

European Association for
Evolutionary Political Economy
NEWSLETTER

No 14

July 1995

1995 Gunnar Myrdal Prize to be Awarded in Krakow

**EAEPE 1995 Conference on: 'Transforming Economies and Societies:
Towards an Institutional Theory of Economic Change'**

City Hall, Krakow, Poland, 19-21 October 1995

At the conference the 1995 Gunnar Myrdal Prize will be awarded
to:

Regine Heidenreich (Regensburg University, Germany)
for her book *Ökonomie und Institutionen: Eine
Rekonstruktion des wirtschafts- und sozial wissenschaftl-
ichen Werks von K. W. Kapp. (Economics and Institutions:
A Reconstruction of the Work of K. William Kapp in the
Economic and Social Sciences).*

Jack Vromen (Erasmus University, Rotterdam,
Netherlands) for his book *Evolution and Efficiency: An
Inquiry into the Foundations of "New Institutional
Economics"*.

The book by Regine Heidenreich is a major contribution to institutional and evolutionary economic thought and a path breaking exposition and synthesis of the work of K. William Kapp. Jack Vromen's monograph is a penetrating analysis at the theoretical foundations of institutional economics. Both works are based on PhD theses and were highly acclaimed by the judges. In general, the high standard of entries in the 1995 Myrdal Prize competition is indicative that major work is being carried out in institutional and evolutionary economics in Europe.

Kapp Prize will not be awarded in 1995. Further details of the 1996 EAEPE prize competitions appear on page 5 of this newsletter.

Further details of the 1995 EAEPE Conference appear on page 2 and the centre pages of this newsletter. A major goal of the EAEPE 1995 Conference in Krakow is to develop institutional and evolutionary economic theory so that it can meet the challenges of the modern world. As in every EAEPE conference, papers will relate to the themes of EAEPE's Scientific Development Plan (see page 7).

Accordingly, topics covered will include: economic methodology, complex socio-economic systems, institutional change, innovation and technological change, firms and production processes, ecological economics, macroeconomic regulation and institutions, the sociology of the economics profession, monetary economics and finance, and structural change in Eastern Europe.

The 1995 Conference Local Organiser is Jerzy Hausner and the 1995 Conference Programme Organiser is Klaus Nielsen.

Priority has been given to abstracts already submitted and it may not be possible to fit late papers on to the programme. However, participants wishing to submit late papers are invited to send a title with a 400-600 word abstract to Klaus Nielsen, 1995 EAEPE Conference Programme Organiser, Economics and Planning Institute, Roskilde University Centre, Box 360, DK-4000 Roskilde, Denmark. Telephone (45) 46 75 77 11. Fax (45) 46 75 66 18. Email knielsen@ruc.dk.

If the paper can be fitted into the conference schedule then a final version will be requested by 31 August 1995. This should be sent to Jerzy Hausner, 1995 EAEPE Conference Local Organiser, Krakow Academy of Economics, 31-510 Krakow, ul Rakowicka 27, Poland. Telephone/fax (48) 12 22 69 19. Email enhausne@cyf-kr.edu.pl

Final papers should be typed clearly, suitable for reprography, have adequate margins and cover no more than 20 sides of A4 or quarto. They may be single or double spaced, reduced on a photocopier or otherwise. The conference organisers reserve the right to exclude papers which are illegible or in excess of 20 sides.

If a paper is accepted on the conference programme and is not received by Jerzy Hausner by the due date of 31 August then its authors are responsible for its production and distribution, and at their own cost.

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The EAEPE Newsletter can include reports of current and proposed research and short articles of interest to EAEPE members, as well as news and other items. Please send material to Michael Dietrich, EAEPE Newsletter Editor, Sheffield University Management School, 9 Mappin Street, Sheffield S1 4DT, UK. If possible, material should be submitted on a DOS formatted floppy disc either in ASCII or MS WORD or sent by Email: M.Dietrich@sheffield.ac.uk. Contributions will not be refereed, but the Editor reserves the right to decide what is to be accepted.

EAEPE 1995 CONFERENCE

The 1995 EAEPE conference will be held from 19-21 October in the City Hall in the centre of the beautiful medieval city of Krakow in Poland. All delegates are invited for a concert given by Monserat Caballe, Ryszard Karczykowski and the Choir and Orchestra of Krakow on Friday 20 October at 8.15pm. This concert is organised on the occasion of the conference and it will be one of the most important cultural events in Krakow in 1995. A few extra tickets are available to non-delegates for the cost price of \$80 each.

