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PHILOSOPHY OF ECONOMICS
AND THE SIGNIFICANCE OF ECONOMICS TO PHILOSOPHY
INTRODUCTION TO THE TOPICAL COLLECTION *PHILOSOPHY OF ECONOMICS*

The nature of economics as a special science remains puzzling. Should it be defined by its methods or by the problems it aims to solve? But does economics even have any unique methods? And is there a clear-cut set of problems that only economics can solve? One can easily multiply such questions. What is rather obvious, however, is that addressing such issues requires us to look at economics *from the outside* and, thus, to go beyond economics as such. What we need is a science *about* economics — a philosophy of economics. If, for instance, researchers ask what constitutes a good economic model, they will be able to find out by consulting philosophical studies on models. Similarly, if our problem is how macroeconomic phenomena are related to microeconomic ones, then a useful strategy would be to refer to philosophical debates over reductionism. So, here, philosophy is treated as separate and clearly distinguishable from economics.

Another possibility, different from the one sketched in the previous paragraph, is to see philosophy of economics and economics as being in the same boat — to paraphrase Quine’s well-known words about the continuity of philosophy with science. On this approach, the goal of philosophy of economics is to find philosophy *in* science — or, in this case, *in* economics. As Mario Bunge puts it, “Philosophy may not be found in the finished scientific build-

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ings (although this is controversial) but it is part of the scaffolding employed in their construction” (1967: 291). Therefore, philosophy of economics studies ontological, epistemological, and ethical commitments made by economic theories. For instance, economic studies on human choices cannot abstract away from some ethical issues, such as what the goodness of a given choice comes down to, and thus, necessarily appeal to various ethical theories — most notably, utilitarianism, deontology, and virtue ethics. Here, the works of Amartya Sen on human welfare should be mentioned — for example, *On Ethics and Economics* (1987). At least in some cases, then, (Sen’s research included) philosophy of economics can be treated as being continuous with economics. This should not surprise us because economics had been closely entangled with philosophy for centuries, and in recent decades, the ties between the two fields have become stronger again, which this topical collection of the journal *Filozofia Nauki / The Philosophy of Science* also proves.

Today, philosophy of economics is a branch of philosophy of science in its own right, on a par with philosophy of mathematics, philosophy of physics, or philosophy of biology. It has its own set of problems and methods, only partially overlapping with those of the other branches, and even in cases where these seem to overlap, it is often unclear whether the problems are really the same. That, for example, structural realism in philosophy of physics can co-exist with, if not straightforwardly entail, anti-realism with respect to the theoretical entities of microphysics, has no perfect match in philosophy of economics, where structural realism cannot be readily supported by an anti-realism with respect to microfoundational entities such as particular agents, firms, or households, of whose existence experience seems to assure us beyond any reasonable doubt. The same is arguably true about many other fundamental problems in philosophy of economics, like the status of laws, the meaning and role of theoretical models, and the nature of explanation. Philosophy of economics adopted a whole battery of problems and concepts from older branches of philosophy of science and applied them to a domain of phenomena and their theoretical descriptions fundamentally different from both the abstract subject-matter of mathematics and the spatiotemporal reality studied in physics, chemistry, or biology. The effects were astonishing and this, in part, accounts for the rapid development of philosophy of economics and for the way it resonates with many philosophers, including those, such as Nancy Cartwright, interested primarily in philosophy of natural science.

The economic reality — the reality of markets and agents active therein — is unique in that it combines features characteristic of physical reality, such as the existence of lawlike regularities, with the prominent role of human agency, psychology, and rationality, typically the subject-matter of the humanities. As

Paul Samuelson once said, “economics is . . . a subject that combines the rigors of science with poetry of humanities” (1980: 4). That is why economics has fascinated philosophers long before the establishment of economics as a science. It is in the market where almost all philosophically relevant threads of reality meet: the individual, atom-like agency with general structures and regularities, the lawful and repeatable with the unpredictable of individual decisions, the objectivity and mind-independence of natural and social phenomena with the inherently subjective character of valuations and utility functions, the mathematically expressible abstract necessities with the contingency of their realization through human decisions and their social outcomes. Like the Athenian market where philosophy flourished, the economic markets have always provided a challenge for philosophy to find conceptual devices flexible enough to account for the polydimensional character of reality, which nowhere reveals itself more clearly than in the market, where all kinds of goods and all kinds of problems coexist.

The three papers presented here illustrate some of the most fundamental aspects of philosophy of economics, shedding light on why and how economic reality and our descriptions thereof can be exceptionally relevant to philosophy. Peter Galbacs’s paper on Lucasian microfoundations focuses on the extent to which ontological problems concerning physical reality and its description can be directly translated into problems pertaining to the individual and structural levels of economic reality. Tomasz Kwarciański and Krzysztof M. Turek’s paper on normative economics takes up the problem of the foundations of our value judgements underlying economic decisions, whereas Jarosław Boruszewski and Krzysztof Nowak-Posadzy’s paper on economic models deals with the status of the conceptual and theoretic devices used in explaining and predicting economic phenomena. Even in this relatively small sample of approaches within philosophy of economics, it is rather clear that economics is philosophically interesting not as one among many sciences but as a science that gives us insights into the domain of reality where virtually all important problems in ontology, epistemology, and value theory find their counterparts.

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