Philosophical Versus Technical Economics

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Abstract: This paper sketches the place of ethics and anthropology in economic methodology, with particular reference to Christian theology. It complements recent work by Vernon Smith, Bart Wilson, and others developing "Humanomics." While touching on the positive-normative distinction, the paper discusses the difference between technical (precise, mathematical) economics and philosophical (psychological, ethical) economics. What I call philosophical economics helps us make sense of puzzles in technical economics related to meta preferences, utility, and satisfaction. It also extends our ability to analyze institutions and tradition.

Keywords: Economic Policy, Preferences, Ethics, Tradition, Normative Economics, Humanomics

JEL Code: A12, A13, L38

1: INTRODUCTION

Economic theory, without reference to the moral underpinnings of the economy, risks overlooking influences like Christianity, one of the largest contributors to Western civilization and, therefore, to the development of the discipline. Economics and Christianity have a long and complicated history. Christian theologians such as Thomas Aquinas framed economic issues of price and profit in terms of justice and ethics. British political economy in the 17th and 18th centuries emerged out of moral philosophy and developed within the broader context of Christian theology (Oslington 2012). Several important pioneers of political economy, both in England and Scotland, were clergy.

The development of political economy as its own field of study in the late 18th century gave economic theory its own place in moral reasoning and public policy. But when the discipline of economics emerged out of political economy in the late 19th century, many of its practitioners (such as Alfred Marshall, Lionel Robbins, and Paul Samuelson) attempted to separate economic "science" from economic "art," leading later to the positive-normative dichotomy in economics.

Simultaneously, economics developed in a more technical and secular direction—often denoted "positive" rather than "normative." Although positive economics has significantly extended our knowledge of the economy and of human behavior, puzzles, mysteries, and even paradoxes remain that require a more philosophical approach—such as Vernon Smith and Bart Wilson's broader project of Humanomics, which aims to incorporate psychology and sociability (Smith and Wilson 2019; Wilson 2025).

Although this paper does not focus on the problems of separating positive and normative claims, it addresses closely related questions regarding economic methods and public policy. Throughout the twentieth century and into the twenty-first century, the economic profession became increasingly focused on empirical study and more technical, mathematical expressions of theory. This narrower focus has improved many aspects of economic theory and our understanding of economic phenomena, but it fails to address larger questions related to ethics and political economy satisfactorily.

Narrow technical economics fails to give satisfactory analysis of: meta-preferences, the paradox of wealth and happiness, weighing tradition and norms appropriately, and the ethical dimensions of public policy recommendations. I use the terms 'technical' and 'philosophical' economics because these terms shed more light on the power and problems in economic theory and public policy than the terms' positive' and 'normative' do.

Social scientists cannot use a positive framework to decide which problems they choose to study. This has been widely acknowledged in the philosophy of science for at least half a century (Kuhn 1970, Polanyi 2012/1958). For more on the weaknesses and limitations of strictly demarcating positive from normative in the discipline of economics, see Colander and Su (2015), Hilary Putnam (2002, 2003), John Davis (2014), and Erik Matson (2022).

By technical economics, I mean constrained optimization, regression analysis, model building, and other traditional forms of economic analysis. It is a tool for analyzing behavior in specific social or market settings, rather than for determining policy questions (Gregg 2019, p. 224). The medical researcher does not evaluate the "goodness" or "badness" of bacteria when studying them. And dispassionate medical research differs from providing medical care—though it should support it. We need philosophical economics to help us know when, where, and how to apply more technical analysis to "care" for society.

Philosophical economics, on the other hand, explores the assumptions and metaphysical questions underlying technical economics and human behavior generally, such as how technology, formal and informal institutions, and narratives influence how people perceive opportunities, trade-offs, and their own self-interest. It seeks to make sense of technical analysis and to determine when and how to use it.

Philosophical economics also explores phenomena that may be difficult to quantify or to analyze using statistics. In considering the moral dimensions of trade, production, and prosperity, philosophical economics helps researchers understand the endogenous changes and evolution of how people perceive reality, influenced by tradition and sociability.

