**Homo oeconomicus**, or economic man, an 'abstraction used by some economists for one who manages his private income and expenditure strictly and consistently in accordance with his own material interests' (*Oxford Dictionary*); this expression, widespread from the last decades of nineteenth century on, was 'often employed by critics of political economy especially directed against the English economists who founded the Classical school', first of all by exponents of the historical school, who used to 'reproach them with having based a science of economics on the conception of an abstract man' (*Encyclopedia Britannica*, 14th ed.).

An obvious pedigree traces the ancestor of *homo oeconomicus* to the Hobbesian man, led by the twin stimuli of pleasure and pain, and endowed with a reason limited to a calculus of the better means to a given end. Hobbes's psychology, made slightly more complex, was still J. Bentham's psychology, and it became the dower brought by J.S. Mill to political economy.

A die-hard mythology notwithstanding, *homo oeconomicus* was absent from the early classical political economy. In fact, A. Smith, T.R. Malthus, and D. Ricardo envisaged the economy as the field where 'classes', not individuals interact. Smith's psychology described human beings, in their wealth-seeking activities no less than when pursuing honour and fame, as the victims of 'deception' and the prey of 'folly', a folly made less dangerous by the coming of commercial society (as contrasted with feudal society) only in so far as in this society unwise men are more likely to ruin only themselves. The 'rational' plans of entrepreneurs or 'projectors' are rational only in the mean-ends relationship, but irrational in their ultimate goals; the 'propensity to truck and barter' does not arise out of any means-ends rational calculus, but only out of our fondness of 'persuading' as an end in itself; and the 'desire of bettering our condition', though a calm and reliable passion, likely to be mistaken for reason, takes origin from deception and an unreasonable overrating of the pleasures offered by wealth as a key to status (Cremaschi, 1984, ch. 3).

For Malthus and Ricardo the basic characteristic of human nature is the desire of 'the joys of family', lying at the root of the law of population; besides, human beings always face an alternative between idleness and luxury; a point on which Malthus and Ricardo disagree was whether there is a 'desire of accumulation' (accepted by Ricardo and ruled out by Malthus) that could play the same role as a desire of luxury in making an overproduction crisis impossible.
The early history of the 'word' *homo oeconomicus* is rather obscure. The history of the 'thing' is less dubious. In fact, an avowedly hypothetical model of man as a rational and self-regarding wealth-maximiser was first created by J.S. Mill: on the one hand, he heavily leaned on Benthamite psychology; on the other, he ascribed the creation of his model to earlier political economists. Political economy - Mill stresses - 'does not treat the whole of man's nature as modified by the social state, not the whole conduct of man in society' (Mill, 1844, p. 137). It 'considers mankind as occupied solely in acquiring and consuming wealth' (*ibid.*, p. 138). It is concerned with man 'solely as a being who desires to possess wealth, and who is capable of judging of the comparative efficacy of means for obtaining that end.... It makes entire abstraction of every other human passion or motive; except... aversion to labour, and desire of the present enjoyment of costly indulgences' (*ibid.*, pp. 137-8). Mill's basic idea was repeated by J. E. Cairnes (1857, p. 56).

The word 'economic man' shows up in English with Marshall, who believed that the critics had misunderstood the classics' view of man, but also that the latter had sometimes misrepresented man as an economic actor. 'Perhaps the earlier English economists - he writes - confined their attention too much to the motives of individual action' (Marshall, 1890, p. 25). He adds that 'economists study the actions of individuals, but study them in relation to social rather than individual life.... In all this they deal with man as he is: not with an abstract or 'economic' man; but a man of flesh and blood. They deal with a man who is largely influenced by egoistic motives in his business life to a great extent... but who is also neither above vanity and recklessness, nor below delight in doing his work well for his own sake' (*ibid.*, p. 26). Yet, economists study man 'as he is', but 'in those aspects of life' - i.e., business life - in which human motivations are 'so regular' that they 'can be predicted' (*ibid.*, p. 27).

F.Y. Edgeworth makes a point similar to Marshall's, suggesting that the simplified model is useful for a heuristic purpose, namely in order to allow for an analogical transfer of a conceptual apparatus from the physical to the social sciences. It is true that the 'first principle of Economics is that every agent is actuated only by self-interest' (Edgeworth 1881, p. 16), but 'the conception of Man as pleasure machine' is justified mainly in so far as it 'may justify and facilitate the employment of mechanical terms and Mathematical reasoning in social sciences' (*ibid.*, p. 15).
Sidgwick adds that much confusion has arisen from lack of distinction between two different propositions: the first, 'being important as a premise in the deductive reasonings of the science' is the proposition 'that the 'economic man' - that is, the human being that Political Economy assumes to be normal - always prefers a greater apparent gain to a less, and prefers to attain any desired result with the least possible apparent expenditure' (Sidgwick, 1883, p. 36); the second is the proposition 'that the best possible results will be attained, so far at least as the production and distribution of wealth are concerned, if the individual is left free to regulate his own activities' (ibid.). The first, Sidgwick adds, has nothing to do with economic ideals or rules of governmental action, while the second carries a maxim of policy, basically the quintessence of what was called in German Manchesterismus or (quite misleadingly) Smithianismus, or also 'political individualism'. The need for a careful distinction between a methodologically individualistic approach in economic theory and 'political individualism', i.e., the doctrine of the spontaneous harmony of interest, was stressed by British writers. Political economy, according to W. Bagehot, works with a simplified description of human nature, for it assumes 'that every man who makes anything makes it for money', and, even if we know 'that men are not like this', yet we assume this view of human nature 'for simplicity's sake, as an hypothesis'. But this 'deceives many excellent people' who 'have very indistinct ideas what an abstract science is'; in fact, the political economists 'considered not the whole of human nature, but only a part of it.... They dealt not with man, the moral being, but with man, the money-making animal' Bagehot, 1880, pp. 6-7). And yet, Bagehot adds, even though Manchesterismus was not the doctrine professed by the best classical economists, it was not merely a strawman created by German and British writers who disliked political economy, but 'the cultivators of the abstract science itself... did not always in practice remember' its 'remoteness to practice' (ibid.).

