



Introduction to Philosophy of Economics

Wissenschaftstheoretische Grundlagen der Ökonomik

Course short name: *PhEcon202324* (Moodle)

Winter semester 2023-24

Jun.-Prof. Dr. Svenja Flechtner

Office hours by appointment – please contact via e-mail (svenja.flechtner@uni-siegen.de)

Syllabus

How is knowledge generated? In what way do theories contribute to this process and how do they relate to empirical findings? What assumptions are made about the phenomena under investigation? How do social sciences differ from natural sciences in this context?

These are exemplary issues that concern the philosophy of science in general. The philosophy of science in relation to economics – the philosophy of economics – applies these questions to its area of expertise.

The course *Introduction to Philosophy of Economics (Wissenschaftstheoretische Grundlagen der Ökonomik)* first introduces a range of approaches to and theories of the philosophy of economics and relates them to different schools of economic thought. The second half of the course focuses on the (controversial) academic debate on pluralist economics and its role within economics.

Learning/qualification objectives (see *Modulhandbuch*):

Students acquire the competencies and skills to

- reflect on the acquired knowledge of fundamental approaches to the philosophy of science/economics.
- analyze economic theories and texts from a philosophy of science/economics perspective and evaluate theories and texts with regard to their paradigmatic assumptions, their methodological concepts, and their respective epistemological capacities and guidelines for practice.

Prüfungsleistung

- *Lerntagebuch/ learning diary* (see further information)

Course and topics overview

11-Oct-23	1) Introduction to course
18-Oct-23	2) Basics of epistemology // ASYNCHRONOUS SESSION
25-Oct-23	3) Karl Popper's falsificationism
1-Nov-22	<i>No session</i>
8-Nov-23	4) Milton Friedman's legacy in the philosophy of economics
15-Nov-22	5) Thomas Kuhn's paradigms
22-Nov-22	6) Imre Lakatos' research programs
29-Nov-22	7) Objectivity vs. value judgments in economics
6-Dec-22	8) The use of models in economics
13-Dec-22	9) Reflexivity and openness for interdisciplinarity
20-Dec-22	10) Epistemic injustice and decolonization
10-Jan-23	11) Evidence-based economics? Featuring perspectives from Open Science and meta-science of economics
17-Jan-23	12) Pluralism in economics from a philosophy of science perspective
24-Jan-23	13) Pluralism in economics from a philosophy of science perspective
31-Jan-23	14) Pluralism in economics from a philosophy of science perspective <i>Current debates and closing</i>

Detailed syllabus

Please note that this is a reading-intensive course. Therefore, please allow for sufficient time to read and work on the texts in your weekly schedule.

- *Compulsory reading*: For discussions in class and the *Lerntagebuch*, you are required to read and prepare this literature. More detailed instructions on how to prepare for class each week are provided in the Moodle course.
- *Further reading*: These include some of the references to the material I have referred to on the lecture slides, as well as suggestions for those who wish to explore a particular topic in more depth.

The asterisk (*) indicates availability/accessibility via the university library, either as printed or digital copies. Required literature will be provided via the Moodle course.

Session 1: October 11, 2023

<i>Introduction: What is philosophy of economics about?</i>	
Compulsory reading	/
Further reading	Reiss, Julian (2013): <i>Philosophy of Economics. A Contemporary Introduction</i> . New York and London: Routledge, Chap. 1 (pp. 1–11). *

Session 2: October 18, 2023

<i>Basics of epistemology</i>	
Compulsory reading	Chalmers, Alan F. (2013): <i>What is this thing called science?</i> 4 th edition. Queensland: University of Queensland Press. Chap. 1 (pp. 1–17) and Chap. 4 (38–54). *
Further reading	Bauberger, Stefan (2016): <i>Wissenschaftstheorie: Eine Einführung</i> . Stuttgart: Verlag W. Kohlhammer. Chap. 2 (pp. 12–30) and Chap. 3 (pp. 31–55). * Passmore, John A. (1967): “Logical Positivism”, in Paul Edwards (ed.), <i>The Encyclopedia of Philosophy</i> 5. New York: Macmillan, pp. 52–57.