Technical economic analysis, by itself, does not address the full gamut of questions economists want to answer. Philosophical economics provides a more comprehensive picture because it can incorporate ideas from Christianity and other religions, including lessons from their institutional histories and complexities, and offers a more complete understanding of human behavior within human sociability. This better picture suggests other dimensions along which we should evaluate public policy.

For example, welfare policies that focus solely on the basic material circumstances of beneficiaries overlook key elements of happiness and contentment in life, which come through work, achievement, and success. Other contested policy areas, including surrogacy, prostitution, and abortion, should be considered beyond a simple consent/utility maximization paradigm. This paper outlines four areas of philosophical economics that are relevant to Humanomics: meta-preferences, the paradox of wealth and happiness, tradition, and the ethics of exchange.

Christian anthropology can contribute to the Humanomics project. The New Testament authors portray the conflict within and the complexity of human nature. Christians understand that people are complex beings, possessing minds, souls, and bodies. They appreciate that human beings face internal conflict and tension constantly, because they are made in God's image and because they have been corrupted by sin. The moral and spiritual requisites of Christianity help explain misery in riches, joy in poverty, and the occasional disapproval of one's own tastes and preferences. And Christians, as part of a church that has spanned millennia, have a front-row seat to how institutions influence behavior and vice versa. Observing such changes fosters a deep appreciation for the benefits, pitfalls, and purpose of traditions and norms in shaping human behavior.

2: META PREFERENCES

Human beings do not merely have a simple set of tastes and preferences about things in the world. They also have preferences *about* their preferences. You might like to be a certain kind of person, even if you are not. For example, many people would like to be more physically fit than they are. They wish they liked exercising more and enjoyed eating unhealthy food less. They wish they had better habits and routines when it comes to fitness. They dislike aspects of their current life, even though they prefer to eat a bunch of potato chips or donuts in a given moment. So, people can dislike their preferences—that is, they dislike what they like. Several difficulties arise for technical economics when it comes to meta preference theory.

One difficulty is that meta preferences quickly become recursive. Not only do we have preferences about what we like (our first-order preferences), but we can also have preferences about our preferences regarding our first-order preferences. Not only might you prefer to be the kind of person who valued exercise highly and valued unhealthy food little, but you might also wish you were the kind of person who had *that preference* about your exercise and eating preferences. You wish that you wanted to be healthier.

But where do these meta preferences come from? And how deep do they go? Some argue that people's preferences are unstable or highly contextual to explain this phenomenon. It may be true that John prefers oatmeal to steak for breakfast, but prefers steak to oatmeal for dinner, at least most of the time. Similarly, preferring apples to bananas in general does not mean Ashley will always choose a banana rather than an apple even if they both have an equal monetary price.

Part of this can be explained by marginal analysis—Ashley doesn't simply prefer apples to bananas, but rather she prefers her first apple to her first banana. Perhaps by her fourth apple the utility has fallen enough that she would gain more from her first banana. The Achilles' heel of such reasoning is the way time resets or modifies our preferences based on physiological, social, and emotional changes. But this "solution" raises other problems.

Smith and Wilson (2019) devote a considerable amount of space to unpacking Adam Smith's insights from *The Theory of Moral Sentiments* to address the issue of changing preferences. They raise the ethical dimensions of benevolence, sympathy, censure, merit, approval, and disapproval. These concerns are both social in nature (i. e. related to other people) and formed organically over time. Still, their explanation remains descriptive rather than prescriptive.

Can we understand people as having coherent plans, beliefs, and desires over time? How do we understand the person whose desires appear kaleidoscopic—that seem to change, not based on diminishing marginal utility, but on one's mood? Unstable preferences also make a mess of our models of constrained optimization. They also raise the question of how different contexts shape people's preferences—what is the connection between external stimuli and internal preferences or desires (Matson 2022)?

These problems, of course, have been addressed by economists. Behavioral economists often claim that psychological biases or "irrationality" account for conflicting and changing preferences. Daniel Kahneman (2003, 2013) won the Nobel Prize for his work on bounded rationality and his work on prospect theory with Amos Tversky (2013). Richard Thaler (1980) won the Nobel prize for his work in behavioral finance. Robert Shiller won the Nobel prize for his elaboration of *Animal Spirits* (with another Noble Laureate, George Akerlof) and euphoria among investors to criticize the efficient markets hypothesis (Akerlof and Shiller 2010).

But do the findings of behavioral economists simply confirm "irrationality" or are there other forces at work? Technical economics may not have much to say here, but philosophical economics does. Afterall, even if one concedes meta preferences, the question remains of their efficacy. If these preferences about preferences are real or significant, they should lead us to act differently. Economists have long distinguished between cheap talk preferences and revealed preferences, especially in the field of experimental economics (Smith 1962, 1976; Smith and Wilson 2019)—although Sen (1977) raises some strong reservations about how economists utilize revealed preferences.

As the name suggests, cheap talk is given little weight in economic theory, while revealed preferences are deemed "true" preferences. Many people lie, or are simply self-deceived, when it comes to what they value in the abstract. Everyone has heard people say one thing but do another.

Bruce Yandle (1977) explains how every regulatory policy will have support from at least two groups. Baptists are those who advocate for a policy ostensibly for social or altruistic ends. Bootleggers, on the other hand, stand to benefit financially from the new regulation—yet they use the arguments of the Baptists to sound less greedy and self-serving.

Similarly, when groups of people consider providing a public good through voluntary contributions based on how much each person values the good, free riders claim to value the good less than they actually do in order to reduce the amount they are asked to contribute. The Bootleggers and Baptist model and the free-rider model both take for granted that people will dissemble (Yandle 1983).

Nobel laureates in technical economics, George Stigler and Gary Becker, famously argued that economists can say nothing about the validity or goodness of people's preferences. "De Gustibus Est Non Disputandem" (Stigler and Becker 1977), or "with tastes there is no disputing," laid the groundwork for positive economics—as did Friedman's (1953) defense of positive economics.

Yet, economic analysis alone cannot tell us what should or should not be done (Gregg 2019, p. 233). We need a broader philosophical approach to reach policy judgements. Two of the most important economists, Alfred Marshall and John Maynard Keynes, "arrived at the same conclusion: the applicability of pure economic theory to policy was minimal—drawing policy conclusions required ethical judgments" (Colander and Su 2015, p. 163).

Christian theology, however, offers potential insight into meta preferences. It posits that human beings are complex creatures with body, mind, and soul. In this framework, it makes perfect sense that people have different levels or kinds of preferences that may conflict. In a famous passage, the Apostle Paul describes having deeply conflicting desires: "For I do not do what I want, but I do the very thing I hate…. For I have the desire to do what is right, but not the ability to carry it out. For I do not do the good I want, but the evil I do not want is what I keep on doing" (Romans 7).

This passage describes deep conflict between different levels of desire. Afterall, how can one do what one hates? Or not be able to do what one wants? Different orders of preferences must be at work. Indeed, much of the New Testament describes salvation in terms of transforming people's desires and preferences. This obviously has implications for how we should think about addiction—an extreme example of conflicting meta preferences. But it also identifies the limitations to the utility-maximizing model of human behavior.

Humanomics should be able to address conflict and change within people's preferences over time. While physical circumstances certainly matter, deep historical, philosophical, aesthetic, and spiritual forces also work on the human heart. Although technical economic analysis works well for most circumstances and phenomena, it can break down under certain conditions. This should not be surprising or viewed as a criticism—the laws of gravity and other models from physics also break down at high speeds or at sub-molecular scale.

3: *GREAT GATSBY* PROBLEM

The Humanomics approach promises solutions to seemingly paradoxical situations, such as the paradox that wealth does not necessarily contribute to happiness. Philosophical economics helps us understand why these "paradoxes" occur. The fact that technical economics cannot explain why increases in wealth often fail to increase people's happiness (*The Great Gatsby* Problem), and in some cases seem to reduce it, demonstrates the importance of Smith and Wilson's contributions.

Technical economics builds theories around subjective value and utility maximization subject to budget constraints. A person will choose to buy a certain number of apples and a certain number of oranges until the marginal utility of each additional piece of fruit equals its price. The total number bought will be a function of the person's preferences, their budget constraint, and the prices of apples and oranges. Reducing the price of apples or oranges, or giving a person more money (increasing their income), allows them to consume more, thereby increasing their utility. Assuming utility to be good, this method of reasoning encourages economists to focus on policies that increase people's budget constraints.

Yet a novel like *The Great Gatsby* (and countless others) casts doubt on whether increasing people's budget constraints is the best way to make them happier. Afterall, the book describes the lives of incredibly wealthy people and how desperately unhappy they are. One doubts that their situation will improve by increasing their wealth (and thereby their consumption). Their unhappiness does not stem from overly tight budget constraints, but from something deeper—a problem of dissatisfaction and lack of joy—disconnected from their consumption or wealth.

In fact, it is not uncommon to hear that people's well-being declines after they have seen a rapid increase in their wealth due to a lottery or inheritance or some other windfall. Proverbs 20:21 speaks to this phenomenon: "An inheritance gained hastily in the beginning will not be blessed in the end." This is puzzling because, at a minimum, people could choose to continue living the way they were living before receiving the money, if that lifestyle made them happier.

Stigler and Becker might say that the fact that people don't return to their old way of living after becoming wealthy shows that they really prefer their current state to their pre-riches existence, even if they report less satisfaction and outside observers notice more unhappiness. Yet it is hard to accept technical economists' answers on issues like this.

Philosophically grounded economists are not troubled by conflicting and changing preferences. Nor are they surprised that people can make choices, achieve their immanent goal, yet be deeply unsatisfied and unhappy as a result. Technical economists attribute dissatisfaction after achieving one's goals with incorrect or imperfect knowledge, and therefore error. But suggesting that this dissatisfaction arises from incorrect knowledge or expectations fails to explain the prevalence of such errors.

Adam Smith recognized that increased wealth (or consumption) did not necessarily lead to increased happiness and well-being. In the *Wealth of Nations*, a work of political economy, Smith says that "consumption is the sole end and purpose of all production" (Smith 1776, p. 660) while also suggesting that some forms of consumption are frivolous, or wasteful, or extravagant (Smith 1790, pp. 150, 181; 1776, pp. 340, 346-349).

How can Smith criticize some kinds of consumption while also claiming that consumption is the "sole end and purpose" for producing things? The modern economist who emphasizes subjective utility faces an even greater conundrum in explaining Smith's criticism of certain kinds of consumption. Afterall, what standard can be used to approve or disapprove of someone's preference for vanilla ice cream over chocolate ice cream?

The apparent tension can be resolved by recognizing that Smith thought virtue was also necessary for happiness *and* that some forms of consumption undermined virtue (Mueller 2017). Virtue, however, does not map nicely onto traditional tools of technical economics. It cannot be reduced to an ordinal number the way we reduce utility and well-being to dollars. Nor can we measure virtues reliably or mathematically. In fact, virtue seems more like the decentralized tacit knowledge of time and place emphasized by Hayek (1945).

Before morality and ethics were exiled from economic departments, political economists regularly addressed non-material issues of human flourishing—such as virtue, contentment, joy, and meaning—and how they related to a world of scarcity and tradeoffs. Political economists recognized that different kinds of phenomena should be approached using different methods or standards. They engaged in philosophic economic inquiry.

Smith and Wilson attempt to recover this and many other Smithian insights in their book *Humanomics*. They point out how "other-regarding" utility functions fail to describe the depth and complexity of human choice (Smith and Wilson 2019, p. 49). These models don't capture how people make and ascribe meaning to many of their social contexts:

"For though we can 'explain' human conduct ex post facto, that is, we can recognize our own meanings in what fellow human beings do, we cannot predict ex ante what any specific individual (who is not personally known to us) will do in the laboratory like we can predict water wave mechanics in the laboratory." (Smith and Wilson 2019, p. 63).

