carefully recorded.⁴⁵

And while agriculture had been included in 1850, Sumner argued that there were enough question to show sufficient regard for it. He asked his colleagues:

Are you indifferent to agriculture? Are you regardless of that great population which lives by the sweat of the brow and cultivation of the earth? If you are not indifferent to agriculture,... then do not miss the opportunity to accumulate all possible information to illustrate this commanding interest.⁴⁶

In his response to Sumner, Senator Conkling, who led opposition to expansion of the census, accused Sumner of appealing for the vote of Senators from Nevada with his call for a separate mining census. Conkling clearly understood the nature of the appeal Sumner was making. It was to the “pride of locality” of representatives of that state, newly admitted to the Union, to the self-respect that would come from the recognition accorded them. And his words to the Senators from Nevada,

⁴² *Globe*, op. cit. (December 16, 1869), p. 179.

⁴³ *Globe*, op. cit. (December 9, 1869), pp. 37–38 (emphasis added).

⁴⁴ *Globe*, op. cit., 41st Congress, 2nd Session (February 7, 1870), p. 1107.

⁴⁵ *Ibid.*, p. 1107.

⁴⁶ *Ibid.*, p. 1107.

dripping with sarcasm, were in the same vein.

How will the patriotic hearts of the Senators from Nevada swell with agonizing emotion when I point them to the place dedicated to the precious metals in the schedules (passed by) the House,... consigned to a place side by side with "women's corsets" and "ready-made clothing." Oh, that I could bind up the gashed bosoms of the Senators from Nevada.⁴⁷

There appear to have been only three petitions from private organizations during the nineteenth century requesting that the government gather statistics about the group the organizations represented. The full text of only two of these survive, one from the New York Chamber of Commerce in 1860 requesting the inclusion of statistics on domestic trade and one from the National Electric Light Association in 1888 requesting a special census of the electrical industry. Both petitions mentioned use that individuals in the business in question could make of the statistics. But both also appeared to be requesting the statement of social approval of their endeavors that the collection of government statistics would imply.

The petition of the New York Chamber of Commerce noted that

there are those who believe that commerce is unproductive. They perceive that it neither produces commodities nor changes their forms, and thence infer that instead of adding to the volume of wealth it diminishes it, by drawing its sustenance from other industrial interests.⁴⁸

But, the petition went on,

they forget that a change in locality and a change of ownership are just as essential to the ultimate usefulness of commodities as their production or change of form.... (Therefore) an interest of such magnitude

and usefulness should not be overlooked in a professed inventory of the wealth and productive resources of the country.⁴⁹

The petition of the National Electric Light Association emphasized heavily the statement of social appreciation that a special census would provide a new industry. Electricity, the petition argued, had accomplished miracles. Yet it was under attack from critics for charging monopoly prices and for electricity-related accidents. A census would provide a sign of public appreciation.

An interest such as this is worthy of the fullest recognition that can be given to it...for the sublime genius and enterprise that has induced, within one decade, an industrial and commercial development unknown to the centuries of the past. ... We honor the great men of the past. ... We honor the great men of the past. It is our duty to ourselves so to write the records of what men are doing now that those who come after us shall know that greater men lived in our day and generation.⁵⁰

1.4. Information-Gathering as a Social Statement about the Special Value of Knowledge

It is impossible to understand the enthusiasm some people had for promoting governmental statistics-gathering without realizing that much of their ardor rested on a love of knowledge and the wish that the pursuit of knowledge receive a social accolade in the form of special government efforts on its behalf. As is the case when governmental information-gathering imparts social recognition, government information-gathering as a social statement about the special value of knowledge represented a singling out by the community of something – in this case, knowl-

⁴⁷ Ibid., pp. 1145–46.

⁴⁸ Memorial of the Chamber of Commerce of New York Praying that Provision be made for Collecting Commerce Statistics in Taking the Census. Senate Miscellaneous Documents, 36th Congress, 1st Session, n. 14 (February 2, 1860), p. 2.

⁴⁹ Ibid.

⁵⁰ Memorial to Congress and Statement of the National Electric Light Association. Senate Miscellaneous Documents, 51st Congress, 1st Session, v. 4, n. 197 (1888), p. 7.

edge – as being especially worthy of recognition.

