

# Suggested answers to Philosophy of Science

**Exam June 7<sup>th</sup> 2010**

**(Closed book)**

**Q1:** The paper is definitely on economics, using an economic framework and economic concepts, though it deals with an unusual topic. The answer may be based on some definitions on economics or may just describe why the student thinks it is on economics.

**Q2.** The term *normal science* would indicate a reference to Kuhn. The paper is definitely normal science using traditional methods to investigate a phenomenon.

**Q3.** The term *novel facts* relate to Lakatos. A novel fact would question the basic assumptions on which economic theory is based. This is not the case with Waldfogel.

**Q4.** In principle, no single statement can be falsified as this statement inevitably is based on a number of ancillary assumptions. In this case, it would be what *standard microeconomic theory* is. The student may describe the Quine Duhem thesis at this point.

**Q5.** The answer will give rise to the different kinds of replication: Statistical replication, pure replication and scientific replication. Pure replication would be impossible but statistical and/or scientific replication would be possible.

**Q6.** The traditional model of consumer behavior assumes that only the consumers own consumption matters. This is obviously not the case with gift giving. In some cases, e.g. with children, it could be argued that they enter a game where they give gifts because otherwise they will not receive gifts and so gift giving is consistent with utility maximization in the long run.

**Q7.** The answer depends upon an understanding of the contingent valuation method. Basically, there are many problems with CV studies (as with econometrics) but used carefully the suggested answer is yes.

**Q8.** Introspection means that you put yourself into the suggested framework and ask what you yourself would do. Introspection is thus inherently subjective and this may be a serious objection to introspection. However, e.g. McCloskey argues that introspection is a kind of (tacit) knowledge widely used among economists.

**Q9.** The basic argument in the paper is that gift giving involves a loss to society. However, in a broader framework, gift giving may have other aspects not considered by economists.

**Q10.** The answer to this question presumes knowledge of the work by McCloskey. The paper has been published in a very prestigious journal by a well known economist and makes a point that is quite easy to understand.