

**PHD THESIS SUMMARY:**

**The phenomenology of economics: life-world, formalism, and the invisible hand.**

TILL DÜPPE

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*EIPE, Erasmus University Rotterdam*

What makes it so attractive to economists to be granted the rank of scientists? What role did political ideologies play in the scientification of economics? How could formal reasoning function so prominently in establishing scientific authority? And how is it that economists today hold considerable power in shaping social discourse although inside the profession the complaints about its irrelevance do not cease?

This thesis tackles such issues surrounding the modern project of an economic science with a fresh look from phenomenology. In a grand narrative of the scientification of economics and a piecemeal biography of the mathematical economist Gerard Debreu, it tracks the relation of economics and the “life-world”—that is, economists’ sensibility for problems and responsibility for answers. Dwelling upon Husserl’s late philosophy, this thesis makes the case for the ‘forgetfulness of the life-world’: practicing economics, at least since the formalist revolution of the 1950s, makes economists insensible to the very motives for their practice, and irresponsible for their claims. Instead of envisioning a phenomenological economics, the thesis shows that this forgetfulness was necessary for the formation of economics as a science. It suggests a new tone of criticism away from the deploring of its present state. Today, the question is no longer ‘Which economic science?’, but ‘When does it disappear?’

Technically speaking, the thesis explores the “subjective constitution of economics”: What kind of person does one have to be in order to be interested in an economic science? What kind of character, or “ethos”, is induced by, or allowed to express itself in economics? What limits does the pursuit of scientific authority in economics impose on the conduct of an intellectual life?

This approach is unique in the field of today’s commentary on science. As opposed to traditional approaches in the philosophy of

science, it does not consider the epistemic principles of science, but considers science as the practices of claiming scientific authority in economic discourses. As opposed to works in science studies, however, it does not try to “explain” these practices, but considers their condition in the “life-world”.

Three different meanings of the notion of the “life-world” give structure to this project: a discursive, a historical, and a biographical. I first describe in an informal way the public, professional, and pedagogical ethos of present-day economists. Second I recount the social history of the scientification of economics from early modern Europe until the present. Third I write the intellectual biography of Gerard Debreu, which illustrates the existential challenge of scientific authority for economists.

Besides the consideration of economics in its historical whole, the distinct contribution of this thesis is to explicitly discuss the conditions for the significance of economics, which are implicitly assumed in most sceptical judgements regarding the irrelevance of economics. Since the 1970s, it is common even among leading economists to lament the irrelevance of economics and yet it is difficult to establish an actual alternative. For this literature this thesis sets a new tone, if not standard: if the historical conditions for the renewal of scientific optimism are no longer met—as is the case—then economic science is free to dissolve.

The introduction connects with the widely perceived “crisis” of economics since the 1970s and proposes a different take beyond the constraint of envisioning a better economic science. The preliminaries (“Phenomenology of the life-world: hermeneutics, history, and transcendental”) introduce the philosophy of a phenomenology of science (and economics in particular). The notion of the life-world is operational for this philosophy and gives structure to the thesis according to three different meanings. First, a “hermeneutic” notion of the life-world, which conceives of the life-world as a pragmatic and discursive order, within which economics is situated. This notion informs the description of the discursive ethos of economists in the first part. Second, a “historicist” notion of the life world which considers the handing over of economics as a tradition—its “sense-history”. This notion informs the social history of the scientification of economics. Third, a “transcendental” notion of the life-world, which considers the

“sense-accomplishment” of economics, and how economics can be incorporated intellectually. This notion informs the life-writing of Gerard Debreu in the third part.

Part 1 (“Discourse: the public, professional and pedagogical ethos of economists”) introduces the character of the economist from an outsider’s point of view, that is, for an audience not trained in economics. As a benchmark, I presume a pragmatic notion of economic services, which is dismantled step-by-step. In this fashion, I introduce the scepticism that is common in today’s commentary of economics—namely the charge of its political irrelevance from inside the profession, and the charge of its political bias from outside the profession. Part 1 is organized in three chapters: first, I describe the public ethos of economists in relationship with the general public; second, the professional ethos of economists in relationship with those paying for their services; third, the pedagogical ethos of economists in relationship with their students.

Part 2 (“History: economic science from the *oikonomia* to ‘the economy’”) presents a social history of the scientification of economics. The main question is what has led economists to seek science, and how this motive developed over the course of the last centuries. The chapter is structured chronologically; first a chapter on pre-modern economic discourse when there was no scientific authority; then the establishment of economic science in the 17th century mercantilist milieu; third high modernism in economics when its scientificity was politically contested (1850-1950); and last, economics today under the influence of the formalist revolution of the 1950s. This part shows that formalism has always been crucial in establishing scientific authority, and that accordingly the formalist revolution was not merely a detour in the history of scientification, but actually its end.

Part 3 (“Biography: Gerard Debreu from Nicolas Bourbaki to Adam Smith”) is an exercise in life-writing as the genuine locus of phenomenological criticism. It illustrates the experiential problem of incorporating scientific authority through the elusive character of Gerard Debreu. I recount his life in the form of a “parable”—that is, a moral dilemma, a questionable decision, and the suffering of the consequences of this decision. The moral dilemma for Debreu was to be fascinated by his mathematical experience of Nicolas Bourbaki, though he recoiled from it for its inadequacy towards the end of WWII. Instead of choosing for economics, he entered it by chance and remained

discreet throughout his entire intellectual life. He never saw himself as an economist. In 1983, he finally faced this ambivalence when receiving the Noble Prize for ‘having proven the invisible hand of Adam Smith’.

The thesis concludes pessimistically regarding the possibility of a significant economic science, but adds, in contrast, an optimistic note regarding the prospects of a post-epistemic culture in economic talk.

**Till Düppe** obtained his PhD from the Erasmus Institute for Philosophy and Economics (EIPE), faculty of philosophy at Erasmus University Rotterdam (The Netherlands). He was supervised by Arjo Klammer, professor of the economics of art and culture, and Jos de Mul, professor of philosophical anthropology. He is a teaching and research fellow in the department for the history of economics at the University of Hamburg.

Contact e-mail: <Till.Dueppe@wiso.uni-hamburg.de>