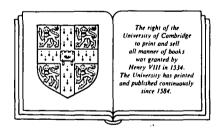
# ECONOMICS AND PHILOSOPHY

Volume 2

1986



## CAMBRIDGE UNIVERSITY PRESS

CAMBRIDGE LONDON NEW YORK NEW ROCHELLE MELBOURNE SYDNEY

#### **REFEREES FOR ECONOMICS AND PHILOSOPHY**

(July 1, 1985 and June 30, 1986)

Aaron, Henry J. Alleva, Ernest Arneson, Richard J. Bartlett, Randall Bassett, Gilbert W., Jr. Basu, Kaushik Beitz. Charles R. Bicchieri, Cristina Bruton, Henry Burkholder, Leslie Carens, Joseph H. Comacho, Antonio Cudd, Ann E. Daniels, Norman Epstein, Gerald Felix, David Foley, Duncan K. Freeman, A. Myrick, III Goode, Richard Gordon, H. Scott Green, Edward J. Hammond, Peter J. Hands, D. Wade Hughes, Joseph P. Kaplan, Mark Karelis, Charles H. Kelman, Steven Klamer, Arjo Kramer, Eric Kyburg, Henry Lane, Timothy Langlois, Richard N.

Lichtenberg, Judith Lomasky, Loren E. Lopez-Gonzalez, José Maital, Shlomo Maki. Uskali de Marchi, Neil McClennen, Edward F. McCloskey, Donald N. Miller, David L. Mongin, Philippe Morgenbesser, Sidney Morris, Christopher W. Nell, Edward J. Nove, Alec Penz, Peter Pressler, Jonathan Putterman, Louis G. Riley, Jonathan Roemer, John E. Rosenberg, Alexander Rothenberg, Jerome Schick, Frederic Schor, Juliet B. Seidenfeld, Teddy Sheahan, John B. Smith, Holly M. Soltan, Karol Srivastavi, Sanjay Srinagesh, Padmanaban Sugden, Robert Weintraub, E. Roy Woodward, James

Editorial Assistant (1986), Gwen W. Steege

## **ECONOMICS AND PHILOSOPHY**

Contents of Volume 2, 1986

#### Essays

BALL, STEPHEN W.	Economic Equality: Rawls versus Utilitarianism <b>225</b>	
ETZIONI, AMITAI	The Case for a Multiple-Utility Conception <b>159</b>	
HIRSCH, ABRAHAM and DE MARCHI, NEIL	Making a Case When Theory is Unfalsifiable: Friedman's Monetary History <b>1</b>	
KARELIS, CHARLES	Distributive Justice and the Public Good <b>101</b>	
KELMAN, STEVEN	A Case for In-Kind Transfers 55	
LEVI, ISAAC	The Paradoxes of Allais and Ellsberg 23	
MONGIN, PHILIPPE	Are "All-and-Some" Statements Falsifiable After All? The Example of Utility Theory <b>185</b>	
NOOTEBOOM, BART	Plausibility in Economics 197	
VANBERG, VIKTOR	Spontaneous Market Order and Social Rules: A Critical Examination of F.A. Hayek's Theory of Cultural Evolution 75	
Review Essays		
ROSENBERG, ALEXANDER	Lakatosian Consolations for Economics 127	

Laboratory Experimentation in Economics 245

#### Reviews

ROTH, ALVIN E.

BEITZ, CHARLES R.	Amartya Sen's Resources, Values and Development <b>282</b>
CALDWELL, BRUCE J.	Sheila Dow's Macroeconomic Thought: A Methodological Approach; David Whynes (ed.), What is Political

	Economy?; and Peter Wiles and Guy Routh (eds.), Economics in Disarray <b>141</b>
HAHN, FRANK	Arjo Klamer's Conversations with Economists: New Classical Economists and Opponents Speak Out on the Current Controversy in Microeconomics 275
NELSON, ALAN	Frank Hahn's Equilibrium and Macroeconomics 148

# New From Cambridge...

# General Equilibrium Analysis

#### Studies in Appraisal E. Roy Weintraub

Weintraub provides a clear and careful presentation of the development of the 1930s through to the Arrow-Debreu work of the 1950s. He also presents a case study that justifies the status of general equilibrium theory in economics and the activity in which economics theorists engage.

Historical Perspectives on Modern Economics Cloth \$24.95

#### The Multiple Self Ion Elster, Editor

A number of leading philosophers, psychologists and economists consider whether the self is a unity, or whether it should be conceived, non-metaphorically, as a "multiple self?" Studies in Rationality and Social Change Cloth \$29.95

### Wealth and Virtue

#### The Shaping of Political Economy in the Scottish Enlightenment Istvan Hont and Michael Ignatieff, Editors

This volume reassesses the remarkable contribution of the Scottish Enlightenment to the formation of modern economics and to the theories of capitalism.

"These essays combine scholarly analysis with a masterful synthesis... of Scottish political economic theory?" – History Today

Cloth \$62.50 Paper \$15.95

### Rethinking the Politics of Commercial Society The Edinburgh Review 1802-1832

#### Biancamaria Fontana

Fontana shows that the *Review*, the most influential and controversial early nineteenthcentury British periodical, clearly displays the new social and economic problems confronting European society after the French Revolution. Cloth \$34.90

> Available at bookstores or call Customer Service at 1-800-431-1580. In NY and Canada 914-235-0300. MasterCard and Visa accepted.

# Cambridge University Press

32 East 57 Street New York, NY 10022 **Economics and Philosophy** is published semi-annually. The journal consists of original articles, review essays (which may focus on a single book or topic or a series of essays by a single author), short book reviews, discussion notes, an annual index and overviews by the editors or members of the editorial board.

