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Institutional Economics and Naturalism: Problems and Prospects? / Kurumsal İktisat ve Naturalizm: Ortodoks İktisada Muhalefetin İmkanları ve Kısıtları

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Abstract

Core statements of naturalism exhibit features of monism, and they acknowledge the empirical sciences as a standard of genuine investigation. Empirical sciences largely refer to natural sciences in terms of conflicts between the social and natural sciences. It is typically acknowledged that scientific legitimacy arises through an adaptation of concepts, principles, theories, and methods of the natural sciences. Orthodox economics philosophically depends upon naturalism. On the other hand, institutional economics which is one of the leading heterodox tratition in economics persistently criticize the main assumptions of neoclassical orthodoxy, such as methodological individualism, rationality, adaption of the terms of physics etc. Although its critiques provide a wider agenda to reconstruct a new theory, institutional economics also philosophically depends upon American pragmatism and it is well known that the tradition of pragmatism is closely related with naturalism. This paper argues that the reinterpretation of American pragmatism in terms of hermeneutics may provide a powerful ground to institutional economics to reconstruct its theory.

Keywords Institutional Economics; Naturalism; Orthodox Economics; Pragmatism

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