

Uncontrollability
and
Economic Apoptosis
*A first enquiry into the concepts
and
their relevance for the market-government debate*

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Acknowledgments

This book owes its existence to far more than my rather pedantic dream of writing a sound and solid book.

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I specifically would like to mention Karl Popper to whom I am indebted for his remark that a scholar who writes incomprehensibly is not worth reading (I’m sorry I couldn’t find the precise quotation). I can only hope that potential readers of this volume will not follow his advice.

In writing this book I was guided by Pieter Ruys, Jakob de Haan and Arjen van Witteloostuijn. I am deeply indebted for their trust in my capabilities and their many incisive remarks and directions.

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My friend Jelle van der Zwaag tried to make me add an ethical dimension to my book. However, I believe that while in economic *policy* “hard heads, but soft hearts” (Blinder) are called for, in economics there is as much room for ethics as there is in engineering. Sorry!

When needed I was inspired, subconsciously even prodded, by my late father and by my children.

Thanking my wife, Sietske van der Bom, seems silly. This book is as much a fruit of her “blood, sweat and tears” as of mine.



RIJKSUNIVERSITEIT GRONINGEN

**ECONOMIC APOPTOSIS
and
UNCONTROLLABILITY**

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and
their relevance for the market-government debate

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“The grist for the mill of scientific inquiry is an ever increasing body of observations that give information about underlying “facts.” Facts are the properties of natural phenomena. The scientific method involves the rigorous, methodical testing of principles that might present a naturalistic explanation for those facts. To be a legitimate scientific “hypothesis”, an explanatory principle must be consistent with prior and present observations and must remain subject to continued testing against future observations. An explanatory principle that by its nature cannot be tested is outside the realm of science.

The process of continuous testing leads scientists to accord a special dignity to those hypotheses that accumulate substantial observational or experimental support. Such hypotheses become known as scientific “theories.” If a theory successfully explains a large and diverse body of facts, it is an especially “robust” theory. If it consistently predicts new phenomena that are subsequently observed, it is an especially “reliable” theory. Even the most robust and reliable theory, however, is tentative. A scientific theory is forever subject to reexamination and -- as in the case of Ptolemaic astronomy -- may ultimately be rejected after centuries of viability.

Every scientific discipline embraces a body of facts and one or more theories to explain them. Significantly for this case, scientific facts and theories are not interchangeable: An explanatory principle is not to be confused with the data it seeks to explain. This relationship between scientific theory and fact permeates all scientific disciplines; it unifies the enterprise of all scientists, from astronomers to zoologists.

A thorough scientific education should introduce these concepts about the hierarchy of scientific ideas. Such an introduction would permit the student to relate the substantive findings of science to the process of science. Just as children should understand and appreciate the scientific theories that offer the most robust and reliable naturalistic explanations of the universe, children should also understand and appreciate the essentially tentative nature of science. In an ideal world, every science course would include repeated reminders that each theory presented to explain our observations of the universe carries this qualification: “as far as we know now, from examining the evidence available to us today”.

Edwards v. Aguillard: U.S. Supreme Court Decision 1986: amicus curiae brief in support of appellees.

“The study of economics does not seem to require any specialized gifts of an unusually high order. Is it not ... a very easy subject compared with the higher branches of philosophy or pure science? An easy subject, at which very few excel? The paradox finds its explanation, perhaps, in that the ... economist must possess a rare combination of gifts. He must be mathematician, historian, statesman, philosopher in some degree. He must understand symbols and speak in words. He must contemplate the particular in terms of the general, and touch abstract and concrete in the same flight of thought. He must study the present in the light of the past for the purposes of the future. No part of man's nature or his institutions must lie entirely outside his regard. He must be purposeful and disinterested in a simultaneous mood; as aloof and incorruptible as an artist, yet sometimes as near the earth as a politician.”

J. M. Keynes "Alfred Marshall, 1842-1924" *The Economic Journal*, (September 1924)

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