



Review of Political Economy >  
Volume 29, 2017 - Issue 4824 | 2 | 38  
Views | CrossRef citations to date | Altmetric

Articles

## Is Mainstream Economics a Science Bubble?

John Davis 

Pages 523-538 | Received 29 Sep 2016, Accepted 24 Sep 2017, Published online: 09 Nov 2017

 Cite this article  <https://doi.org/10.1080/09538259.2017.1388983> Check for updates  
Sample our  
Economics, Finance,  
Business & Industry Journals  
>> **Sign in here** to start your access  
to the latest two volumes for 14 days Full Article  Figures & data  References  Citations  Metrics Reprints & Permissions

Read this article

## ABSTRACT

This article uses George Soros' theory of boom-bust cycles to argue that mainstream economics, as built on Samuelson's Foundations, followed a similar boom-bust cycle. It underwent a reflexive, positive feedback pattern of development before 1980 followed by a reflexive, negative feedback pattern of development after 1980, making it a science bubble. The positive feedback pattern was associated with the 'misconception' that when economics is framed as a natural science as per Samuelson, it improves its descriptive capacities as a science; the negative feedback pattern was associated with

## About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings

KEYWORDS: Reflexivity science bubble Soros Samuelson recent economics

JEL CODES: B21 B41 G01

## Disclosure statement

No potential conflict of interest was reported by the author.

## Notes

1 Samuelson may have had second thoughts about his Whig position when he conceded to Mark Blaug that rational reconstructions of past ideas might deviate from historical reconstructions, thus implying a possible loss of important theoretical content and a problem for his progress view (cf. Samuelson, Patinkin, and Blaug [1991](#), p. 144). This admission came out of a debate with William Baumol over the status of Marxian economics, which led to a shift in Blaug's own position away from Samuelson's and considerable doubts for Blaug regarding progress in economics (see Davis [2013](#)).

2 Gary Becker extended this to non-economic domains, meaning that rational choice theory is a universal theory of human behavior.

3 This is known as the Duhem–Quine thesis, which states that theories can never be conclusively falsified.

4 That these models did not predict well was ignored!

5 The decision problem was what later became known as the Allais paradox. For the Allais–Savage paradox, see [Allais and Savage 1953](#).

6 The welfare economics literature has been concerned with the question of how to aggregate individual preferences into a social preference ordering. This is the notion of a 'social welfare function' (SWF).

7 See [Arrow 1950](#) for a discussion of the impossibility of a SWF. The notion of a 'social welfare function' is also used in the literature on the 'agent'.

### About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings

8 Some commentators distinguish economics’ mechanism-design theory and matching-mechanism theory, as associated with medical resident matching programs, but I regard the two sorts of programs as structurally the same, even if some conceptualize their goals and motivations differently. In the US, the National Resident Matching Program began in 1952 as a response to criticism of the existing market-based system of medical resident hospital placement.

## Related research

People also read

Recommended articles

Cited by  
2

The changing face of mainstream economics >

David Colander et al.  
Review of Political Economy  
Published online: 25 Aug 2010



### About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click “Settings”. For further information about the data we collect from you, please see our [Privacy Policy](#).

 Accept All

Essential Only

Settings

## Information for

Authors

R&D professionals

Editors

Librarians

Societies

## Opportunities

Reprints and e-prints

Advertising solutions

Accelerated publication

Corporate access solutions

## Open access

Overview

Open journals

Open Select

Dove Medical Press

F1000Research

## Help and information

Help and contact

Newsroom

All journals

Books

## Keep up to date

Register to receive personalised research and resources by email



Sign me up



Copyright © 2024 Informa UK Limited [Privacy policy](#) [Cookies](#) [Terms & conditions](#)

[Accessibility](#)



Taylor & Francis Group  
an informa business

Registered in England & Wales No. 3099067  
5 Howick Place | London | SW1P 1WG

### About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click “Settings”. For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings