

The Not-So-Dismal Science

THE STRATEGIST: THE LIFE AND TIMES OF THOMAS SCHELLING

BY ROBERT DODGE HOLLIS, N.H.: HOLLIS PUBLISHING, 2006, 244 PAGES

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t took many economists by surprise when Thomas Schelling was awarded the Nobel Prize (along with Robert Aumann) in 2005. Not that he was undeserving. Far from it. His contributions have been numerous and influential. But many people believed that time had passed him by — if he were going to win the award, it would have happened many years ago. In 1994, the Nobel committee had decided to award the prize to three game theorists, yet Schelling was not included. This despite the fact that his work, while not highly technical by today's standards, had employed game theory to great effect.

Schelling, who spent most of his career at Harvard University before coming to the University of Maryland in 1990, always asked big questions. And no question was more important for most of the latter half of the 20th century than how to avoid nuclear war. Many thought it was inevitable that the United States and the Soviet Union (or one of its client states) would eventually engage in such a confrontation. But, thankfully, it never happened.

To Schelling, this was not as amazing as many thought. In his work on deterrence theory — which occupied much of his attention in the 1950s and 1960s and was the topic of his Nobel address - he concluded that the Americans and Soviets were actually quite interdependent. What's more, their leaders were generally rational and understood that a nuclear attack would be catastrophic to both sides. As a result, the "nuclear taboo" was never broken, though other countries have subsequently come close to crossing that line. How nonstate actors will act should they acquire those weapons also remains to be seen. One optimistic scenario holds that insofar as terrorists wish to eventually "become the government," they will refrain from using nuclear weapons in an attempt to earn international credibility and recognition. But this remains speculation.

In his new biography of Schelling, Robert Dodge does an admirable job of describing accurately and clearly Schelling's contribution to Cold War diplomacy — both as an academic and as a policy analyst and adviser. Likewise, he concisely explains Schelling's contributions to other topics once thought beyond the purview of economists, such as racial segregation and self-command, the latter of which, like much of Schelling's work, had a connection to his own real-world experience.

Schelling had tried unsuccessfully multiple times to quit smoking. He knew the difficulty of overcoming addiction. But he did not think it necessarily required third-party intervention. Addicts could help themselves. He argued that the problem could be modeled as a fundamental conflict between the "present self" — who badly wants to quit smoking, drinking, or overeating — and the "future self" who will be tempted to continue to engage in those activities. How to get those two selves in line? By understanding that the temptation to revert to old habits will be strong and to implement rational, purposeful strategies to avoid doing so.

One type of strategy is to remove yourself from situations that you know will be challenging. For instance, if you are trying to quit smoking, don't go to places, such as bars, where many other people will be smoking and where the desire to light up will be hard to resist. Another type of strategy is to commit to penalizing yourself if you deviate from your plan. "One suggested commitment is to make a large donation to a political candidate you despise; write a check to the Republican/Democratic Party or whomever you find offensive, and arrange for it to be out of your control that the check is sent in your name if you fail," Dodge writes. Yet another type of strategy is to simply disable yourself. A college student who doesn't "trust himself to stay in and study on the weekend for an important exam could put his keys in the mail to himself on Friday, so they'd be delivered to him on Monday."

Dodge, a former student of Schelling's at Harvard's Kennedy School of Government, has divided the book into 27 relatively short and highly readable chapters. The book also includes an informative foreword by Schelling's long-time colleague Richard Zeckhauser, who aptly writes: "Schelling is the high priest of economists who draw lessons from life. Just as Leonardo da Vinci drew remarkable figures of the human anatomy, Schelling sketches equally remarkable portraits that detail the anatomy of human interactions."

This, I suspect, may have been one of the reasons that Schelling had to wait so long to receive the Nobel Prize. His insights, while profound, are presented in such a highly straightforward fashion, stripped of unnecessary jargon and mathematics, that they often strike the reader as almost matter-of-fact. This perhaps led to his work being insufficiently appreciated by the profession at large. But to his students, colleagues, and friends, Schelling's penetrating mind, his almost infectious intellectual curiosity, and his easy demeanor have been impossible to ignore — all of which become clear to the reader of *The Strategist: The Life and Times of Thomas Schelling.*