RESEARCH IN THE HISTORY OF ECONOMIC THOUGHT AND METHODOLOGY: INCLUDING A SYMPOSIUM ON THE HISTORICAL EPISTEMOLOGY OF ECONOMICS
RESEARCH IN THE HISTORY OF ECONOMIC THOUGHT AND METHODOLOGY

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AND METHODOLOGY:
INCLUDING A SYMPOSIUM
ON THE HISTORICAL
EPISODEMEOLOGY OF
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VOLUME INTRODUCTION

In our first volume of 2017, we present a symposium on the historical epistemology of economics, guest edited by Till Düppe and Harro Maas. The symposium features contributions from both guest-editors, as well as Loïc Charles and Christine Thérè, Hsiang-Ke Chao, Thomas Stapleford, and Tobias Vogelsang. The contributions to the symposium cover an array of topics from Charles and Thérè on the scientific understanding of the eighteenth-century French Physiocrats, to Chao and Maas’s inquiry into Jevons’ and Marshall’s respective diagrammatical methods, Vogelsang’s research on the ways that the American military administrators of postwar Germany reconfigured the given institutional context in order to generate policy-relevant economic statistics and reports, Düppe’s investigation of Gerard Debreu’s personal values and their influence on Debreu’s theorizing about economic value, and Stapleford’s argument that the French tradition of historical epistemology amounts to a more philosophically respectable historiography than the narrow study of authorial intentions typical of research in the history of economic thought. We are quite pleased with the symposium and expect it to impact new research in the methodology of the history of economics.

The present volume also features a general-research contribution from Cameron Weber on the “value paradox” in art economics. Weber argues that a paradox exists in the conception of value adopted in the unique field of art (or “cultural”) economics relative to the standard conception of the broader economics discipline.

Our “From the Vault” section features a long-lost essay by Marc Nerlove, winner of the John Bates Clark Medal in 1969 and 2012 Distinguished Fellow of the American Economic Association. Originally penned in 1953, when Nerlove was a mere 19-year-old undergraduate, “Some Notes on Cournot and the Bargaining Problem” displays a remarkable understanding of the problem. The paper was written when Nerlove was a research assistant to Jacob Marschak and Tjalling Koopmans at the Cowles Commission, but was only recently unearthed from the Marschak Papers at UCLA. Nerlove’s archival contribution includes a new foreword by Olav Bjerkholt.

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Editors’ Biographies

Luca Fiorito received his PhD in economics from the New School for Social Research in New York and is currently Associate Professor at the University of Palermo. His main area of interest is the history of American economic thought in the Progressive Era and the interwar years. He has published many works on the contributions of the institutionalists and on the relationship between economics and eugenics.

Scott Scheall is a Lecturer with Arizona State University’s College of Integrative Sciences and Arts. He received his PhD in philosophy from Arizona State in 2012. Scott is a former Research Fellow with Duke University’s Center for the History of Political Economy and a former Postdoctoral Fellow with the F.A. Hayek Program for Advanced Study in Philosophy, Politics, and Economics at George Mason University. He has published extensively on the history and methodology of the Austrian School of economics.

Carlos Eduardo Suprinyak is Associate Professor of Economics at the Federal University of Minas Gerais (UFMG), Brazil. He specializes in the history of economic thought and economic methodology, studying in particular the interplay between social, political, and economic ideas in early modern England, and the institutionalization of academic economics in Brazil during the postwar era. He has published several papers on these and other related themes in peer-reviewed scholarly journals, and is also the co-editor of The Political Economy of Latin American Independence (Routledge, 2017).
PART I
A SYMPOSIUM ON THE
HISTORICAL EPISTEMOLOGY OF
ECONOMICS
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THE HISTORICAL EPISTEMOLOGY OF ECONOMICS: AN INVITATION

Till Düppe and Harro Maas

What does the emergence of the craft of clockmaking in eighteenth-century France have to do with an empiricist notion of reasoning? What does the fascination with maps and cartography in Victorian Britain have to do with what all economics students learn today, the shifting of curves? Why is the fact that the winter in Germany 1946 turned out less harsh than expected related to the success of one kind of statistical evidence over another? And what does the interior design of a home in California in the 1970s tell us about the axiomatic method in economics? These are questions that surface in the essays that follow and that situate concerns about economic evidence and reasoning in time and place. They are the kind of questions that are nowadays considered the bread and butter of what goes under the label of historical epistemology.

