

**Kosta Josifidis, Ekonomija: nauka ili metafizika, nekoliko metodoloških po(r)uka (Economics: Science or Metaphysics, a Few Methodological Messages) Futura publikacije, Novi Sad 2007.**

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Let me begin with a notice written by an important representative of methodology quoted several times in this book: “The study of methodology is an agonizing task, writing a book on the subject requires the skills of an individual who is at once presumptuous and masochistic.”<sup>1</sup> Methodology has been squeezed by pressure from different sources. Why is this task so “agonizing” and what is more, why is this engagement “masochistic? Why is someone devoted to this troublesome task? First of all, methodology could not be subordinated to simple problem-solving. According to our contemporary “postmodern” pluralistic belief there is no single infallible method, “one” best path that could open every door, or that could reduce every complexity. There is no single method waiting to be applied for all situations loaded with economic aspects. There is no ultimate ground to arbitrate among the different positions in economic theories. Besides, there is difficulty integrating methodology in modern curricula; rather, economists practice their methodology by plying their scientific trade. So, the task with methodology is risky, hopes are doubtful, results uncertain--even obscure--there is an increasing degree of specialisation in economics and division of academic research labour that makes difficult to account comprehensively the subject. The economists who practice their research could be sceptical concerning the methodology that needs interdisciplinary work, inclination to transcend economic frames, and receptiveness in relation to the philosophy of science. But, despite the extreme difficulties methodology confronts, the task is obvious, namely, to make and endorse a difference between relativistic and pluralistic approaches. In this sense, pluralism in methodology does not mean giving up the chance for assessments or value-laden treatments in economics, but sensitivity to different perspectives and readiness for frame within which alternative positions are in dialogue. Conversations among divergent theoretical and political posi-

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<sup>1</sup> B. Caldwell, *Beyond Positivism, Economic Methodology in the Twentieth Century*, London, New York, 1994 (1982), 1.

tions are always intricate and demanding; the pluralistic methodology could contribute to complex discussions on economics. I would say that there is a strong ethics of methodology in the situation of uncertainty.

The dimensions I have mentioned represent the background for Kosta Josifidis's book that leads us to the centre of the methodological controversies in economics. He interprets these dilemmas with the sharp title of the book: is economics science or metaphysics? This alternation sounds very provocative, and we experience throughout the book how the study of methodology forces a person to examine even the sense of economics. In fact, the person engaged in methodology is always at a semi-distance concerning economics; she is not "in" because for her, all aspects are questionable, even the basic sense of her subject. The title of the book and the approach followed through the book is challenging because the author deconstructs the incontestable authority of science, and what is more, the indisputable science of economics. Taking into account the simple fact that connecting metaphysics with the destiny of economics could be a blasphemy for a lot of economists the profile of challenge made by Josifidis is apparent. For some, methodology could be an interference into the business of economics as usual. Science has an unquestioned authority for our epoch and the belief in economic science is based on this authority. So, there is a question for the reader: how to be involved in economics without certainty in relation to the status of economics? We do not get a simple answer to the fundamental question but a deep and well-informed problematizing of the main positions. Methodology, as we saw earlier, cannot bring for us desired certainty and ultimate validity. The author of this book does not make reading or interpretation of it easier for us, he keeps the alternation open; actually, his argumentation proves that the point is precisely this openness. The aforementioned ethics of methodology lies exactly in this openness. Josifidis's hope is the following: the engagement in methodology could contribute to the question how to gain knowledge in economics, this could shed light on the practice of economics; by getting knowledge on divergent methodological positions one may avoid the gaps of narrow perspective that characterizes a lot of approaches.

Let us take a step to get a picture of the book. It includes nine chapters and we should remark that the presentation of methodologies is less than complete. The author presents his book as a work in progress. Actually, he themes the dynamics of economic knowledge concerning the achievements of positivist methodology in twentieth century. This book could be understood as the intellectual journey across the confrontations related to positivism. This explains why a considerable part of the book deals with the different representations of positivism. Each of the chapters begins with a review of either a famous debate between two economists (Robbins versus Hutchison, for example), or a statement by a prominent positivist economist. The author announces the next book will replicate this approach with the post-positivistic situation in methodology and

may further clarify, unify, categorize and explicate debates in the field of economics.