The conference dinner will be held in the spectacular underground location of the famous Wieliczka salt mine on the evening of Saturday 21 October. Transport will be provided.

Krakow was the former capital of Poland and boasts a large number of well-preserved buildings including the cathedral, the castle, the former royal palace and the famous market square. With opera, art galleries and other cultural activities – as well as lively cafés and an active night life – the city is today a vivacious modern centre and is one of the most attractive cities of Central Europe. The art gallery has an elegant Leonardo Da Vinci: 'Lady with Ermine'. Other attractions include the central market, where amber and silver jewellery, pottery and other crafts can be obtained at very low prices.

Copies of a beautiful A1 size poster illustrating central Krakow and advertising the EAEPE conference are available free of charge from either:

Jerzy Hausner, Krakow Academy of Economics, 31-510 Krakow, ul Rakowicka 27, Poland. Tel/fax (48) 12 22 69 19, Email enhausne@cyf-kr.edu.pl, or from:

Klaus Nielsen, Economics and Planning Institute, Roskilde University Centre, Box 360, DK-4000 Roskilde, Denmark. Telephone (45) 46 75 77 11. Fax (45) 46 75 66 18. Email knielsen@ruc.dk.

Whilst these posters are free of charge, a donation of £5 or more to the FEED appeal for funds for books and journals in institutional and evolutionary economics for universities in Central and Eastern Europe is suggested. See page xxx of this newsletter. Donations should be sent to FEED, c/o Geoff Hodgson, The Judge Institute of Management Studies, University of Cambridge, Mill Lane, Cambridge CB2 1RX, UK.

Conference registration will commence on the afternoon Thursday 19 October and the conference will finish in the evening of Saturday 21 October. The conference fee is £125 and this includes the cost of the conference dinner on the 21 October. There is no rebate for those who do not wish to partake of the conference dinner and no other meals are included in the price. Furthermore, there is an additional charge of £25 for those who are not yet 1995 members of EAEPE, plus an addition of £25 for bookings received on or after August 1st.

The £125 conference fee would be waived for EAEPE members (principally from the former Eastern Bloc countries) without adequate means of financial support and with a gross personal income equivalent of less than £1,500 per year. This offer is limited to the number of places available. In addition, in a limited number of cases the conference fee will be reduced to £60 for EAEPE members earning less than £15,000 a year and without alternative means of financial support. It is not planned to waive or reduce conference fees for anyone with a gross income of more than £15,000 a year. To apply for the conference fee to be reduced or waived, write to Andrew Tylecote at the address below, preferably before 1 March 1995. Include a completed conference booking form, a letter explaining the basis of the application and indicate whether you have submitted an abstract to the Conference Programme Organiser.

All conference bookings and fees should be sent to the EAEPE Administrator, Sheffield University Management School, 9 Mappin Street, Sheffield S1 4DT, UK. Telephone (44) 0114 282 5296 (please ask for Jane Roe or Debra Maxwell). Fax (44) 0114 272 5103. Payments may be made over the telephone by credit card. Email J.Roe@Sheffield.ac.uk or D.Maxwell@Sheffield.ac.uk.

An administration fee of £10 will be deducted from conference fees returned to delegates due to cancellation of attendance.

The conference fee does not include accommodation. Hotel bookings are the responsibility of delegates themselves. However, the EAEPE Conference Local Organiser, Jerzy Hausner, will be pleased to supply further information on hotel accommodation. He may be contacted at the Krakow Academy of Economics, 31-510 Krakow, ul Rakowicka 27, Poland. Telephone/fax (48) 12 22 69 19. Email enhausne@cyf-kr.edu.pl.

RECOMMENDED HOTELS

The following hotels are in the centre of Krakow. The following telephone or fax numbers should be preceded by the code for Poland Krakow (+48 12). The quoted room prices are approximate and for guidance only – precise prices must be confirmed with the hotel. If in doubt choose the **Royal Hotel** – it is in a very convenient location and a block booking of rooms has been made there.