Historical epistemology, the subject of several recent conferences and publications, is one of the research frontiers, next to social and political epistemology, in the empirical philosophy of science. The label is used by historians and philosophers of science who in one way or the other revive the work of German and French philosophers who “historicized epistemology,” such as those surveyed by Hans-Jörg Rheinberger (2010). Rheinberger presented under this label the thoughts on the history of knowledge of authors ranging from Wilhelm Dilthey, Edmund Husserl, Ernst Cassirer to Ludwik Fleck, on the one side; and Gaston Bachelard, Alexandre Koyré, Michel Foucault, and Michel
Serres, on the other side. The revival of such authors in the history of science is often associated with, but not limited to, the work of two of Rheinberger’s other colleagues at the Max Planck Institute for the History of Science in Berlin: Loraine Daston and Jürgen Renn.¹ This list of names already suggests that it is unlikely that we could find a coherent research program that one might define as historical epistemology. There is indeed considerable debate about its meaning.²

It is not our intention to contribute to this debate in this introduction. Considering that the last of the contributions to this special issue deals in depth with one possible meaning of the historical epistemology of economics, we allow ourselves to be light on matters of definition, and think of it inclusively as a historical investigation of scientific methods (such as models and tools of measurement), of shifting explanatory standards and disciplinary identities. However, instead of looking into the clouds of epistemological justification where conceptual analysis prevails, historical epistemology is concerned with the material manifestations of knowledge and situate them in time and place. Such manifestations can have many forms: they can be objects and artifacts such as notebooks, data, reports, diagrams, equations, computers, etc.; they can be expressions of various scientific personae, forms of experiences, emotions, social norms, practices or skills that are specific to an individual, a generation, or a certain period of time. Attention to such manifestations enriches our notion of what economic knowledge can mean by providing thick descriptions, which cannot be induced from the ideas expressed in the economist’s texts. All following contributions thus use sources that go beyond the published text, using among others correspondence, notebooks, photographs, public media appearances.

Sensibility toward the material dimensions of knowledge is no novelty in the history of economics. The interest of historians of economics in situating economic knowledge and knowledge claims increased after the results of the working group at the Center for Interdisciplinary Research on the probabilistic revolution started to appear.³ With Mary Morgan as one of its participants, the Bielefeld studies opened new vistas within the history of economics. Morgan’s recent The World in the Model: How Economists Work and Think (2012) or Schabas’ On the Natural Origins of Economics (2006) are just two recent examples of this perspectival shift. Indeed, Philip Mirowski’s More Heat than Light (1989) might have been equally important in heightening interest in more general questions of what that is and how it transforms: economic knowledge.⁴ Even if the segregation between history and philosophy of economics has increased over the past decades, there clearly has always been an appreciation in the history of economics that economic knowledge comes in many forms and is subject to historical change. This journal, including the research of its founder, is certainly one of the witnesses of the overlapping interests of the history and philosophy of economics.

We are, therefore, neither claiming a new form of epistemology nor a new form of the history of economic knowledge per se. Indeed, most of the articles
here witness already existing work rather than a reinvention of the history of economics. To relate to existing work, however, does not mean repeating it. Situating economic knowledge can help to renew debates about its status. Whichever historiography one prefers, the following essays attempt to enrich both the epistemology and the history of economics. We take the banner of historical epistemology as an open invitation to rejuvenate discussions that are nowadays either squashed in an overly analytic corset of the philosophy of economics or engraved in a history of ideas which carries a historical burden of intellectual conservatism and isolationalism toward other disciplines and approaches.