As pioneering experimental economists, Smith and Wilson deeply understand how the "payoffs" in many games fail to capture accurately how participants see themselves and others when they make decisions in those settings. They conclude that "The methods of natural science do not articulate for us how we can infer and predict what somebody will do. Behavioral economics is in this respect not a science, but rather the art of being human" (Smith and Wilson 2019, p. 62).

While certain improvements in analytical clarity and rigor have come about through technical economics, other means of knowing have been discarded—leading to puzzles and conundrums like the ones listed above. The abandonment of history of economic thought course requirements in elite economics PhD programs has reinforced the modern trend in technical economic analysis at the expense of philosophical economics (Mueller 2010, p. 11). The discipline of economics has since traveled the pseudo-scientific road in search of a grand "unifying" theory which can explain all human behavior.

4: TRADITION

Humanomics, by challenging the technocratic models leaves more room for traditional views and moral frameworks. Smith and Hume argued that people ought to respect tradition for its own sake. So did Hayek (1960) when he argued that traditions and customs embody significant knowledge for navigating the world, which often cannot be articulated. The burden of proof ought to fall on the innovator or the revolutionary rather than on the tradition or the custom. They must make a clear case of why traditions or customs should be rejected. That approach to tradition, seen both in America and in Scotland, can reasonably be called "conservative," not because they were unwilling to innovate, but because they generally gave the benefit of the doubt to custom and tradition.

This contrasts with French enlightenment thinkers who argued that every tradition and custom must be questioned and, if sufficient argument was not forthcoming, must be abandoned. Such an approach opens the door to collectivist political ideologies if we don't acknowledge the importance of normativity explicitly in our economics. Hostility, or even indifference, to tradition and custom exposes one to many pitfalls and missteps.

In a particularly interesting passage, Smith (1790, p. 233) argues that a good statesman will sometimes leave the misguided "prejudice" of the people alone, even if he believes it is truly prejudice, because attempting to correct it could lead to error or much greater abuses: "When he cannot establish the right, he will not disdain to ameliorate the wrong; but like Solon, when he cannot establish the best system of laws, he will endeavour [sic] to establish the best that the people can bear." Edmund Burke made a similar case in favor of "prejudice" in his criticism of the French Revolution.

Which brings us back to Humanomics. Taking a more philosophical approach to the discipline of economics fosters a healthy respect for, and deep understanding of, how tradition and custom structure human communities. This restores our commitment to the enlightenment project, where the US founding fathers drew formal institutions in ways that limited what could be done in the name of wealth maximization.

There has been a resurgence of philosophical economics in the past fifty years or so. The success of New Institutional economists, such as Ronald Coase, Douglass North, and Harold Demsetz, brought institutions, particularly laws, cultural mores, and traditions, back into economic analysis. Their groundbreaking work revolutionized how many economists thought about externalities (Coase 2013), property (Demsetz 1974), and economic growth (North and Weingast 1989). They demonstrated that technocratic solutions to many economic problems were limited in their effectiveness and susceptible to distortion through the political process (Buchanan and Tullock 1960).

Peter Klein (1998) describes new institutional economics as: a rapidly growing literature combining economics, law, organization theory, political science, sociology and anthropology to understand social, political and commercial institutions." The importance of norms of behavior, tradition, and institutions provides abundant material for philosophical economists, and thereby for the Christian, to use when thinking about good and just policy—far beyond basic utilitarian analysis.

The anemic homo economicus stripped of its complexity and context, whether by political theorists like John Rawls who championed a "veil of ignorance" or by technical economists who theorize about purely subjective utility maximizing agents, cannot reflect enough reality to be a safe guide to public policy. Humanomics recognizes that human persons are embedded in families and communities.

It also acknowledges the social and corporate dimensions of human existence. Yet Humanomics avoids the political collectivism of Marx and others because every individual has worth, dignity, and moral responsibility from their creator. The dignity of being made in God's image and subject to his authority structures and constrains both appropriate *ends* for public policy and appropriate *means* for implementing public policy. The atrocities of Communism in the 20th century stemmed from both a rejection of religion and a materialism that allowed dictators to sacrifice millions of people for the "greater good."