Continental (formerly Holiday Inn) ****, ul. Armii Krajowej 7. Tel: 37 00 75; fax: 37 59 38; telex: 032 53 56 – single room £60; double room £70; breakfast included, bathrooms

Grand ****, ul. Slawkowska 5. Tel: 21 66 95; fax: 21 83 60; telex: 032 64 98 – single room: £70; double room: £86; breakfast included, bathrooms

Elektor ****, ul. Szpitalna 28. Tel: 21 80 25; fax: 21 86 89 – single room: £73; double room: £140; breakfast included, bathrooms

Forum ****, ul. Konopnickiej 28. Tel: 66 94 42; fax: 66 55 88; telex: 032 27 37 – single room: £100; double room: £114; breakfast included, bathrooms

Royal ***, ul. sw. Gertrudy 27. Tel: 21 49 79; fax: 21 58 57; telex: 032 64 24 – single room: £32; double room: £50; breakfast included, bathrooms

Pod Róża ***, ul. Florianska 14. Tel: 22 12 44; fax: 21 75 13; telex: 032 53 40 – single room: £33; double room: £41; breakfast included, bathrooms

Acovia ***, al. Focha 1. Tel: 22 45 73; fax: 21 95 86; telex: 032 23 41 – single room: £39; double room: £64; breakfast included, bathrooms

Ibis ***, ul. Mogilska 1. Tel: 21 81 88; fax: 22 98 58; telex: 032 67 30 – single room: £45; double room: £45; breakfast included, bathrooms

Francuski ***, ul. Pijarska 11. Tel: 22 51 22; fax: 22 52 70; telex: 032 22 53 – single room: £59; double room: £87; breakfast included, bathrooms

Europejski **, ul. Lubicz 5. Tel: 22 09 11; fax: 22 09 11, 23 25 29; telex: 032 67 18 – single room: £17; double room: £25; bathrooms

Pollera **, ul. Szpitalna 20. Tel: 22 12 43; fax: 22 13 89; telex: 032 64 36 – single room £18; double room £30; breakfast included, showers

Saski **, ul. Slawkowska 5. Tel: 21 42 22; fax: 21 48 30; telex: 032 57 79 – single room £18; double room £26; showers

Polonia **, ul. Basztowa 25. Tel: 22 12 33; fax: 22 16 21; telex: 032 27 29 – single room £20; double room £30; bathrooms

Polski 'Pod Białym Orłem' **, ul. Pijarska 17. Tel: 22 11 44; fax: 22 14 26; telex: 032 57 11 – single room: £25; double room: £38; breakfast included, bathrooms

Warszawski *, ul. Pawia 6. Tel: 22 06 22; fax: 22 06 22 – single room £16 double room £23; no bathrooms

TRANSPORT TO KRAKOW

There are direct international flights to Krakow airport from: Frankfurt (three times a week); London Heathrow (twice a week); Paris (twice a week); Rome (twice a week); Vienna (once a week); Cologne (twice a week). However, repairs are being made to the runway at Krakow and for a period some flights may be diverted to Katowice with a free coach service to Krakow. Please obtain up-to-date information from your travel agent.

Alternatively, it is possible to fly to Warsaw and take the fast (2.5 hours) and frequent intercity train to Krakow. During the daytime there is about one train per hour on this service.

Some advice: When arriving in Poland do not change your money into Polish currency at the airport. Much better rates can be obtained in the centre of Krakow or Warsaw. Credit card transactions are often charged at an unfavourable exchange rate and it is advisable to use hard currency when possible. Some hotels prefer payment in Deutschmarks or US Dollars.

CONFERENCE PAPERS

Printed sets of conference papers (those received before 4 September) will be available to conference delegates on registration at Krakow. Additional copies of complete sets may be purchased for £20 or \$35 each (cheques made payable to 'UCEMET') from Jerzy Hausner, 1995 EAEPE Conference Local Organiser, Krakow Academy of Economics, 31-510 Krakow, ul Rakowicka 27, Poland. Telephone/fax (48) 12 22 69 19. Email enhausne@cyf-kr.edu.pl.

LOCAL TOURS

The local conference organisers will be pleased to arrange local tours to Auschwitz, Zakopane and other local tourist destinations.