The first efforts at “outside pressure” on the government to expand the Census came from petitions in 1800 from the American Philosophical Society and the Connecticut Academy of Arts and Sciences. Many of those who supported census expansion throughout the century, from political leaders such as John Quincy Adams to academic social reformers, were people especially attached to the value of knowledge for its own sake.

Yet such attachment was not universal. The government did not become very involved during the nineteenth century in support of knowledge, and there were many people who ridiculed the idea of knowledge for its own sake.⁵¹ (In debates over the 1850 census, critics referred on several occasions to questions added to the 1840 census simply as “gratifying an idle curiosity.”) Probably because the mere satisfaction of curiosity was not enough to persuade a majority of Congress to keep the government involved in gathering information, arguments stressing the importance of knowledge that did begin to appear with increasing frequency in post-Civil war debates were not made directly, but generally tied knowledge with other arguments.

In a number of places in the debates, speakers argued that failure to show an interest in knowledge would reflect badly on Americans as a people. It was a matter of patriotic pride that Americans cared about something as noble as knowledge. And by gathering knowledge, government could make the statement that Americans as a people did care. For example, Representative Garfield told the House in 1870 that a number of important questions needed to be answered about the effect of the Civil War on American society,

such as on the ratio between the sexes or on educational and religious institutions. If the census failed to answer such questions, he continued, “the failure will reflect deep disgrace on the American name.”⁵² The 1870 debates were filled with statements by partisans of a revision of the 1850 law about the progress of the science of statistics since 1850, and their language intimated that it reflected badly on a people to fall behind the times. At one point, Senator Sumner referred to the 1850 census law as “antediluvian” and said he was “almost disposed to call it barbarous.”⁵³ The most dramatic statement of that view came during debates over the 1880 census, when Representative Cox asked the House:

Who thinks of going back to the scythe and the reaper, the flail or the “ox which treadeth out the corn” for agricultural labor?... The footman gave way to the coach, the coach to the locomotive; the carrier pigeon even drooped his wings before the telegraph; the wooden sailing ship is giving way to the iron steamer. ...As well go back to these obsolete methods of labor and vehicles of transport as return to the law of 1850.⁵⁴

In opposing the expansion of the census of 1870, Senator Conkling believed this argument was powerful enough to devote a good deal of time to rebutting it. The 1850 census was nothing to be ashamed of. “Its equal was never attempted in history.” And Conkling proceeded to read to the Senate a letter of praise for earlier censuses by the “French philosopher and scholar” Guizot.⁵⁵

There were also arguments praising statistical information as knowledge producing scientific understanding about human behavior. Their substance was identical to those of the social reformers discussed earlier, but the tone was more grandiose, going beyond

⁵¹ See Dupree, H. (1957): *Science in the Federal Government*. Cambridge: Harvard University Press.

⁵² *Globe*, op. cit. (December 9, 1869), p. 183.

⁵³ *Globe*, op. cit. (February 7, 1870), p. 1107.

⁵⁴ *Record*, op. cit. (February 18, 1879), p. 1535.

⁵⁵ *Globe*, op. cit. (February 7, 1870), p. 1082.

the simple view that knowledge would help pass good laws to an awe of knowledge as a reflection of the human achievement. In the peroration of his address in support of an expanded 1870 census, Garfield proclaimed:

The scientific spirit has cast out the demons, and presented us with nature clothed and in her right mind and living under the reign of law. It has given us, for the sorceries of the alchemist, the beautiful laws of chemistry; for the dreams of the astrologer, the sublime truths of astronomy; for the wild visions of cosmogony, the monumental records of geology; for the anarchy of diabolism, the laws of God. But more stubborn still has been the resistance against every attempt to assert the reign of law in the realm of society. In that struggle, statistics has been the handmaid of science, and has poured a flood of light upon the dark questions of famine and pestilence, ignorance and crime, disease and death.⁵⁶

1.5. *Information as an Aid to Private Decision-Makers*

Even by a generous interpretation, none of the Congressional discussion can be construed as making the argument that government should become involved in statistics-gathering because the marketplace would fail to produce an optimal quantity of information. The closest is an occasional reference to the immensity of the task, too large for private parties to undertake. (But the simple immensity of a task need not make it too large for the private sector or else the transcontinental railroad and the electrification of cities would never have been undertaken.)