Opening the material dimensions of the epistemology of economics implies a caution not to take at face value what economists themselves say about what they are doing (which can, nevertheless, be the object of historical investigation). One does not accept at face value actors’ categories of knowledge (which led the so-called methodology of economics astray for decades). What economists say they do is hardly ever a good guide to understanding what they actually do. As the following essays witness, epistemological beliefs diverge from their practice. Thus, historical epistemology aims to go beyond interpreting and analyzing quarrels about the proper methodology of past economists. This may result in many different narratives but it requires one to develop one’s own story of what knowledge performs and fails to perform; it requires an increased sense of autonomy without following a ready-made discourse about knowledge production. By focusing less on the strategies of justification of epistemological beliefs, and more on the historical phenomena that undergird those beliefs, knowledge is described not only as a set of representations but as something that tells us about the world in which this knowledge became meaningful.

Such a focus does not exclude multiple aims. Some authors might wish to identify the causes of scientists holding one or the other epistemology; others might want to point to “historical correlates” of such beliefs that may mutually stabilize each other. Others might also aim at a “at a genealogy of” forms of economic knowledge, showing multiple origins in the past that may or may not count as economics today. But also the target of historical analysis can differ: one might use historical sources to better understand the nature of economic knowledge or one might use a specific form of economic knowledge to better understand the nature of the historical situation in which it appears (indeed, the line between the two is difficult to draw). In any event, as we hope is witnessed from the essays that follow, the historical manifestations of epistemic standards are not an extraneous dimension to economics but are “part of the story.” Situating epistemic choices in time and place may sharpen our self-awareness of the stories that can be told in the history of economics.
Loïc Charles and Christine Théré take us back to the eighteenth century when the authority of science became mobilized in economic affairs; that is, to a time when it was not yet clear who relied on and who created the authority of science. Specifically, one of the members of the Société Academiques des Beaux-Arts, François Quesnay, would become exemplary for the modern reliance on scientific authority. What was particular to the Society of Fine Arts was its close association of crafts, skill, and knowledge. Being knowledgeable meant being skilled in making the instruments that can make things visible. Surgeons and clockmakers provided thus the model for Quesnay’s notion of knowledge. His concept of évidence, which is central to his writings, was derived from partaking in the activities of this society. Knowledge is manifest in sensual, specifically visual, experiences. This is the background of the framed picture that represents one of the first artifacts of economics, the Tableau économique. Further, Quesnay thought of mathematics, which is usually considered as being unrelated to experience, equally as a form of évidence. Charles and Théré’s argument chimes well with the value of objectivity which Daston and Galison relate in its first stage to the skill of seeing (2007).

In Engines of Discovery: Jevons and Marshall on the Methods of Graphs and Diagrams, Hsiang-Ke Chao and Harro Maas consider another practice that is central to being an economist today: drawing curves. Going back to the early uses of diagrams in Victorian England, they show two distinct forms of “drawing curves”: to represent data and to visualize reasoning. The notion of diagrams can refer to both, economic data and economic theories, a distinction that was largely forgotten once econometricians in the 1930s asked about the statistical estimation of what were previously considered reasoning tools. While for Jevons exactness and precision were important when drawing curves, Marshall explored causal relations visually without calculation, by freely experimenting with different shapes of curves. They were “maps of arguments” that visualized and generalized John Stuart Mill’s discursive experiments. For Marshall, diagrams were tools of conceptual development in a geometrical rather than representational space, a phénométechnique, as Bachelard had it. Chao and Maas show how different positions on classical topics in Millian epistemology — the lack of experiments, the a priori method — correlate with, or are induced by, different practices of drawing graphs. The distinction made by Mary Morgan regarding the use of models as things to reason with and to reason on clearly informs Chao’s and Maas’s discussion.

The fourth contribution, by Tobias Vogelgsang — Political Infrastructures for Economic Knowledge: The American Military Administration of Germany and Its View of the German Economy, 1945–1947 — takes us out of the academic context into the political arena, where economic knowledge becomes strategy. The German question in 1945 was whether one should keep its industry down, as the Soviets did in their zone, or help it regain economic power, a question that was not resolved before the influential Hoover Report that led the United States into the Marshall plan. Vogelgsang goes into the archives,
documenting the first decisions made in 1945 and 1946 when two camps in the American military government tried to influence the political path. Vogelgsang shows that it was not, indeed, economic evidence as such that decided which road the military administration took, but the institutional infrastructure of producing such evidence. By “re-engineering” the institutions that produce the materials of economic evidence — their organization, channels of communication, access, and frequency of reports — one camp overrode the other. This argument highlighting the role of the institutions of knowledge resonates well with a Foucauldian notion of historical epistemology. More than that, in historiographical terms, the paper shows alternative uses of archival sources to those regularly made by historians of economics.

Focusing on objects and institutions are two ways of enriching the scope of historical inquiries into economic knowledge; another is to include the lived experiences of both the author and the reader. What imaginary labor is necessary to write and read economic texts? This labor is particularly interesting when the major epistemological imperative is self-containment, as for axiomatic texts. In the fifth chapter — *Gerard Debreu’s Values: Axioms and Anecdotes* — Till Düpppe provides an experiential account of the axiomatic method by using a historical source that has been hitherto excluded from the history of economic thought: anecdotes. Anecdotes are an elementary and inclusive form of narrative that can be used to describe the work of imagination that is needed to bring an axiomatic text to life. What kinds of experiences are brought into play when we wish to understand a sentence like: The commodity space $X_i$ is connected? In this manner, Düpppe elaborates on the distinction between technical axioms that have no hypothetical character from descriptive axioms that are usually discussed as being realistic or unrealistic. Note that in this case, historical epistemology does not mean to reconstruct the context of economic ideas, but to use a historical source, anecdotes, as a tool for rewriting the inner logic of an epistemic genre. We thus learn something about the nature of the axiomatic method, about Debreu, and also about values.

In the last contribution — *Historical Epistemology and the History of Economics: Views through the Lens of Practice* — Thomas A. Stapleford presents a theoretical discussion of the differences between the history of economic thought and the historical epistemology of economics. His discussion is inspired by the recent philosophical literature in practice theory (Theodore Schatzki and Joseph Rouse, for example). He views historical epistemology as a history of epistemological practices which highlights behavioral patterns of economists and their communal skills of knowledge production. This approach gives a specific behavioral and institutional twist to historical epistemology. Stapleford discusses the increasingly subtle differences between economics as a set of ideas (authorial intentions) and a set of practices. Most notably, the history of practices entails a shift from causal explanations to correlations, which circumvents the opposition of constructivism and realism; also, in contrast to presuming a trans-historical existence of “economics,” he argues for an approach to history
as a “genealogy” of current practices that thus intervenes in received views of economics. Stapleford pulls this discussion into the literature of French epistemology, notably Michel Foucault, Georges Canguilhem, and Gaston Bachelard. He concludes that historical epistemology does not reinvent the history of economics, but shifts emphasis.

The five essays of this special issue present different ways of historicizing economic knowledge that are by no means representative of all that could be done in the historical epistemology of economics. They serve as an invitation to reconsider the way we think about economics knowledge and the stories we tell about it.

NOTES

1. For an early historiographical reflection on the label, see Daston (1994) and for a more recent discussion, a special issue in Erkenntnis (Feest & Sturm, 2011). One of the milestones of Daston’s work that popularized the label was certainly her study with Peter Galison on the history of standards of objectivity (2007). However, there is no reason to exclude historical studies of science such as Shapin’s social history of truth (1994) or Pickering’s (1992) and Davidson’s work (2001), to name authors who are not associated with the Max Planck institute (see also Schmidgen, Schottler & Braunstein, 2012).

2. The most polemic critique of the label was written by Yves Gingras (2010). He considers historical epistemology to capture little more than what can be found in good history of ideas or, worse, to serve as an institutional effort of the Max Planck to mark off a separate intellectual space to justify its existence.

3. See Krüger, Daston, and Heidelberger (1987), and Krüger, Gigerenzer, and Morgan (1987). If not for his untimely death, Krüger would have been the first director of the Max Planck Institute for the History of Science in Berlin.

4. Other, less known contributions, to the history of economics that historicize standards of knowledge have been made by Mary Poovey (1998) and Mitchell (2002).

REFERENCES


