

Methodological Capacities and Limitations of the Conventional *homo economicus* (Economic Man) and Future Horizons

Ataollah Rafieiatani^{*}

Assistant Professor in Iran University of Science and Technology, Tehran, Iran.
rafieiatani@iust.ac.ir

Abstract

This article analyzes the status of *homo economicus* as the methodological foundation of economics within the broader context of developments in the philosophy of science. It argues that, despite profound transformations in explanatory models in economics, this concept has remained the central axis of economic explanation across all major methodological schools. Friedman's instrumentalism liberated the concept from the requirement of realistic representation, treating it merely as a source of simplifying assumptions for predictive purposes. Within the framework of Avicenna's theory of knowledge and explanation of the nature of experience, the concept of the economic man signifies the essence and nature of human beings insofar as their economic life is concerned. In Popperian falsificationism, the assumption of the economic man is preserved as a source of testable conjectures; and within Lakatos's framework, it is consolidated as the "hard core" of the neoclassical research program. Even in Kuhn's paradigm-based approach, the concept remains the central pillar of the neoclassical economic paradigm.

Accordingly, *homo economicus* has functioned not only as a fundamental assumption of economic theories but—on the basis of the principle of proportionality between subject matter and method in theory construction—as the cornerstone of the methodology of economics throughout its history. By examining this continuity, the article shows that the centrality of the economic man, particularly as the primary source of the axioms underlying mathematical models in economics, has on the one hand contributed to formal coherence and quantitative predictability in economic science, while on the other hand it has generated serious limitations in representing the psychological reality of human beings, as well as the ethical and social dimensions of economic reality. The author concludes that any methodological transformation in economics necessarily requires a redefinition of the model of the economic man, since reconstructing the method of a science such as economics is impossible without reconstructing its subject matter that is, without a renewed understanding of *homo economicus*. On this basis, the path toward the advancement of rival schools to neoclassical economics, as well as Islamic economics, must proceed through this very route.

Keywords: *homo economicus*, philosophy of science, methodology of economics, mathematization of economics, Islamic economics.