Nor could any reader of these materials conclude that the conception of information as an aid to private individuals was an important justification offered for why government should gather statistics. Indeed, if one did not look through these debates with that conception in mind, one might well miss all such allusions entirely.

Such references are indeed there, scattered through the materials, sandwiched between the more prominent arguments. They appear more frequently toward the end of the century than toward the beginning. The following is, I believe, a complete list of such references through 1900.

(1) In connection with the House debates over the 1870 census, Representative Strong from Hartford, where many insurance companies were headquartered, supported the proposal to collect information on insurance companies, but for a somewhat different reason than the more widely presented one of gathering information for possible legislation. Financial information about these companies, Strong argued, would help the consumers choose solid ones.⁵⁷

(2) In the House debates over the 1880 census, Representative Cox, representing the Select Committee on the Census, argued that the business information in the census would "allay industrial anxiety and give hope and buoyancy to trade." He also argued that mortality statistics, which could be used to show the effects of different occupations on life-expectancy, "has practical applications as to life insurance."⁵⁸

(3) The two extant petitions from private organizations requesting census information about their activities both referred to such statistics as helpful to them. The Chamber of Commerce petition sandwiched such a reference in a statement that the statistics "will serve as data of the highest value for the guidance of statesmen and merchants; and at the same time essentially aid the students of social science."⁵⁹ The National Electric Light Association argued that information about

⁵⁷ *Globe*, op. cit., (February 14, 1869), p. 128

⁵⁸ *Record*, op. cit., (February 18, 1879), pp. 1534, 1540.

⁵⁹ *Chamber of Commerce*, op. cit., p. 1.

⁵⁶ *Globe*, op. cit., (December 16, 1869), pp. 178-79.

the industry would encourage decisions by foreigners to purchase American electrical products.⁶⁰

2. Microeconomic Theory and the Role of Government

Let us return at this point to the question of how microeconomic theory views the role of government. That view is a direct outgrowth of a view of individual behavior and of the role of the market in satisfying wants.

Economic theory sees human behavior as self-interested; people act in a way that secures themselves as much as possible of things they value. The supreme achievement of microeconomics is to demonstrate that a free market will enable consumers to get the largest possible amount of the goods they want (given the money they have available with which to make purchases), without central direction, even in a world where all participants in the marketplace act only according to their self-interest.

Since the market so well satisfies people's wants, it leaves a limited role for government. Economists agree that the marketplace may produce an unjust distribution of wealth. Economic theory therefore leaves open the possibility that government may legitimately redistribute income. Insofar as the production of valued things is concerned, economists believe that government's role should be limited to cases of public goods (and conceptually related cases of "external effects," not discussed here) where market mechanisms fail to assure that people succeed in maximizing satisfaction of their preferences.

Government's role in the production of public goods is not only small, because only a relatively small fraction of the things we choose to purchase happen to be public goods. It is also, so to speak, matter-of-fact. There is nothing special about public goods besides the non-

rivalry feature that prevents them from being optimally produced through market mechanisms. Public goods are valued things like any others, like cars or Caribbean cruises. In demanding public goods from the government, people are still behaving self-interestedly just as they do in the marketplace. People are seeking the same type of thing from the government as they seek when they go to the supermarket to buy food or a department store to buy a new suit. They are trying to get valued goods for themselves, in this case public goods. All the government is really doing is to provide an economic service that, but for certain accidental features of the goods in question, would be better provided by private firms. Government can be seen as a firm for the production of public goods. It is no more special, or even necessarily more visible, than any anonymous firm that produces things we want.

