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Is Mainstream Economics a Science Bubble?

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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
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superseded research programs in the history of science.

KEYWORDS: Reflexity science bubble Soros Samuelson recent economics
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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 conclusi

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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.