

The Future of Economics: Mainstream Pluralism?

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Mainstream pluralism?

- The new approaches in economics since 1980 have made economics more diverse and less dominated by neoclassicism
- Does this signal a Kuhnian scientific revolution and the emergence of a new dominant paradigm to be made up of element of these new approaches?
- Or is rapidly increasing specialization within economics simply making economics more diverse and increasingly limiting dominance in it altogether?
- The difference is whether pluralism will be transitory or permanent in economics

The Kuhnian argument

- While economics requires a dominant paradigm to maintain its social science autonomy and scientific status, the history of economics shows dominant paradigms rise and fall and never repeat
- Increasing pluralism then signals a scientific revolution reflected in a breakdown in the explanatory power of neoclassicism
- A possible sign of breakdown: rationality theory has become normative and increasingly performative type of theory aimed at changing people's behavior through nudges and institutional mechanism design to make them fit the theory rather than a theory that describes behavior

The specialization argument

- The logic of scientific development across all science is to innovate; a Schumpeterian type process
- Innovation leads to specialization, science niches, and a de facto pluralism due to scientists' inability to maintain expert status beyond their intensive research areas; pluralism as tolerance
- Possible evidence in economics: the relative decline of generalist journals and explosion of specialty journals; steady rise of co-authorship; continual expansion and internal differentiation of the JEL code

Pluralism and dominance?

- But if economics requires dominance to maintain its status and specialization is still inevitable, what then?
- The narrowing of neoclassicism to a Lakatosian hard core based on rationality, efficiency, and competition represented as the social identity of economics
- Specializations judged bureaucratically in terms of their degree of departure from the core through journal and program ranking systems rather than scientific content
- An ecosystem model of different species/approaches and rivalry over professional resources

Ecosystem dynamics

- Ecosystems are stable and yet also subject to tipping point transformations
- The latter are often associated with the appearance of a new agent that upsets previously stable relations
- Economics imperialism has been followed by a reverse science imperialism bringing a set of other science agents into economics
- Will an increasingly general and narrow core be able to domesticate these new approaches or does this narrowness and generality undermine its reach and versatility?