The theory of public choice, the positive (as opposed to normative) theory of government developed by economists, expresses a different view of what government will end up doing. The normative theory of government in microeconomics argues that it is legitimate for the government to produce public goods because the market will not produce quantities of them as large as people are willing to pay for. But, given the self-interest assumption in economics, what is to motivate people to limit themselves to seeking from government only goods they are willing to pay for? Once government has been established as an institution that can use physical force to collect taxes and make people obey its rules, why won't self-interested people flock to government to get "something for nothing"? This homey observation lies at the center of public choice theory. In public choice theory there is no assumption that government will in fact limit itself to the production of public goods. It may end up providing consumers with benefits they could have secured in the marketplace, but were unwilling to pay for. It may end up

⁶⁰ Electric Light, *op. cit.*, p. 7.

providing producers with favors such as tariff protection that consumers buying products would not have been willing to grant. In this view, government's role depends on the majority oppression of minorities or of the skill of interest groups pressuring for benefits. The government arena is referred to as a "political marketplace," and government decisions are seen as a result of the strength of private, self-interested forces.⁶¹

The important thing is not differences between the normative and positive theories of government in microeconomics, but their similarities. Both assume no discontinuity between how individuals behave in the marketplace and vis-a-vis government. They also assume no discontinuity between the kinds of things individuals seek in the marketplace and from government.

What is wrong with the views of economists on the role of government? There is nothing wrong with them as far as they go. Problems appear only if that *is* as far as they go. The evidence regarding statistics and the role of government suggest that the conception in economic theory of the role government plays in our lives is incomplete and impoverished.

The historical materials on the justifications for government involvement in information-gathering first become comprehensible if we see them as growing out of a broader vision of the role government can play in people's lives. The vision is one that emphasizes the distinctiveness of government and of the functions it serves, that emphasizes the public world as a separate sphere from the world of the marketplace. That vision is different certainly in emphasis, and sometimes in more than that, from the one presented in microeconomics-inspired theories of government. With their talk of government as a firm for the produc-

tion of public goods or of the political marketplace, these theories of the role of government suggest the fungibility of public and private, or, even worse, the reduction of public into private.⁶²

One element of the vision is that public behavior is an arena for the display of concern for others and for doing what is right, while the marketplace, by contrast, is a sphere for self-interest. A second element of the vision is that government is an arena for the provision of valued things whose provision in the marketplace would be not merely technically difficult, but above all simply inappropriate or unfitting. According to this vision, two of the roles of government, then, are to provide a forum for the concern for others and for provision of valued things whose production in the marketplace would not be appropriate.

The most prominent argument in the historical materials supporting a government role in statistics-gathering was that political participants needed data to help them reach conclusions about what legislation should be passed. This is different from how information is generally seen in writings on economics that emphasize use of information to aid *private* decision-making. Partly, to be sure, the difference is simply one of emphasis. The argument that information is needed to help legislation can be made consistent with the view of information as a public good. The decisions aided by the information can be seen as decisions regarding public policy, and the provision of information to aid those decisions can be argued to be most appropriately gathered collectively for the standard reasons.

More fundamentally, though, the view that statistics should be gathered to aid decisions about legislation bespeaks a different conception of what people do when they behave pol-

⁶¹ A classic work of public choice theory is Buchanan J. and Tullock, G. (1962): *The Calculus of Consent*. Ann Arbor: University of Michigan Press.

⁶² A similar argument, made for somewhat different contexts and in somewhat different ways from what follows appears in Walzer, M. (1983): *Spheres of Justice*. New York: Basic Books.

itically. The conception is that legislators are attempting conscientiously to determine what laws best serve the people. Statistics, by revealing more about the conditions of the people, would aid in that task. Indeed, the view that information would be used to help determine what legislation should be enacted is incompatible with the view that all participants in the political process seek only to obtain through government valued things for *themselves*. People generally know what they want for themselves. If people all go into the political process simply seeking things for themselves, then they all go in with their minds made up about what they think government should do. If everyone in the political process were motivated by self-interest, then there would be little role for statistics in the process. People would act according to their self-interest in spite of any information that might suggest that the policy they favor would, say, have disastrous consequences for millions of others. The only possible role for information would be in helping people determine their self-interest. That statistics can influence the results of a political process requires that there be at least some participants in the process whose judgments about government policy are influenced by disinterested consideration of evidence in the light of general ethical views and whose minds might be changed by new information. This does not contradict, of course, the observation that self-interested partisans are interested in statistics only insofar as it supports their cause.⁶³ But statistics can only succeed in supporting such a cause if there are *others* in the process who are not self-interested partisans, and are subject to persuasion. The desire for statistics to help determine which laws should be adopted is thus an affirmation of the role of ethical concerns in public behavior.