We're left with a complicated world that requires significant parsing of institutional context and competing moral claims. This was the world Smith, Hume, Burke, and other enlightenment thinkers knew. Humanomics avoids simplistic utilitarian calculations that lead the theorist to believe that sacrificing some individuals for the sake of the greater good can be justified (Gregg 2019).

The American founders drafted the U. S. Constitution and other government institutions with checks and balances because they recognized both that the government had positive good to do in society (contra anarchists like Rothbard and Rand) and that governments were prone to corruption and abuse (contra collectivists from Marx to Cohen).

As the authors of the Federalist Papers put it in Federalist 51, men are not angels, nor are they governed by angels. Therefore, government must be checked by ambition set against ambition. Going even further, John Adams claimed that the people of the country must have a certain character for limited government to work: "Our Constitution was made only for a moral and religious People. It is wholly inadequate to the government of any other" (Adams 1798).

Moral judgments, whether of individual action or public policy, are complicated but must be made. Our limited and fallible judgment shows our need for greater resources in judging people's behavior, or the merits of government policy. One of the greatest resources is the experience and decisions of those who came before us, often passed to us in the form of traditions and customs.

5: MORALITY

If Wilson (2025) is correct, Humanomics suggests that moral sentiments, formed by commitments to moral truths, underlie all human action and therefore defy any attempt at a normative positive split. Yet economists are often reluctant to comment on moral questions or debates—at least in their professional capacity. They use the positive-normative distinction to shield their "positive" economics from the messiness of ethical argumentation. This is true across economic schools: Keynesians, Monetarists, Austrians, etc.

Yet, many economists still allow their moral beliefs to influence how they construct social welfare functions when criticizing corruption, waste, and inefficiency in economic policy (Buchanan 1964). They also rarely express reservations or opposition to any freely chosen activities between consenting adults. Yet the lightness of moral judgment in most economic analysis is the profession's Achilles heel.

In most public discourse, economists fall back on their personal sense of justice and morality when evaluating, for example, whether it would be good to extend tax cuts, balance the federal budget, or cut back on federal welfare programs. How much to fund schools, whether a local government should build and maintain a pool, and whether government housing entities should be used to create affordable housing are all issues on which this author has been in the minority. While some of the debate involves questions of efficiency and inefficiency, decisions were mostly driven by other values.

Karl Marx and Thorstein Veblen recognized that material wealth accumulation was no panacea. So even though Mises and Hayek demonstrated that collectivists' analyses of market forces and incentives lacked subjective utility and marginal analysis, their critiques of capitalism still resonate with people who hold artistic, aesthetic, or abstract goods as being "higher" than material satisfaction. Indeed, most criticism of free markets today has little to do with their performance, but with some element of moral or spiritual bankruptcy. As Joseph Schumpeter (2013) quipped: "The stock exchange is a poor substitute for the Holy Grail."

Humanomics recognizes that the goodness of markets is not limited to terms of dollars and cents. Tradeoffs exist between economic growth, income inequality, environmental degradation, and other social phenomena, such as family formation and fertility rates. How can such tradeoffs be evaluated in a utility-maximizing framework? Philosophical approaches are preferable because they rely on coherent and speculative frameworks that can anticipate issues such as environmental degradation and social impoverishment as significant limitations to wealth maximization.

A thick description of human beings, however, can help temper and guide public policy towards human flourishing. A technical economist might critique welfare payments as inefficient—either in how they are administered or in how they discourage recipients from working and contributing to the economy. While philosophical economists would agree with those points, they might add that welfare payments can worsen people's lives over time, even if they make the recipients better off materially.