ACKNOWLEDGEMENTS

The conference is organised with the assistance of Krakow Academy of Economics, Krakow International Cultural Centre, Krakow Bank of Industry and Commerce, Roskilde University Centre, the University of Sheffield and the University of Cambridge. Applications for further financial support are in progress

EAEPE NAMES AND ADDRESSES

EAEPE Chairperson:

Robert Delorme, Université de Paris Nord, CEPREMAP, 142 rue du Chevaleret, 75013 Paris, France. Telephone (33) 1 40 77 84 43. Fax (33) 1 44 24 38 57.

Please note that the main EAEPE administration is located at the University of Sheffield (UK). The Sheffield office is responsible for EAEPE finances, membership records and conference bookings. The part-time Administrative Assistant for EAEPE at Sheffield is **Jane Roe**, assisted by **Debra Maxwell**. At the University of Cambridge the EAEPE General Secretary is assisted by **Jo Grantham**.

EAEPE General Secretary:

Geoff Hodgson, The Judge Institute of Management Studies, University of Cambridge, Mill Lane, Cambridge CB2 1RX, UK. Telephone (44) 0223 338 171. Fax (44) 0223 338 076. Email gmh@eng.cam.ac.uk.

EAEPE Treasurer:

Andrew Tylecote, Sheffield University Management School, 9 Mappin Street, Sheffield S1 4DT, UK. Telephone (44) 0114 2768 555, Fax (44) 0114 2725 103, Email A.Tylecote@Sheffield.ac.uk.

For routine calls please contact EAEPE Administrators Jane Roe or Debra Maxwell, Telephone (44) 0114 2825 296, Fax (44) 0114 2725 103, Email J.Roe@Sheffield.ac.uk or Maxwell@Sheffield.ac.uk.

EAEPE 1995 Conference Programme Organiser:

Klaus Nielsen, Economics and Planning Institute, Roskilde University Centre, Box 360, DK-4000 Roskilde, Denmark. Telephone (45) 46 75 77 11. Fax (45) 46 75 66 18. Email knielsen@ruc.dk.

EAEPE 1995 Conference Local Organiser:

Jerzy Hausner, 1995 EAEPE Conference Local Organiser, Krakow Academy of Economics, 31-510 Krakow, ul Rakowicka 27, Poland. Telephone/fax (48) 12 22 69 19. Email enhausne@cyf-kr.edu.pl.

1995 Conference bookings should be sent to the Treasurer in Sheffield (UK), abstracts – preferably by 1 March – to Klaus Nielsen in Denmark, and final papers – by 4 September – to Jerzy Hausner in Poland.

EAEPE Newsletter Editor:

Mike Dietrich, Sheffield University Management School, 9 Mappin Street, Sheffield S1 4DT, UK. Telephone (44) 0114 2768 555. Fax (44) 0114 2725 103. Email M.Dietrich@Sheffield.ac.uk

EAEPE Steering Committee:

- | | |
|-----------------------|--------------------------------------|
| Ash Amin | (UK) |
| Wolfgang Blaas | (AUSTRIA) |
| Julien van den Broeck | (BELGIUM – coopted until 1 Dec 1996) |
| Carlos Calleja Xifre | (SPAIN) |
| Robert Delorme | (FRANCE) |
| Mike Dietrich | (UK) |
| Kurt Dopfer | (SWITZERLAND) |
| John Groenewegen | (NETHERLANDS) |
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| Klaus Nielsen | (DENMARK) |
| Angelo Reati | (BELGIUM) |
| Bertram Schefold | (GERMANY) |
| Ernesto Screpanti | (ITALY) |
| Andrew Tylecote | (UK) |

1995 STEERING COMMITTEE ELECTION

The Steering Committee has called a General Election of the entire Steering Committee and Secretariat for 1995. All 1995 members of EAEPE are welcome to stand for any of the following positions:

Chairperson, General Secretary, Treasurer, Newsletter Editor, plus ten Ordinary Steering Committee Members.

The following timetable and conditions will apply:

- 4 Sep 1995 – deadline for nominations
- 8 Sep 1995 – circulation of ballots
- 16 Oct 1995 – due date for return of ballots
- 1 Dec 1995 – inauguration of new Steering Committee

Nominations must be in writing, signed by the nominee and sent to the General Secretary by 4 September. They must be accompanied by information on country of residence, institutional affiliation and position(s) for which election is being sought. In addition, the candidate is requested to submit an election statement of no more than 100 words.

FEED NAMES AND ADDRESSES

The Foundation for European Economic Development (FEED) is a registered charity, registered under the Charities Act 1960 (England and Wales).