Statistics can influence the course of government decisions prospectively, in helping people form judgments about what legislation should be enacted. They can also help people retrospectively, by providing the basis to form judgments of government performance. If people believe that statistics on inflation, unemployment, or the number of people in poverty show unsatisfactory government performance, they can decide to vote against the incumbents. Note again, though, that the operation of this mechanism assumes that the voting behavior of at least some citizens is motivated by factors other than self-interest. For, if one's voting behavior were motivated only by one's personal situation, one would hardly need statistics. For statistics provide information about the situation of people in general. The self-interested voter wouldn't care particularly about the unemployment *rate*, only about whether he was unemployed himself. He wouldn't care about how many are in poverty, only about whether he was in poverty himself. Such personal information can be obtained without recourse to statistics.⁶⁴

It has been widely noted that the electoral prospects of the majority party in the United States vary quite dramatically depending on the state of the economy. But analysis of survey data on voting behavior shows that this does not arise from any tendency by those personally hit by bad economic conditions to be especially likely to desert the incumbents. Instead, desertions come from those who believe that the economy *in general* is in bad shape, or that the party out of power is best capable of managing the economy. This relationship remains after controlling for effects of one's personal economic situation on views

⁶³ See, for example, Seidman, D. (1977): *The Politics of Policy Analysis*. Regulation, July.

⁶⁴ To be sure, a sophisticated person might use overall unemployment rates, beyond information about what he observes around him, to indicate his own risk of unemployment.

on the overall economy.⁶⁵ In making political decisions, many people care about more than themselves, and statistics are necessary to make it possible to translate that concern into political choice.

A second element of the overall vision of the public world as a separate sphere is that government plays a role in obtaining for people valued things they do not want to obtain through the marketplace. When Americans justified government statistics-gathering as a source of patriotic pride, as recognition for individual groups, or out of a belief in the value of knowledge, they were viewing government as a source of something valuable. But the valuable things government was providing were not ordinary material goods, but rather valued feelings.

Again, the difference here with economic theory is partly one of emphasis. It is true that nothing in economic theory implies that all valued things need be material. Valued feelings can be included as well. And if group-associated valued feelings turn out not to be able to be produced in the marketplace, an economist could dub this a market failure just as the failure to produce public goods.

Although in principle there is no reason to exclude non-material things from those giving satisfaction, economists in practice generally treat them cursorily. There is, however, something more fundamental. A feature of many of these feelings is that they cannot be produced through the market mechanism because the very definition of what produces satisfaction includes their not being for sale. Although one could imagine community recognition being for sale, recognition purchased (or praise or friendship or love purchased) is different from recognition, praise, or friendship that is not for sale.⁶⁶

If what I want is "recognition that has not been purchased," I cannot obtain it through a mechanism that calls forth production only in response to a willingness to pay. Government may produce public goods such as roads that are similar in nature to those produced by private firms. Yet, these other valued things are different in nature from those provided for consumers through the market. The presence of such wants places an inevitable limit on the ability of the market to produce valued things and suggests a role for non-market institutions to produce a separate category of valued things.

The vision of government and marketplace as distinct spheres should be seen in the context of a view of human motivation richer than that provided in economic theory. To deny the very powerful role self-interest plays in motivating behavior would be foolish. To deny motivations to help others, to do what one believes is right, would be incorrect as well. There are fitting forums for many other activities we wish to undertake on different occasions – we dance at parties, not in the classroom; we contemplate art in museums, not in garbage dumps; we make love in our homes, not on the street. So, too, can there be fitting forums for self-interested and for altruistic behavior. Just as there are features of weekend parties that make them appropriate for dancing, so too are there features of public behavior that make it appropriate for displaying altruism. These include most obviously the fact that when one makes decisions about what to do in one's private life, the decisions are of largely personal scope, which encourages one to think mainly of oneself in making them. When making a decision about what government should do, the decision involves many others as well, which encourages one to

⁶⁵Kinder, D.R. and Kiewiet, D.R. (1979): *Economic Discontent and Political Behavior: The Role of Personal Grievances and Collective Economic Judgments in Congressional Voting*. *American Journal of Political Science*, 23.

