

The VOTE Textbook

Student Notes

Chapter 3: Thinking About Thinking

Opening Story: Sherlock Holmes on a camping trip

Epistemology: A branch of philosophy that explores how we think about thinking.

Four types of Epistemology:

1. Essentialism

- The essential truth (the essence) can be known through our senses and our rational minds.
- A fact can be proven because it's objectively true.
- An open mind means new information brings us closer to understanding the essence of things.
- Goal: The Essence of Truth

2. Non-Essentialism

- What we know to be true changes with context.
- A "fact" is subjective and depends on how you think about it.
- An open mind means being open to alternative theories and their consequences.
- Goal: Desirable Outcomes

3. Relativism

- Since we can't actually know what the truth is, it doesn't matter what we decide to believe.
- Relativism makes sense in some contexts (but not for VOTE issues).
- Sometimes confused with non-essentialism

4. Absolutism

- Believing that there is one absolute truth, and any new idea about what is true is automatically rejected.
- Absolutism makes sense in some contexts (but not for VOTE issues).
- Sometimes confused with essentialism

Pluralism in Economics: A commitment to being open-minded to diverse ways of thinking about and understanding economic relationships.

Ethics and Economics

- Some people become self-righteous and want to claim the moral high ground, viewing other perspectives as the enemy.
- This is wrong thinking!
- The radical, conservative, and liberal perspectives each hold ethics, integrity, and morality as core values (although certain individuals who identify with those perspectives may not).
- All three perspectives want wealth and prosperity for all. They just have very different theories about how to make that happen.

Theory: A system of ideas intended to explain something

We build theories to answer our questions (and all theories start with questions).

Building “Theory Plus”

1. Establish assumptions

Assumptions are ideas that the person building the theory believes are “givens” and that are most relevant to the question.

2. Construct a model

A model represents the assumptions. It can be physical, narrative (words), mathematical, or graphical.

3. Draw conclusions

A conclusion uses the data to answer the initial question.

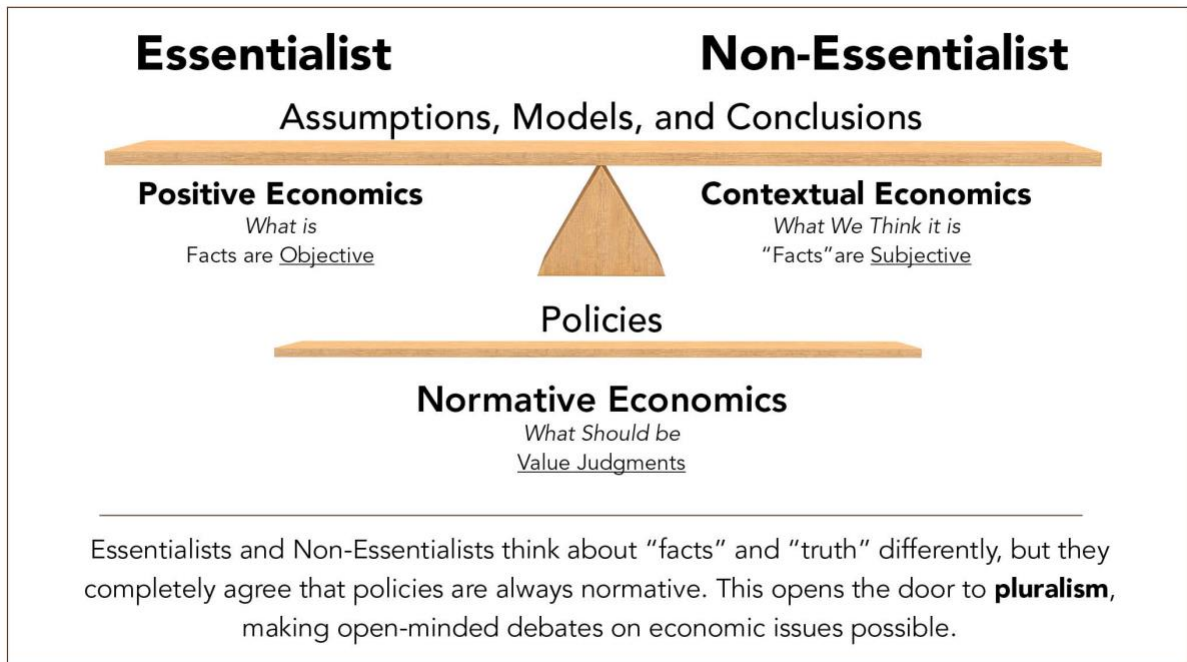
+ Create policy

Policy is the practical result of a theory. It directs individuals, groups, or governments to follow a certain course of action.

Economic theories lead to economic policies (tax reform, health care, international trade, and more) that directly impact your day-to-day life.

The takeaway: Policies arise from theories. We need to learn about the assumptions, models, and conclusions that drive them. This is the key to being able to effectively argue for and against the policies on the table, which inevitably impact your life.

Bringing together theory-plus and epistemology as they relate to the study of economics:



Final thought: I will be better off—and the world will be richer for it—if I develop my own opinions and learn how to convey them to others who may not agree with me.