Order Fo	
	orm and Philosophy (ISSN-0266-2671)
	y subscription to Economics and Philosophy,
Volume 2 (1986	·
□ Individuals S	\$25.00
Also send me V	/olume 1 (1985):
□ Institutions : □ Individuals \$	
	must order directly from the Press and prepay by k or credit card.
Subscription	rates good through December 31, 1986.
Name of subsc	riber
Address	
City	State/Prov. Zip
	nclosed. (Payment may be made in U.S. dollars or
	in Canadian dollars.) MasterCard (Interbank no)
Card No	Expires
<u> </u>	
Signature	
These prices a	pply in the U.S. and Canada only. Outside the U.S.
and Canada w	rite to Cambridge University Press, The Edinburgh tesbury Road, Cambridge CB2 2RU, England.
and Canada w	
and Canada w	tesbury Road, Cambridge CB2 2RU, England. Send Order To:
and Canada w	tesbury Road, Cambridge CB2 2RU, England.
and Canada w	tesbury Road, Cambridge CB2 2RU, England. Send Order To: CAMBRIDGE UNIVERSITY PRESS

Contributions and editorial correspondence should be sent to ECONOMICS AND PHILOSOPHY, Department of Economics, Fernald House, Williams College, Williamstown, Massachusetts 01267. Authors should send four copies of their manuscript and reserve one copy for their use in checking proofs. Articles must be in English. Spelling, capitalization, and punctuation must be consistent within each article and conform with the latest edition of The Chicago Manual of Style (University of Chicago Press).

**Preparation of manuscript.** A separate title page should be prepared carrying the article title, auxiliary short title (not over 50 characters), author's full name (in the form preferred for publication), and author's affiliation (including full mailing address and phone number). Because blind reviewing will be employed, authors are asked to identify themselves only on the title page.

The entire manuscript (including notes and references) should be typed doublespaced on 8½ by 11 inch or A4 paper, with wide margins for copy editing. Manuscript pages should be numbered consecutively.

Figures. If the manuscript is accepted for publication, the author will be expected to provide figures that are ready for photographic reproduction; they cannot be redrawn by the printer. Charts, graphs, or other artwork should be drawn in black ink on white paper to occupy a standard area of 8½ by 11 or 8½ by 5 inches before reduction. All labels and details on figures should be clearly printed (or done in transfer type of a sans-serif face such as Helvetica) and should be large enough to remain legible after a reduction to half size.

References and notes. Bibliographic citations in the text must include the author's last name and the date of publication and may include page references; for example, (Bryant, 1980, pp. 335-44). When an author's name is part of the text, the following form should be used: "Bryant (1980, pp. 335-44) maintained that . . ." When a work by two or more authors is referred to, all names should be given in the first citation; for example, (Kravis, Heston, and Summers, 1978), with subsequent citations of the form (Kravis et al., 1978). When separate works are referred to within the same parentheses, those by the same author should be separated by commas and those by different authors by semicolons: for example, (Fuss and McFadden, 1978; Georgescu-Roegen, 1971, 1976).

Complete bibliographic information for each citation should be included in the list of references. References should be typed in alphabetical order using the style of the following examples:

- Arrow, Kenneth J. 1974. The Limits of Organization. New York: W.W. Norton.
- Bryant, John. 1980. "A Model of Reserves, Bank Runs, and Deposit Insurance." Journal of Banking and Finance 4:355-64.
- Fuss, Melvyn, and McFadden, Daniel (editors). 1978. Production Economics: A Dual Approach to Theory and Applications. Amsterdam: North Holland.
- Georgescu-Roegen. 1976. "Chamberlain's New Economics and the Unit of Production." In Monopolistic Competition Theory: Studies in Impact, edited by Robert E. Kuenne, pp. 31-62. New York: Wiley.

Titles of journals should *not* be abbreviated.

When more than a simple source citation is called for, footnotes may be used. These should be numbered consecutively thoroughout the text and typed on a separate page following references. Source citations within footnotes follow the same style as citations in text.

*Copyediting and proofreading.* The publishers reserve the right to copyedit and proofread all articles accepted for publication, but, authors will be consulted in the case of any substantial changes. Page proofs of articles will be sent to authors for correction of typographical errors only.

General. Authors receive 25 offprints of their article free of charge; additional numbers may be purchased if ordered at proof stage. Submission of an article implies that it has not been published elsewhere. Authors are responsible for obtaining written permission to publish material for which they do not own the copyright. Contributors will be asked to assign their copyrights, on certain conditions, to Cambridge University Press.

# ECONOMICS AND PHILOSOPHY

Volume 2, Number 2

Essays	
Amitai Etzioni	The Case for a Multiple-Utility Conception 159
Philippe Mongin	Are "All-and-Some" Statements Falsifiable After All? The Example of Utility Theory 185
Bart Nooteboom	Plausibility in Economics 197
Stephen W. Ball	Economic Equality: Rawls versus Utilitarianism 225
Review Essay	
Alvin E. Roth	Laboratory Experimentation in Economics 245
Reviews	
Frank Hahn	Arjo Klamer's Conversations with Economists: New Classical Economists and Opponents Speak Out on the Current Controversy in Microeconomics 275
Charles R. Beitz	Amartya Sen's Resources, Values and Development 282
Contributors 293	

© 1986 Cambridge University Press

CAMBRIDGE UNIVERSITY PRESS The Pitt Building, Trumpington Street, Cambridge CB2 1RP, England 32 East 57th Street, New York, NY 10022, U.S.A. 10 Stamford Road, Oakleigh, Melbourne 3166, Australia

Printed in the United States of America