Adam Smith emphasized the role of sympathy in moral judgment and acknowledged significant cultural variation of the norms and applications of virtue. Morality often comes down to aesthetic judgment rather than precise rules. Smith (1790: VII.iii.3.15) argued that we have *four* sources of moral approval:

1) "First, we sympathize with the motives of the agent;"
2) "Secondly, we enter into the gratitude of those who receive the benefit of his actions;"
3) "Thirdly, we observe that his conduct has been agreeable to the general rules by which those two sympathies generally act;"
4) "and, last of all, when we consider such actions, as making a part of a system of behaviour which tends to promote the happiness either of the individual or of the society, they appear to derive a beauty from this utility, not unlike that which we ascribe to any well-contrived machine"

Smith and Wilson go to great lengths to understand and explicate Smith's moral framework in *The Theory of Moral Sentiments*. They argue that many of Smith's claims can be formalized and operationalized in modern experimental economics. Smithian insights from 250 years ago remain relevant for cutting-edge experimental economics *because* they do not rely on advanced techniques of analysis. They are philosophical in nature.

6: CONCLUSION

Christianity has shaped Western civilization over the past two millennia and still offers significant, and in some cases unique, insight into the discipline of economics, especially philosophical economics. It provides richer conceptions of the human person, broader paradigms of morality and tradition, and explanations for some troubling puzzles in economics, such as meta preferences and the *Great Gatsby* problem.

And with robust anthropology and respect for tradition, Humanomics gives additional reasons to resist the legalization of prostitution or surrogate pregnancy services. Is surrogacy simply a matter of exchange between consenting adults? Is prostitution? While we should study the incentives, material incentives, and effects of policies regarding those issues, the effects alone cannot decide what should be done.

Humanomics integrates philosophical ideas with technical economic analysis. It helps resolve puzzles or conundrums narrow technical economics cannot address. It also expands the scope of inquiry into ethics and political economy.

Many public policy applications arising from Humanomics can be quite counter-intuitive or objectionable to mainstream secular technical economists, whether on the political left or the political right. Yet these policy implications arise, not from rejecting economic analysis, but from doing such analysis within a broader philosophical framework. As Erik Matson argues:

> Economists cannot and should not refrain from passing ethical judgments in public policy and upon different systems of social and political philosophy. Informed by their studies, economists have valuable contributions to make to ethical and political discourse. Still, in their theoretical discourses, they should attempt to distinguish between non-controversial assertions of fact and prescriptive assertions (Matson 2022, p. 328).

Humanomics suggests a broader approach to welfare and unemployment policy. Rather than assessing food stamp programs, Section 8 housing, or Medicaid solely based on how much they increase the purchasing power of their recipients, we should also evaluate them based on broader metrics of human flourishing—including participation in the labor force, family formation, educational attainment, and income mobility.

Welfare programs implicitly treat people as optimizing consumers with a budget constraint problem. Christian anthropology suggests that many of the poor experience social dislocation and meaning problems, which often manifest in significant budget constraints. The problem of making poor choices that lead to dissatisfaction rather than happiness or contentment also remains unaddressed. Wealth transfers, then, treat the symptom rather than the real problem and fail to address the cause of human suffering associated with material poverty. This phenomenon has been documented in popular books like *Men Without Work* (Eberstadt 2016), *Hillbilly Elegy* (Vance 2016), and *Dreamland* (Quinones 2015).

Good Humanomic theory should recognize meaning within work and the importance of charity, which then gives us reason to question federal government provision of education or childcare through public schools or universal pre-k. Ideas of subsidiarity, self-governance, and the importance of families, communities, and civil society also undermine justifications for large government-run and government-funded medical insurance and retirement insurance schemes (Bradley and Lindsley, 2014).

Humanomics suggests that economic policy should be general and based on clear rules. Subsidies, whether to agriculture, industry, healthcare, or transportation, besides creating inefficiency, are also prone to corruption—whether through the lobbying of the beneficiary firms, extortion wielded by unscrupulous lawmakers, or regulatory capture by the regulated industry.

Ultimately, Humanomics brings together both technical and philosophical economics. It respects a century and a half of insights and improving tools of empirical economics. But it also recognizes the narrowing scope of how such tools can be used and the significant limitations of technical economic theory when applied to "edge" cases or broader questions of meaning and human flourishing. Humanomics contributes philosophical dimensions of human sociality, evolving norms and institutions, and most importantly ascribed meaning by human beings.

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