

Ideas and Context

Basis of Knowing

There are three broad objective of "Science:"

- Prediction
- Explanation
- Indoctrination to a particular perspective (story telling)

Forms of logic and knowing

- Inductive reasoning (empiricism)
- Deductive logic (syllogism)
- Story telling

Bronowski argues that "science (as a way of knowing) is founded on three ideas:

- Order
- Cause
- Chance

Goal in Economic Thought:

How does a society develop a "system" of rules to guide the allocative decisions?

What do we "know" about how those allocative decisions are made?

What do we know? How do we know it?
What do we believe Why do we believe that?

Approaches:

Greeks and Judeo/Christian
Aristotle and syllogistic reasoning
Renaissance
Enlightenment
Bacon and empiricism
Logical positivism
Popper and "falsification"
Kuhn and "consensus"
Lakatos and "SRP"
Friedman and prediction
McCloskey and "rhetoric"

Perspectives

Absolutist perspective:

- A universal "truth"
 - Optimistic epistemology says we can "know" that truth
 - Pessimistic epistemology says we cannot know or understand) that truth

Relativist perspective:

- "Truth" is contingent on the circumstances

View of "human Nature"

- Is it fixed or determined?
- Is it "learned or conditioned?"

- Is human nature basically good?
- Is human nature basically bad?

Positive Economics presumably has no ethical or moral content it is an "unbiased description of what is." In most cases it is "testable."

Normative economics involves an value judgment and is a "biased judgment about what ought to be"