⁶⁶ For a further discussion, see Kelman, S. (1981): *What Price Incentives?: Economists and the Environment*. Boston: Auburn House, Ch. 2.

think about others in making it. This obviously does not imply that there is no self-interested behavior in government. There is lots of it – a testimony to the power of self-interest. However, it does suggest that concern for others has a place of pride in public behavior it does not have in the marketplace. Without government, one forum for displaying altruism would disappear.

Some additional points ought to be discussed regarding the view of government presented here. The argument has been couched in terms of wants (or preferences) people have. Some critics might concede that people do want an opportunity to display concern for others and to obtain valued things through non-market means. They might, however, still deny that government need become involved in information provision to satisfy these wants. Privately gathered information could be used in deliberations over public policy, and people would still have the opportunity to display concern for others in those deliberations. Feelings of pride can come from membership in other communities than the nation, and recognition can be granted by other bodies besides government. Private methods of satisfying these wants, it might be argued, have the advantage of not forcing unwilling citizens to contribute to such want-satisfaction through taxes.

In the case, though, of information as an aid to deliberation over legislation, private provision would endanger the role it is being asked to fill as a guide for those trying to determine what policy is right. Private information would frequently be seen as biased and partisan. As for the valued feelings that people wish to obtain by means other than the marketplace, it is certainly true that there are many alternative institutions besides government, ranging from families to honorary societies, that can provide such valued feelings. Still, only government represents the community as a whole. To the extent people wish to feel

proud of being members of the community as a whole or to receive recognition from the entire community, there can be no substitute for government in providing at least some of these feelings.

But there is another potential problem with an argument that justifies governmental activity in a area based on people's wants. For it is certainly not the case that everyone has the wants I here described. There are doubtless many who have no particular desire to behave altruistically, much less to have government around to provide an occasion to display concern for others. Some feel little or no pride at being members of a community or seek no public recognition of their dignity. Now, as long as most people do have the wants described, the presence of those who feel different creates little problem in terms of justifying a government role either for garden-variety majority-rule theories or for the mainstream of microeconomic theory (which does not enjoin wealth redistribution). It does raise a problem, though, for libertarians and others concerned about forcing a minority to support financially the wants of the majority. Certainly, the situation is different from the case of government provision of public goods, which libertarians can accept based on the view that everyone is presumed to want them.

However, government activities providing people a forum for displaying concern for others or satisfying desires for non-market valued feelings can be justified on grounds apart from individual wants. It is not simply that people may want the opportunity for displaying altruism. It is *right* for people in their decisions to take account of the effects of their acts on others. Institutions that encourage people to take such account are justified on the basis of the encouragement they provide for ethical behavior. As for the provision of non-market valued feelings, this might be justified even in the absence of current desires for such feelings based on a view, growing out

of the Aristotelean tradition, that one of government's roles is to educate people about what things individuals should value for themselves. With its hint of paternalism, this justification is more difficult to sustain. But it clearly has rich roots in our traditions. All societies seek to educate young people, at least, about which values are best. The justification is based on a view of human nature that maintains that people have strong needs for such feelings even if they do not recognize them at a given time. People are likely, according to this view, to look back at a life they led where they ignored the pursuit of such feelings in favor of the pursuit of material things alone as a life that was in some significant way empty.

3. Concluding Remarks

More recent discussions of justifications for government gathered statistics show that they

are now also seen as an aid to private decision-makers in making better economic decisions. That is of course not itself regrettable. There would appear to be little objection to government taking steps that can be demonstrated to increase national wealth. The important question is not whether there is anything wrong with looking at the role of government in statistics-gathering the way economists do. The question is whether, in the words of the song, that's all there is. The evidence presented here argues that government became deeply involved in information-gathering for reasons that had little to do with any assistance that such information could provide private individuals. That evidence merits consideration, because it suggests that isn't all there is. We need to recall a more complete view.

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