FEED Secretary:

Andrew Tylecote, Sheffield University Management School, 9 Mappin Street, Sheffield S1 4DT, UK. Work telephone (44) 0114 2768 555. Fax (44) 0114 2725 103. Email A.Tylecote@Sheffield.ac.uk.

FEED Board of Trustees:

Ash Amin, Wolfgang Blaas, Robert Delorme, Mike Dietrich, Geoff Hodgson (Treasurer), Klaus Nielsen, Christos Pitelis, Angelo Reati, Andrew Tylecote (Secretary).

THE 1995 EAEPE MEMBERSHIP MEETING IN KRAKOW

An EAEPE Membership Meeting has been called at the Krakow City Hall on Friday 20 October 1995.

1996 EAEPE CONFERENCE IN ANTWERP

The 1996 conference will take place in Antwerp in Belgium on 7-11 November on the main theme of 'Work, Unemployment and Need: Theory, Evidence, Policies'. As always, themes from EAEPE's Scientific Development Plan will also be represented.

The 1996 Conference Programme Organiser is John Groenewegen (Department of Economics, Erasmus University, PO Box 1738, 3000 DR Rotterdam, The Netherlands. Tel 31 15 14 11 24. Fax 31 10 408 13 86. Email Groenewegen@EOV.FEW.eur.nl).

The 1996 Conference Local Organiser is Julien van den Broeck (Department of Economics, University of Antwerp, Middelheimlaan 1, B-2020 Antwerp, Belgium. Tel 32 3 21 80 738. Fax 32 3 21 80 652).

1996 KAPP AND MYRDAL PRIZE COMPETITIONS

Entries for the 1996 Kapp and Myrdal competitions are now welcome, with a closing date of 1 January 1996:

K. William Kapp Prize

Amount: £1000 (half funded by the William Kapp foundation). Awarded annually for the best article unpublished at the time of the award on a theme broadly in accord with the EAEPE Theoretical Perspectives (minimum 5,000, maximum 12,000 words).

Gunnar Myrdal Prize

Amount: £1000 (all funded by EAEPE)

Awarded annually for the best monograph (i.e. a book, and excluding multi-authored collections of essays) on a theme broadly in accord with the EAEPE Theoretical Perspectives. Submissions for the 1996 Myrdal prize should be either unpublished or published no earlier than 1 January 1993.

The strict deadline for receipt of each prize is 1 January 1996. Entries should be sent to the EAEPE General Secretary, Geoff Hodgson, The Judge Institute of Management Studies, University of Cambridge, Mill Lane, Cambridge CB2 1RX, UK. Five non-returnable copies should be submitted for the Kapp Prize and four non-returnable entries for the Myrdal Prize. Awards of the 1996 prizes will be made at the 1996 EAEPE Conference.

All candidates must be paid-up 1996 members of EAEPE. The Steering Committee will judge both prizes in March 1996. The Kapp Foundation will assist in the judging of the Kapp Prize. Any member of the EAEPE Steering Committee or trustee of the Foundation for European Economic Development serving at any time from 1 January 1995 to 1 July 1996 inclusive shall be ineligible to enter. The EAEPE Steering Committee reserves the right not to award a prize if the entries are below the required quality.

PAN-EUROPEAN SCIENTIFIC NETWORKS

With the support of the Copernicus Programme of the EC (DGXII) a Pan European Network has been set up to develop research in institutional and evolutionary economics. The funding lasts until September 1996.

The centres and coordinators of this project are as follows:

Jerzy Hausner Krakow Academy of Economics Poland

Geoff Hodgson University of Cambridge UK

Pavel Mertlik Charles University, Prague Czech Republic

Andrew Tylecote Sheffield University Management School UK

The network will be widened to other institutions, particularly in Central and Eastern Europe. Members of academic institutions in the Czech Republic, Slovakia and Hungary are invited to contact Pavel Mertlik (Institute of Economic Science, Charles University, Smetanova nabrezi 6, 110 01 Prague 1, Czech Republic. Tel 42 2 24 81 08 04 x 64. Fax 42 2 24 81 09 87. Email mertlik@mbox.fsv.cuni.cz). Members of academic institutions in Poland are invited to contact Jerzy Hausner (Academy of Economics, ul Rakowicka 27, 31-510 Krakow, Poland. Tel 12 22 69 19. Fax 12 22 69 19. Email enhausne@cyf-kr.edu.pl). Other academic institutions in Central and Eastern Europe will also be considered.

