

*Can economics be founded on 'indisputable facts of experience'?*

'The propositions of economic theory, like all scientific theory, are obviously deductions from a series of postulates. And the chief of these postulates are all assumptions involving in some way simple and indisputable facts of experience relating to the way in which the scarcity of goods which is the subject-matter of our science actually shows itself in the world of reality. ... These are not postulates the existence of whose counterpart in reality admits of extensive dispute once their nature is fully realised. We do not need controlled experiments to establish their validity: they are so much the stuff of our everyday experience that they have only to be stated to be recognised as obvious' (*Nature and Significance of Economic Science*, second edition, pp. 78-79).

'If the psychological critics of Economics had troubled [to investigate the actual practice of economists] they would speedily have perceived that the hedonistic trimmings of the work of Jevons and his followers were incidental to the main structure of a theory which – as the parallel development in Vienna showed – is capable of being set out and defended in absolutely non-hedonistic terms' (p. 85).

Robbins's *Nature and Significance of Economic Science* is one of the classic statements of a conception of economics as a science that is almost entirely separated from psychology. Robbins recognises that some major figures in early neoclassical economics attempted to build economics on experimentally-verified psychological foundations, but he sees these psychological ideas as irrelevant 'trimmings' to a theory that is better understood as resting on a priori postulates. This view of the relationship between economics and psychology was dominant in economics for much of the second half of the twentieth century, but has been challenged by recent developments in experimental and behavioural economics. Luigino Bruni and I have argued that the economics of Jevons and Edgeworth was a viable programme in which experimental psychology played a genuine and useful role, and that modern behavioural economics can be seen as a continuation of that programme ('The road not taken: how psychology was removed from economics, and how it might be brought back', *Economic Journal*, 2007). Bruni and I focused on Pareto as the principal initiator of the separation of economics from psychology. In this paper, I present a critical analysis of Robbins's account of economics as a non-psychological science.

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