Session 3: October 25, 2023

<i>Karl Popper's falsificationism</i>	
Compulsory reading	Chalmers, Alan F. (2013): <i>What is this thing called science?</i> 4 th edition. Queensland: University of Queensland Press. Chap. 5 (pp. 55–68), and Chap. 6 (pp. 69–80). *
Further reading	<p>Fidler, Fiona et. Al (2018): “The Epistemic Importance of Establishing the Absence of an Effect”. <i>Advances in Methods and Practices in Psychological Science</i> 1 (2), pp. 237–244. *</p> <p>Laudan, Larry (1983): “The Demise of the Demarcation Problem”, in Robert S. Cohen and Larry Laudan (eds.), <i>Physics, Philosophy and Psychoanalysis</i>. Dordrecht/Boston/Lancaster: D. Reidel Publishing Company, pp. 111–127. *</p> <p>Pigliucci, Massimo (2013): “The Demarcation Problem. A (Belated Response to Laudan)”, in Massimo Pigliucci and Maarten Boudry (eds.): <i>Philosophy of Pseudoscience: Reconsidering the Demarcation Problem</i>. Chicago: University of Chicago Press. Chap. 1 (pp. 9–28).</p> <p>Popper, Karl. R. (1997): <i>Lesebuch: ausgewählte Texte zu Erkenntnistheorie, Philosophie der Naturwissenschaften, Metaphysik, Sozialphilosophie</i>. 2nd edition. Tübingen: Mohr.*</p>

Session 4: November 8, 2023

<i>Milton Friedman's legacy in the philosophy of economics</i>	
Compulsory reading	Friedman, Milton (1953): “The Methodology of Positive Economics”, in <i>Essays in Positive Economics</i> . Chicago: University of Chicago Press, pp. 3–43.
Further reading	<p>Backhouse, Roger E. (2012): “The Rise and Fall of Popper and Lakatos in Economics”, in Uskali Mäki (ed.): <i>Philosophy of Economics. Handbook of the Philosophy of Science 13</i>. London/New York: Elsevier, pp. 25–48. *</p> <p>McCloskey, Donald N. (1983): “The Rhetoric of Economics”. <i>Journal of Economic Literature</i> 21 (2), pp. 481–517. *</p> <p>Mäki, Uskali (2003): “‘The methodology of positive economics’ (1953) does not give us the methodology of positive economics”. <i>Journal of Economic Methodology</i> 10 (4), pp. 495–505. *</p>

Session 5: November 15, 2023

<i>Thomas Kuhn's paradigms</i>	
Compulsory reading	Chalmers, Alan F. (2013): <i>What is this thing called science?</i> 4 th edition. Queensland: University of Queensland Press. Chap. 8 (pp. 97–120). * Akerlof, George A. (2020): “Sins of Omission and the Practice of Economics”. <i>Journal of Economic Literature</i> 58 (2), pp. 405–418. *
Further reading	Blaug, Mark (1975): “Kuhn versus Lakatos, or paradigms versus research programmes in the history of economics”. <i>History of Political Economy</i> 7 (4), pp. 399–433. Kuhn, Thomas (1996): <i>The Structure of Scientific Revolutions</i> . 3 rd edition. Chicago: University of Chicago Press. * [deutsche Ausgabe: <i>Struktur wissenschaftlicher Revolutionen</i> , 1973] *

Session 6: November 22, 2023

<i>Imre Lakatos' research programs</i>	
Compulsory reading	Chalmers, Alan F. (2013): <i>What is this thing called science?</i> 4 th edition. Queensland: University of Queensland Press. Chap. 9 (pp. 121–137). *
Further reading	Lakatos, Imre (1978): <i>The Methodology of Scientific Research Programmes</i> . Cambridge: Cambridge University Press.* [deutsche Ausgabe: <i>Die Methodologie der wissenschaftlichen Forschungsprogramme</i> , 1982 *] Lakatos, Imre and Alan Musgrave (eds.) (1970): <i>Criticism and the Growth of Knowledge</i> . Cambridge: Cambridge University Press. [Features essays by Popper, Kuhn, Lakatos, Feyerabend and others around the topic. Deutsche Ausgabe: <i>Kritik und Erkenntnisfortschritt</i> , 1974]

Session 7: November 29, 2023

<i>Objective and subjective judgment and value neutrality in economics</i>	
Compulsory reading	Harding, Sandra (1985): “Can feminist thought make economics more objective?” <i>Feminist Economics</i> 1:1, 7-32.
Further reading	Hands, D. Wade (2012): “The Positive-Normative Dichotomy and Economics”, in Uskali Mäki (ed.): <i>Philosophy of Economics. Handbook of the Philosophy of Science 13</i> . London/New York: Elsevier, pp. 219–239. *

	<p>Horowitz, Mark and Robert Hughes (2018): “Political Identity and Economists’ Perceptions of Capitalist Crises”. <i>Review of Radical Political Economics</i> 50 (1), pp. 173–193. *</p> <p>Mügge, Daniel (2022): “Economic statistics as political artefacts”. <i>Review of International Political Economy</i> 29 (1), pp. 1–22. *</p> <p>Rolin, Kristina (2012): “Feminist Philosophy of Economics”, in Uskali Mäki (ed.): <i>Philosophy of Economics. Handbook of the Philosophy of Science</i> 13. London/New York: Elsevier, pp. 199–217. *</p>
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Session 8: December 6, 2023