COMPANION TO INSTITUTIONAL AND EVOLUTIONARY ECONOMICS

The two-volume *Elgar Companion to Institutional and Evolutionary Economics* has been published. The first ever encyclopaedic treatment of the 'old' and 'new' institutionalisms, as well as of related work on evolutionary economics it contains 176 entries in two volumes by leading authorities in the field. Edited by Geoff Hodgson, Warren Samuels and Marc Tool, it is available from Edward Elgar Publishing, Gower House, Croft Road, Aldershot, Hampshire GU11 3HR, UK. Royalties will be divided equally between EAEPE and the USA-based Association for Evolutionary Economics. Please ensure that your university has a copy of the *Companion*. It is ideal for teaching as well as research purposes.

Edward Elgar Publishing are pleased to announce a 20% discount for paid-up EAEPE members off the price of the *Elgar Companion to Institutional and Evolutionary Economics*, reduced from £125 to £93.75, and of the price of the *Elgar Companion to Radical Political Economy*, reduced from £85 to £63.75.

EAEPE PUBLICATIONS

In collaboration with Edward Elgar Publishing, EAEPE is proud to announce the publication a volume of selected conference papers from the 1993 conference entitled *On Economic Institutions: Theory and Applications* and edited by John Groenewegen, Christos Pitelis and Sven-Erik Sjöstrand. The normal cost is £45.00 but the volume is sold to paid-up EAEPE members at a 50% discount price of £22.50.

Papers from the 1992 conference have been published in a volume entitled *The Political Economy of Diversity: Evolutionary Perspectives on Economic Order and Disorder* and edited by Robert Delorme and Kurt Dopfer. The normal cost is £49.95 but the volume is sold to paid-up EAEPE members at a 50% discount price of £24.98.

Copies of the 1991 conference volume are still available, entitled *Mixed Economies in Europe* and edited by Wolfgang Blaas and John Foster. The normal cost is £45 but the volume is sold to paid-up EAEPE members at a 50% discount price of £22.50.

1990 conference volumes are also still for sale, entitled *Rethinking Economics: Markets, Technology and Economic Evolution*, edited by Geoff Hodgson and Ernesto Screpanti, and *Towards a New Europe? Structural Change in the European Economy*, edited by Ash Amin and Mike Dietrich. The normal cost of each volume is £35 and £39.95 respectively, but they are sold to paid-up EAEPE members at a substantial discount, for £15 each.

All the above volumes are available from Edward Elgar Publishing, Gower House, Croft Road, Aldershot, Hampshire GU11 3HR, UK. To apply for your discount, mention that you are an EAEPE member.

Royalties for these conference volumes will be paid to EAEPE.

YOU CAN NOW PAY BY CREDIT CARD!

Transactions across national currency boundaries are inconvenient, uncertain and costly. For the convenience of EAEPE members, payments may now be made by Access/MasterCard/Visa/Eurocard. Simply telephone (44) 0114 2825 296 (ask for Jane Roe or Debra Maxwell) or fax (44) 0114 2725 103 with your card number and expiry date. Alternatively, you can notify the EAEPE office in Sheffield by post with the same information.

AN APPEAL FOR BOOKS FOR CENTRAL AND EASTERN EUROPE

One of the first tasks of the Pan-European Scientific Network is to distribute quality academic books in the universities of Central and Eastern Europe. Two collection points, in Krakow and in Prague have been set up. Second hand volumes should be sent to one of these two addresses:

- Pavel Mertlik, Institute of Economic Science, Charles University, Smetanova nabrezi 6, 110 01 Prague 1, Czech Republic. (Tel 42 2 24 81 08 04 x 64. Fax 42 2 24 81 09 87. Email mertlik@mbox.fsv.cuni.cz).
- Jerzy Hausner, Academy of Economics, ul Rakowicka 27, 31-510 Krakow, Poland. (Tel 12 22 69 19. Fax 12 22 69 19. Email enhausne@cyf-kr.edu.pl).

Jerzy Hausner and Pavel Mertlik will distribute this material to participating universities in Central and Eastern Europe. Thanks are due to all those EAEPE members who have already contributed books to this appeal. It is estimated that books to the value of £8,000 or more have already been donated.

