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978-0-521-79796-2 - Reflection without Rules: Economic Methodology and Contemporary Science Theory

D. Wade Hands

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REFLECTION WITHOUT RULES

Reflection without Rules offers a comprehensive, pointed exploration of the methodological tradition in economics and the breakdown of the received view within the philosophy of science. Professor Hands investigates the increased role of naturalistic and sociological approaches in methodological debates and examines the roles of pragmatism, discourse, and situatedness in discussions of scientific knowledge before turning to a systematic exploration of more recent developments in economic methodology. The treatment emphasizes the changes taking place in science theory and its relationship to the movement away from a rules-based view of economic methodology. The work will be of interest to all economists concerned with methodological issues as well as philosophers and others studying the relationships between economics and contemporary science theory.

D. Wade Hands is Professor of Economics at the University of Puget Sound in Tacoma, Washington. He is a frequent contributor to the literature on economic methodology and the history of economic thought. Professor Hands is the author of *Testing Rationality and Progress* (1993), *Introductory Mathematical Economics* (1991), and one of the editors (with John Davis and Uskali Mäki) of *The Handbook of Economic Methodology* (1998). He is currently an Associate Editor of the *Journal of the History of Economic Thought*.

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Reflection without Rules

ECONOMIC METHODOLOGY AND
CONTEMPORARY SCIENCE THEORY

D. WADE HANDS

University of Puget Sound



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To My Students: Past, Present, and Future.

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The writing style which is most natural for you is bound to echo speech you heard when a child. English was the novelist Joseph Conrad's third language, and much that seems piquant in his use of English was no doubt colored by his first language which was Polish. And lucky indeed is the writer who has grown up in Ireland, for the English spoken there is so amusing and musical. I myself grew up in . . . Indiana, where common speech sounds like a band saw cutting galvanized tin, and employs a vocabulary as unornamental as a monkey wrench.

[Kurt Vonnegut, 1981, pp. 78–9]

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PREFACE

This book was conceived during a long walk on a sunny North Carolina beach with Bruce Caldwell and Uskali Mäki in the late summer of 1993. It had a very long and – from the author’s point of view – often a rather difficult gestation period. While the basic idea seemed (and still seems) quite straightforward – write an interpretative survey of recent work in economic methodology and the various developments within contemporary science theory that are relevant to it – at various points the execution of the task felt overwhelming. One problem was, of course, the “moving target” nature of the subject matter; there were many times where the relevant literature was literally appearing in print at a faster rate than I could read it, much less synthesize, or write about it. Another difficulty stemmed from the fact that my own views about the composition of the “relevant” science theory kept changing and, in particular, expanding during the evolution of the project. Finally, of course, there is always the issue of that nebulous adjective “interpretative,” and how it should be, well, interpreted. Although the finished product is undoubtedly a compromise on these and other issues, it is a well-deliberated compromise; I have tried to present a vast amount of literature in a way that is informative, balanced, and fair.

A complete list of all the individuals that I have talked to about these matters would include the majority of the people that I have come into professional contact with during the last twenty years. So with apologies in advance to all of those who I have forgotten to mention, let me just name: Roger Backhouse, Jack Birner, Mark Blaug, Pete Boettke, Stephan Böhm, Larry Boland, Bill Brown, Bruce Caldwell, Doug Cannon, Nancy Cartwright, Bob Coats, Harry Collins, Allin Cottrell, John Davis, Neil De Marchi, Michel De Vroey, Art Diamond, Ross Emmett, Milton Fisk, Steve Fuller, Ron Giere, Doug Goodman,

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I would like to thank the University of Puget Sound (UPS) for consistently supporting me in my research on this book and throughout my career. Over the last two decades, UPS has basically given me every research award, travel grant, and professional growth opportunity that it had available to offer its faculty. In addition, I would like to thank my colleagues in the UPS Economics Department, who have not only supported – but actually encouraged – my (rather strange) interdisciplinary research. I realize that not every economist doing work in the history and philosophy of economics has the advantage of congenial colleagues and a supportive departmental environment. I know how rare it is and I truly do appreciate it. I also am indebted to the various audiences who provided useful comments, at the untold conferences and universities, in many different countries, where the ideas in this book were originally presented. I also would like to thank the anonymous readers for Cambridge University Press as well as all of the other anonymous referees who have provided valuable comments on parts of this manuscript and the various projects that have led up to it. Thanks also go to the people at Cambridge University Press, particularly Scott Parris, and their prompt, efficient, and understanding support throughout this entire project.

Finally, the book contains some material that appeared in earlier papers and I would like to thank the publishers of the following journals and edited volumes for their kind permission to reproduce portions of this material.

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