

XAVIER DE DONATO RODRÍGUEZ

Ideal Types and The Making of Parallel Worlds

ABSTRACT. A certain tradition in the philosophy of economics has understood economic models as fictions intended to be more as ideal constructions than genuine representations of real economic mechanisms. Against the idea, defended by Cartwright, Mäki, and others, that economic models are abstractions from reality that try to isolate the causally relevant factors of real economic processes, other philosophers aim to stress that what economic models do is in fact create “parallel worlds” from which we can learn something about real economic systems (cf. Sugden). In this sense, *homo oeconomicus*, the capitalist system of production, or the neoclassical firm, are just “ideal types” that allow us to provide some understanding of what happens in the real economy. The present contribution aims at clarifying the role of idealization and abstraction in economic modelling by providing an analysis of how this task can be carried out. I begin by providing an explication of Max Weber’s ideal types as *abstract objects*. I suggest (but do not develop) that they are better to be conceived as abstract objects that are parallel correlates of real systems only to a highly ideal extent and must primarily provide counterfactual explanations of what is going on in real economic processes.

KEY WORDS: economic models, idealization, ideal types, fictions, abstract objects

1. Introduction

Today it is commonly admitted that idealization is a usual and important resource not only in natural sciences’ methodology, but also in social sciences like economics. It is in fact a *locus communis* that economic models are indeed the product of idealizations or that they are highly idealized. It is nevertheless far from being the case that philosophers have reached a real consensus on how to understand this idealization process. Quite to the contrary, there are different, often opposed, ways of how to characterize idealization and its role in scientific modelling. Even worse, there are