

Suggested answers to
Written Exam for the B.Sc. in Economics summer 2011

Philosophy of Science

Behavior under Extreme Conditions: The Titanic Disaster

Ad 1. The paper is on economics, see slides for lecture 1. It is published in an economic journal and written by economists. It uses economic methodology. It is however, a rather unusual topic.

Ad 2. The paper does not rely on traditional economic micro or macro theory. It does however, relate to the mounting evidence produced in the laboratory on the actual behaviour of people, see slides for lecture 13.

Ad 3. The term normal science belongs to Kuhn. No revolution or anomaly is really attempted but a contribution to our stock of knowledge under extreme conditions. It is normal science but with an unusual subject.

Ad 4. The idea that a ship can possibly sink is not really a completely unexpected phenomenon. Remember, that it is said in the introduction that Titanic only afterwards acquired the status of being thought of as unsinkable. The reasons for passengers to think that it was safe to travel with the Lusitania are given in the text but a torpedo attack under war is not a completely unexpected phenomenon.

Ad 5. It would be obvious to mention the survey method and contingent valuation studies.

Ad 6. In lecture 13 Homo Oeconomicus is defined as
1) Interested in acquiring as many goods as possible and
2) no concern for others.

Ad 7. There are 3 kinds of replication. This is a statistical replication, see lecture 14.

Ad 8. It is not usually possible to examine behaviour under such extreme circumstances. However, the case method has its own limitations, see lecture 11.

Ad 9. The paper is mainly on actual behaviour. In fact, the only implied normative statement is that there were insufficient lifeboats.

Ad 10. The answer presupposes a knowledge of the work by McCloskey, see lecture 9.

Academic aims:

The student should be able to discuss the definition of economics and the problem of demarcation.

The student should be able to explain the basic position of the logical positivists, Karl Popper, Lakatos, Friedman and Kuhn as well as the major objections.

The student should know the basic facts about the organization of science.

The student should know about the discussion about the rhetoric of economics and economics as an imperial science. The student should know about the concept of public choice and the distinction between market failure and political failure.

The student should know about the major problem of other lines of investigation such as field studies, case studies and participant observation as well as the contingent evaluation method. The student should be able to explain the methodology of the experimental method and give an explanation of rationality.

The student should be able to discuss the problem of replicability and Merton's rules for science.

The student should be able to present the most important methodological problems of the econometric method.

The student should be able to give a discussion of the foundations of welfare theory and the theory of happiness.

The student should be able to discuss the important distinction in the theory of ethics between the ethics of duty and the consequentialist ethics.