

New York University  
Department of Economics

G31.3007  
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Methodology of Economics

The extensive bibliography provided by Professor Machlup will serve as a valuable guide to writing your term paper. This list of readings, by contrast, is not intended to be comprehensive. It is the basis of the lectures and discussions that will take place over the course of the semester. Additional readings may be recommended later in the term.

Part I: The Philosophy of Science

(I) Introductory

Mark Blaug, The Methodology of Economics (Cambridge University Press, 1980), Chapters 1 and 2.

(II) Deductive - Nomological Explanations

Carl G. Hempel, "Aspects of Scientific Explanation," in Aspects of Scientific Explanation (Fress Press, 1965), pp. 331-393.

Michael Scriven, "Explanations, Predictions and Laws," in H. Feigl and G. Maxwell, (eds), Scientific Explanation, Space and Time (Minneosta Studies in the Philosophy of Science: volume III, 1962).

(III) Falsificationism

Karl R. Popper, The Logic of Scientific Discovery (Harper Torchbooks, 1965), pp. 27-111.

(IV) The Growth of Knowledge

Imre Lakatos, "Methodology of Scientific Research Programmes," in Imre Lakatos and Alan Musgrave (eds.), Criticism and the Growth of Knowledge (Cambridge University Press, 1970), pp 91-138; 154-157; 173-177.

Part II: Economic Methodology

(V) Introductory

Mark Blaug, The Methodology of Economics, Chapters 3, 4

(VI) Apriorism

Carl Menger, Problems of Economics and Sociology trans. Francis J. Nock (University of Illinois Press, 1963 (1888)), pp. 35-73; 214-219.

Ludwig von Mises, Human Action, 3rd ed (Regnery, 1966), pp. 11-71.

Mario J. Rizzo, "Mises and Lakatos," in Israel M. Kirzner (ed.), Method, Process and Austrian Economics (D.C. Heath, 1982).

(VII) Subjectivism and Ideal Typification

F.A. Hayek, The Counter-Revolution of Science (Fress Press, 1955), Part I.

Alfred Schutz, On Phenomenology and Social Relations (University of Chicago Press, 1970), Chapter 13.

Fritz Machlup, Methodology of Economics and Other Social Sciences (Academic Press, 1978), Chapters 8, 9.

(VIII) Empiricism

Milton Friedman, "The Methodology of Positive Economics," in Essays in Positive Economics (University of Chicago Press, 1953).

Mario J. Rizzo, "Praxeology and Econometrics: A Critique of Positivist Economics," in Louis M. Spadaro (ed.), New Directions in Austrian Economics (Sheed, Andrews and McMill, 1978).

Fritz Machlup, "The Problem of Verification in Economics," Southern Economic Journal (Sept. 1955) and also in Machlup, Methodology of Economics Chapter 5.

Part III: Special Topics in Economic Methodology

(IX) Determinism

Fritz Machlup, "Spiro Latsis on Situational Determinism," in Machlup, Methodology, Chapter 26 (also in British Journal for the Philosophy of Science, September 1974, pp. 271-284.)

Mario J. Rizzo, "Static versus Dynamic Subjectivism" (on reserve).

(X) Time and Uncertainty

1. Time

Henri Bergson, The Creative Mind, Chapter 1 (recommended only for the philosophically-minded).

Milic Capek, The Philosophical Impact of Contemporary Physics (D. Van Nostrand, 1961), Chapters III, VIII.

Mario J. Rizzo, "The Dynamic Conception of Time" (on reserve).

2. Uncertainty

Alfred Schutz, "Tiresias, or Our Knowledge of Future Events," Collected Papers of Alfred Schutz, vol. II (The Hague: Martinus Nijhoff, 1966).

(XI) Equilibrium

Fritz Machlup, "Equilibrium and Disequilibrium," in Machlup, Essays in Economic Semantics (W.W. Norton, 1967). Also in Economic Journal, March 1958.

Mario J. Rizzo, "Uncertainty in Equilibrium" (on reserve)

(XIII) Optimality and Welfare Economics: A Funeral

George J. Stigler, "Economics and Public Policy," Regulation, May/June 1982 (pp. 13-17).