

FACULTÉ DES LETTRES
DÉPARTEMENT DE PHILOSOPHIE



UNIVERSITÉ
DE GENÈVE

PHILOSOPHY OF ECONOMICS

SYLLABUS

1 INTRODUCTION

COURSE CODE 34I0158 SE

COURSE WEBPAGE http://wuthrich.net/teaching/_MA2_PhilEcon_2019.html

PLANS D'ÉTUDES Demi-module MA2a • Demi-module MA5a

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CONTACT HOURS Classes: Thursday 2pm-4pm, B107 • Office hour: by appointment

BLURB Economics is a fascinating and multi-faceted science, philosophically significant to issues as diverse as the nature of rationality, scientific methodology, the fact-value distinction, etc. This course focuses on debates at the interface between economics and philosophy of science. It does so by reviewing a selection of writings by both economists and philosophers on the status of (neoclassical) economics, its foundations, goals, and methods. Topics of discussion will comprise the nature of rationality, the explanatory role of intentions, laws, and causes, the function of idealization and abstraction in theories and models, the interaction between descriptive and normative goals in economics, and the relation of economics to physics, psychology, and evolutionary biology.

OBJECTIVES We shall consider a selection of key issues in philosophy of economics, as presented in classical and contemporary philosophical texts. The overall goal of the course is to develop one's critical and dialectical skills – the skill of critically reading the texts and understanding the reasons pro and against specific theses, and the skill of effectively bringing one's views to bear on the views of others. To this end, it is essential that one adequately prepares for each session by reading the assigned material in view of the class discussion and actively participates in the discussion.

EVALUATION Coursework shall be assessed based on the following two component: a written exam (evaluation); and seminar performance (attestation). The second component will reflect active participation in the class discussion. Since attendance is necessary for active participation, it is also highly recommended. Absences should be discussed, preferably in advance, with the convenors.

PRESENTATION Each seminar will consist of two parts. In the *first part*, one student will present the weekly reading to the class (see §2). Students can sign up for presentation, upon consulting the PRESENTATION CALENDAR on Moodle, by emailing lorenzo.casini@unige.ch. (If nobody has signed up for a particular session, the convenors will ask one student to give a short summary of the text.) The time devoted to the presentation may vary depending on the occurrence of exchanges (ideally, brief) between the au-

dience and the presenters in the course of the presentation, but should in no case go beyond thirty minutes.

DISCUSSION The *second part* of the seminar shall be devoted to in-class discussion, moderated by the course convenors. Each student is invited to take active part in the discussion.

WRITTEN EXAM The written exam will last four hours. It will be evaluated based on the following three criteria: understanding of the course material, as presented in the primary and, if necessary, secondary, literature; clarity of exposition; capacity of critical thought.

BIBLIOGRAPHY All primary literature may be found on [Moodle](#). Reading of primary literature is mandatory. Reading of secondary literature, such as textbooks and encyclopedic entries, is at one's discretion. In addition, the course convenor shall upload weekly notes as introductions to the readings and to the issues to be discussed in class. Some background literature:

- Blaug, M. (1992). *The Methodology of Economics. Or How Economists Explain*, 2nd Ed. Cambridge: Cambridge University Press.
- Hausman, D. M. (1992). *The Inexact and Separate Science of Economics*. Cambridge: Cambridge University Press.
- Hausman, D. M. (2012). *Preference, Value, Choice, and Welfare*. Cambridge: Cambridge University Press.
- Hoover, K. (2001). *The Methodology of Empirical Macroeconomics*. Cambridge: Cambridge University Press.
- Reiss, J. (2013). *Philosophy of Economics. A Contemporary Introduction*. New York: Routledge. [recommended textbook]

For additional and more precise references, see the weekly notes on [Moodle](#).

2 SCHEDULE

Primary texts and schedule of the sessions are as follows (N.B.: the schedule is tentative; any adjustment will be announced in class; the schedule below will be updated to reflect these adjustments).

[19.09] *Course introduction*

[26.09] **A positive science?**

- Robbins, Lionel (1932). *An Essay on the Nature and Significance of Economic Science*, 3rd Ed., London: Macmillan, §1.3, §§4.1–4.2, §§6.1–6.3.

[03.10] **Revealed preferences?**

- Sen, Amartya (1973). Behaviour and the Concept of Preference. *Economica*, 40(159): 241-59.

[10.10] **A value-laden science?**

- Reiss, Julian (2013). Rational-Choice Theory, in *Philosophy of Economics. A Contemporary Introduction*. New York: Routledge, ch. 3.

[17.10] **Should assumptions be realistic?**

- Friedman, Milton (1953). The Methodology of Positive Economics, repr. in Hausman, D. M. (ed.), *The Philosophy of Economics: An Anthology*, 3rd Ed., Cambridge: Cambridge University Press, 2008, pp. 145-78.

[24.10] **Rationality – substantive or procedural?**

- Vanberg, Viktor J. (2012). Rational Choice, Preferences over Actions and Rule-following Behaviour, in Mäki, U. (ed.), *Philosophy of Economics*, Amsterdam: Elsevier, 2012, pp. 505-30.

[31.10] What do the assumptions explain?

- Herfeld, Catherine (2018). Explaining Patterns, not Details: Reevaluating Rational Choice Models in Light of Their Explananda, *Journal of Economic Methodology*, 25(2): 179-209.

[14.11] Ceteris paribus (I)?

- Hausman, Daniel M. (1990). Supply and Demand Explanations and Their *Ceteris Paribus* Clauses, *Review of Political Economy*, 2(2): 168-87.

[21.11] Ceteris paribus (II)?

- Jhun, Jennifer S. (2018). What's the Point of Ceteris Paribus? Or, How to Understand Supply and Demand Curves, *Philosophy of Science*, 85(2): 271-92.

[28.11] Is there an explanation paradox?

- Reiss, Julian (2012). The Explanation Paradox, *Journal of Economic Methodology*,

19(1): 43-62.

[05.12] Microfoundations?

- Kirman, Alan P. (1992). Whom or What Does the Representative Individual Represent? *Journal of Economic Perspectives*, 6(2), 117-36.

[12.12] Quo vadis, general equilibrium?

- Rosenberg, Alexander (1994). What Is the Cognitive Status of Economic Theory? In Backhouse, R. E. (ed.), *New Directions in Economic Methodology*, London: Routledge, pp. 216-35.

[19.12] Is macroeconomics autonomous?

- Hoover, Kevin D. (2008). Microfoundations and the Ontology of Macroeconomics, in Kincaid, H. and Ross, D. (eds.), *Oxford Handbook for the Philosophy of Economics*, Oxford University Press, pp. 386-409.