<i>The use of models in economics</i>	
Compulsory reading	Rodrik, Dani (2015): <i>Economics Rules. Why Economics works, when it fails, and how to tell the Difference</i> . Oxford: Oxford University Press. “Introduction” (pp. 1–8), Chap. 1 (pp. 9–44), and Chap. 2 (pp. 45–81). *
Further reading	<p>Gabaix, Xavier and David Laibson (2008): “The Seven Properties of Good Models”, in Andrew Caplin and Andrew Schotter (eds.): <i>The Foundations of Positive and Normative Economics: A Handbook</i>. Oxford: Oxford University Press, pp. 292–299.</p> <p>Kapeller, Jakob (2013): “‘Model-Platonism’ in economics: on a classical epistemological critique”. <i>Journal of Institutional Economics</i> 9 (2), pp. 199–221. *</p> <p>Rubinstein, Ariel (2006): “Dilemmas of an Economic Theorist”. <i>Econometrica</i> 74 (4), pp. 865–883. *</p> <p>Sugden, Robert (2000): “Credible worlds: the status of theoretical models in Economics”. <i>Journal of Economic Methodology</i> 7 (1), pp. 1–31. *</p>

Session 9: December 13, 2023

<i>Reflexivity and openness for interdisciplinarity</i>	
Compulsory reading	Rao, Vijayendra (2023): “Can economics become more reflexive?”, in Deshpande, Ashwini (ed), <i>Handbook on Economics of Discrimination and Affirmative Action</i> . Singapore: Springer.
Further reading	tba

Session 10: December 20, 2023

<i>Epistemic injustice and decolonization of economics</i>	
Compulsory reading	Kvangraven, Ingrid Harvold and Surbhi Kesar (2022): “Standing in the way of rigor? Economics’ meeting with the decolonization agenda”, <i>Review of International Political Economy</i> , doi: 10.1080/09692290.2022.2131597. Marabini, Alessia (2022): <i>Critical Thinking and Epistemic injustice</i> . Springer. Chap. 6.1.3.1 “What is Epistemic Injustice?”, pp. 179-81.
Further reading	tba

Session 11: January 10, 2024

<i>Evidence-based economics? Featuring perspectives from Open Science and meta-science of economics</i>	
Compulsory reading	tba
Further reading	tba

Session 12: January 17, 2024

<i>Pluralism in economics from a philosophy of science perspective: Conceptualizing dimensions, motives, and degrees of pluralism I</i>	
Compulsory reading	Mäki, Uskali (1997): “The one world and the many theories“, in Andrea Salanti and Ernesto Screpanti (eds.): <i>Pluralism in economics: new perspectives in history and methodology</i> . Edward Elgar Publishing, pp. 37–47.
Further reading	Meyenburg, Imko (2018): “Choices under epistemic pluralism in economics”. <i>International Journal of Pluralism and Economics Education</i> 9 (4), pp. 339–357.

Session 13: January 24, 2024

<i>Pluralism in economics from a philosophy of science perspective: Conceptualizing dimensions, motives, and degrees of pluralism II</i>	
Compulsory reading	Dobusch, Leonhard and Jakob Kapeller (2012): “Heterodox United vs. Mainstream City? Sketching a Framework for Interested Pluralism in Economics”. <i>Journal of Economic Issues</i> 46 (4), pp. 1035–1057. *
Further reading	Heise, Arne (2017): “Defining economic pluralism: ethical norm or scientific imperative”. <i>International Journal of Pluralism and Economics Education</i> 8 (1), pp. 18–41. *

Session 14: January 31, 2024

<i>Pluralism in economics from a philosophy of science perspective: Current debates I</i>	
Compulsory reading	Gräbner, Claudius and Birte Strunk (2020): “Pluralism in economics: its critiques and their lessons”. <i>Journal of Economic Methodology</i> 27 (4), pp. 311–329. *
Further reading	<p>Becker, Johannes, Sebastian Dullien, Rüdiger Bachmann, Silja Graupe, and Arne Heise (2017): „Wirtschaftswissenschaften: zu wenig Pluralität der Methoden und Forschungsrichtungen?“. <i>Wirtschaftsdienst</i> 97 (12), pp. 835–853. *</p> <p>Heise, Arne and Sebastian Thieme (2016): “The Short Rise and Long Fall of Heterodox Economics in Germany After the 1970s: Explorations in a Scientific Field of Power and Struggle”. <i>Journal of Economics Issues</i> 50 (4), pp. 1105–1130. *</p>