

ŁUKASZ HARDT

On Similarities in Modelling and Metaphorizing Economic Phenomena

ABSTRACT. The focus of the paper is on investigating the nature of economic models. Although they are often fictitious descriptions of the actual world, it is shown that models can grasp the workings of economic systems. They do this by illuminating (isolating) the crucial mechanisms responsible for economic phenomena. However, the model material is distinct from the one of the target and these mechanisms are often presented as regulating the interplay between fictitious entities (described by metaphors). Therefore, models consist of metaphors, since models' ingredients are spoken *as if* constituting elements of the target system. Yet, what forms a model is not an isolated metaphor as such, but rather a network of interconnected metaphors. Thus models cannot be compared without making references to metaphors, but also, as recent studies on metaphors prove, metaphors cannot be compared without referring to models, since what matters for understanding is the network of metaphors (i.e., the model). Models and metaphors are hence similar and interconnected since the processes of modelling and metaphorizing share similar logic.

KEY WORDS: model, metaphor, isolation, fictionalism, representation, philosophy of economics

1. Introduction

Economics is to a large extent a science based on models. Consequently, many philosophers of economics ask the question: what are models? Generally speaking, a given economic model is an entity in a specific relation to its target.¹ Its specificity is due to the fact that models produce

¹ Target is understood here in the most general sense, i.e., as *something* that is beyond the model. No special ontological assumptions about it are necessary for the present purpose. Also, I start the paper by treating models just as vehicles for learning about the target [cf. Frigg, 2006, p. 744]. That enables me not to restrict my analyse from the outset to models