The word 'economic man' had in fact arisen to popularity among historicist and romantic critics of British political economy. It was probably first used in its Latin version by German writers of the 'historical school' (and in this version it became later popular with anthropologists). Its use was typically connected with a mixing up of two different lines of criticism, an epistemological (historicist or 'universalist') criticism, and a moral one. This implied blurring that distinction between science and art which Mill had tried to draw. As a matter of
'political economy' was often seen as a social philosophy and a political program both by its critics and by many of its proponents. The camp of the critics ranged from British romantic writers such as Carlyle and proponents of 'Christian political economy' reaching German historicists and Continental neo-Thomist philosophers. According to the more sweeping formulations of the criticism, *homo oeconomicus* was but one more piece in the mosaic of modern civilization, deriving from a loss of the authentic view of man and society and bringing the creation of the 'individual'. That is, Luther created a theological, Descartes a philosophical, Locke a political 'individualism', and Adam Smith the economic follow-up of the latter. Four issues that were involved in the romantic, historicist, and anti-modern criticism (and requiring to be disentangled) are a refusal of 'political individualism' (or of *Smithianismus*), methodological individualism (or poking fun at Robinson Crusoe stories), a refusal of 'psychological rationalism' (or a stress on emotive and cultural motives underlying human action), and a refusal of egoistic hedonism (always confused with utilitarianism as such).

For twentieth-century economists, after the 'marginalist revolution' and the dismissal of cardinalism, *homo oeconomicus* indicates an instrumentally rational economic agent who has (i) a complete and consistent ordering of preferences; (ii) perfect information; (iii) full computing power. Various kinds of criticism by influential insiders such as H.A. Simon (to the assumptions of a full computing power and of a perfect information) and A. Sen (to a unified ordering of preferences) notwithstanding, *homo oeconomicus* has colonized the whole habitat of the social sciences, from politics to love.

A line of criticism staged by outsiders, the anthropologists, involves also classical political economy: B. Malinowski has contended that the gift economy of the Pacific islanders is shaped by rules other than those of maximization of wealth or utility; M. Mauss has argued that the 'gift' is a root phenomenon in human cultures not to be explained away by reduction to some kind of exchange; K. Polanyi has proposed a 'substantivist' view of economies as processes of exchange of material resources between societies and their natural habitat that avoids any consideration of the individual's rational behaviour.

More recent lines of criticism discuss *homo oeconomicus* within the framework of all-encompassing diagnoses of modern western civilization such as have been formulated by L. Dumont, J. Derrida, M. Foucault, J.-F. Lyotard. The image of *homo oeconomicus* is said to be
ideological in a Marxian sense, in so far as it mistakes the particular and contingent for the
universal and natural: it is sexist, leaving women's reproductive activity out of the picture
(Ferber and Nelson, 1993), or ethnocentric, having absolutized a western tendency of the self
to dominate nature (Dixon, 1976). Last but not least, the 'antiutilitarian movement in the social
sciences' heralded by A. Caillé (the odd name chosen for the movement notwithstanding) has
added that homo oeconomicus is just one facet of modernity's (quite implausible) image of man
and society, an image bound to be overcome by theories of complexity (Caillé, 1988). When
taken at its best, recent criticism deserves being taken seriously: unlike aprioristic nineteenth
century refusals, it may be read as advancing a claim of inadequacy of homo oeconomicus as a
model of (wo)man's action, and pointing at a vacuous or ideological character of any social
theory built on such a model of human action. And yet, a counter-objection is that, even if root
metaphors of any science are always permeated by philosophical assumptions, world-views,
and ideologies, scientific theories (qua scientific) are also always under empirical constraints;
this implies that, even if moulded by biased assumptions, at least up to the next paradigm shift,
they may decently fulfil their task.

To sum up: while the paradigm of homo oeconomicus is on its way to successfully
colonizing the whole field of the social sciences, a concurrent paradigm of complexity is possibly
taking shape. It is as well to be prepared to a possibly long period of warlike coexistence.

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