

Written Re-Exam for the B.Sc. in Economics summer 2014

Philosophy of Science

Final Exam

7. August 2014

(3-hour closed book exam)

Please note that the language used in your exam paper must correspond to the language of the title for which you registered during exam registration. I.e. if you registered for the English title of the course, you must write your exam paper in English. Likewise, if you registered for the Danish title of the course or if you registered for the English title which was followed by “eksamen på dansk” in brackets, you must write your exam paper in Danish.

This exam question consists of 2 pages in total

Please answer the following questions that all refer to the article:

Daniel M. Hausman (1989), Economic Methodology in a Nutshell, Journal of Economic Perspectives, Volume 3, Number 2, Pages 115–127

Question 1:

On page 116 of the article Hausman cites Mill's idea: "Since so many causal factors influence economic phenomena, and experimentation is generally not possible, there is no way to employ the methods of induction directly."

Explain the recent development in experimental economics. Explain what an experiment is and explain the concepts of internal as well as external validity.

Question 2:

On page 116 of the article Hausman also speaks of the 'deductive approach'. Please describe what a "scientific explanation" is using the "deductive-nomological model of explanation" developed e.g. by Hempel (1942).

Question 3:

On page 118 of the article Hausman mentions Karl Popper and the Logical Positivists. Please explain what the commonalities and differences are between Popper and the Logical Positivists.

Question 4:

On page 124 of the article Hausman mentions Thomas Kuhn. Kuhn developed a view on scientific development which was distinctly different from Karl Popper's. Please explain his view and the difference to Popper's approach. Furthermore, give an example for a "research paradigm".