What about the construction of the text, about the textual organisation in this book? Josifidis in all chapters follows the same line of reasoning; selecting and concentrating the main dimensions of given methodology, he renders possible for the reader to confront with the substantial position of the given theory, and at the end of the chapter he makes engaged commentaries. His discursive position is not neutral and does not take a perspective of impartial spectator who only mechanically enumerates the selected viewpoints. Methodology is not a set of unbiased and technical procedures, moreover, it is always embedded in broad theoretical and ideological perspectives. Besides, we notice a characteristic fact: familiar with macroeconomics, Josifidis frequently refers to the theoretical interpretations in this field of economics. Actually, macroeconomics is seen as the special battlefield for the divergencies in methodology.

The first chapter shapes the aspects of crucial dilemma mentioned in the title of the book. The reader gets knowledge about the fact why we cannot avoid this dilemma in economics. Metaphysics is, as we know, exposed in modernity to the radical critique, but its frames are renewed in the era of “growth of the knowledge”. What does metaphysics mean in the epoch that celebrates the unconditional development of science? These questions are at the centre of this chapter.

The second chapter deals with positivism/scientism, the philosophy of logical positivism influenced by the empiricist tradition. Logical positivism is connected to culture with the domination of technological effectivity. The basic intellectual position is presented as the situation of neutral spectator free from ideological statements, but as the author proves this position hides non-recognized postulates. Positivism immerses into the understanding of science as an autarchic activity freed from engagement and value-laden assessments.

The third chapter develops further the argumentation of the previous chapter. Therefore, the subject is logical positivism in economics through the methodological arrangements of Lionel Robbins and Terese Hutchison. Josifidis shows that the essential orientations in logical positivism of economics are born in the conflicts between these economists. Because of this fact, he accentuates the convergencies and divergencies between Robbins and Hutchison. As we see in this chapter, the debate could introduce the other relevant methodological approaches in positivism.

Positivism is not a homogenous doctrine without any differences. The fourth chapter demonstrates this. There are four directions explicated in this chapter: a) Harvard-positivism, b) MIT-positivism, c) Chicago-positivism, d) LSE-positivism. The kaleidoscope of positivism makes possible the comparative attitude of the author--Josifidis uses this to weigh against, link, evaluate, balance among different stances. Economic positivism is dependent on the premise of

the perfect market with perfect functioning of the price-system. Josifidis acknowledges the rhetorical effects of logical positivism, but provides evidence that this rhetorical commitment is associated with the ideological presuppositions.

There is a similar connection between the fifth and sixth chapters: the fifth chapter confronts positive and normative standpoints, the next chapter applies this conflict to economics, considering especially welfare economics. What forms this difference between positive and normative viewpoints? Which tendency in economics intensifies this divergent perspective? The answer is the following: the point is not which standpoint is loaded with ideological premises, but this difference, the installment of this difference is ideological *tout court*.

The next chapter deals with value and ideology in economics. This issue is outwardly important for the author of this book and in a certain way summarizes his efforts. The reader finds this question repeatedly at the end of the book, because the last chapter is also devoted to the articulation of the value and ideology. The critical stance of the author here is very clear: he assesses negatively the dominant value-neutrality of economic science, and points out the prescriptive, value-embedded dimensions of economics. He even emphasizes that the value-neutrality, value-free statements obstructs the further development of economic science.

The eighth chapter problematizes Popper's falsificationism. In Josifidis's book, Popper is a liminal phenomenon, but we can read that Popper will be treated with more details in the next book. Popper opens the other methodological path concerning the positivism and this leads us to the post-positivism, so we move away from the positivistic treatment of knowledge.

In conclusion, in Serbia few economists have expressed any interest in methodology. Consequently, this book is quite unique in relation to standard theoretical product in this country. Methodology is poorly-developed in Serbia. Few economists keep up with developments in the philosophy of science, and dynamics of methodology. There is a conviction that the methodology is a waste of time for the economist in the non-western country that could bring only further confusion and misunderstandings. This book proves the opposite, that methodology matters everywhere.