LETTERS TO THE EDITOR

Dear Editor

EAEPE members might be interested in my current research work which asks whether and how mainstream rational choice political economy helps explain social democratic welfare states (SDWS). The effort amounts to an attempt to stake out common ground between the methodological individualism of rational-choice political economy and the 'U-shaped curve' central to neocorporatist analysis (the idea of a curvilinear relationship between the level of corporatism in institutional arrangements and societal welfare. The idea of societal welfare is reformulated as a composite of economic performance and redistributiveness which allows for outcomes corresponding to the neocorporatist 'U', yet is consistent with methodological individualism. An explanation of this seeming contradiction based on reduced information costs is applied to institutional arrangements in three key arenas of social action in the SDWS: the informational-cultural; the organizational-economic; and the governmental-political. The usefulness of the approach is tested in an effort to explain differences in policy choices (and therefore outcomes) between the Scandinavian SDWS countries and more laissez-faire systems like the US. Finally, the analysis is applied to an examination of the prospects for the SDWS asking just how the institutional arrangements central to it are being challenged by recent developments.

Henry Milner, Visiting Professor, Political Science, University of Western Ontario. Fax: 514-731-8256. EMail: HMilner@vm1.ulaval.ca

THE EAEPE STRUCTURE AT A GLANCE

5-PERSON SECRETARIAT:

CHAIRPERSON

CURRENT NAME AND LOCATION:

Robert Delorme, Paris, France

Chairs meetings (with casting vote only), maintains liaison between members of Secretariat, acts as ombudsman for members

GENERAL SECRETARY

CURRENT NAME AND LOCATION:

*Geoff Hodgson,
Cambridge, UK*

TASKS:

Strategic planning, arrangements for Secretariat, Steering Committee, and Membership Meetings, EAEPE Prizes, Scientific Development Plan

TREASURER

CURRENT NAME AND LOCATION:

*Andrew Tylecote,
Sheffield, UK*

TASKS:

Membership applications and records, conference bookings, keeping of audited accounts

NEWSLETTER EDITOR

CURRENT NAME AND LOCATION:

*Mike Dietrich,
Sheffield, UK*

TASKS:

Edits, produces and circulates newsletter

CONFERENCE ORGANISER

CURRENT NAME AND LOCATION:

*Klaus Nielsen,
Roskilde, Denmark*

TASKS:

Organises conference programme

STEERING COMMITTEE – 10 ORDINARY MEMBERS

As under existing Clause 9.3 of the EAEPE Constitution, receives reports from Secretariat and monitors or directs its activities as required.

EAEPE MEMBERSHIP MEETING

Acts as sovereign body as under existing Section 6 of EAEPE Constitution.

EAEPE SCIENTIFIC DEVELOPMENT PLAN

The Scientific Development Plan identifies priority areas of scientific development for EAEPE. It is based on the premise that EAEPE should prioritise intensive rather than extensive growth; it must invest in theoretical and policy development and try to develop a theoretical cutting edge.

Research Areas

The designated priority Research Areas for EAEPE are now as follows:

Research Area A: The Development of Realist and Post-Positivist Methodologies for Economics

Coordinators: Tony Lawson (University of Cambridge, UK) and Andrea Salanti (University of Bergamo, Italy)

Research Area B: Complex Socio-Economic Systems

Coordinator: Jean-Louis Le Moigne (Université d'Aix-Marseille III, France)

Research Area C: The Theory of Institutional Change

Coordinator: Sven-Erik Sjöstrand (Stockholm School of Economics, Sweden)

Research Area D: The Theory of Innovation and Technological Change

Coordinator: Pier Paolo Saviotti (Université Pierre Mendès-France, France)

Research Area E: The Theory of Firms and Production Processes

Coordinator: Christos Pitelis (University of Cambridge, UK)

Research Area F: Theoretical and Policy Aspects of Environment-Economy Interactions

Coordinator: Jan van der Straaten (Tilburg University, Netherlands)

Research Area G: Macroeconomic Regulation and Institutions

Coordinator: Maurice Baslé (Université de Rennes I, France)

Research Area H: The Institutions of Economics

Coordinator: Uskali Mäki (Erasmus University, Rotterdam, The Netherlands)

Research Area I: The Analysis of Structural and Institutional Change in Eastern Europe

Coordinator: Todor Balabanov (WIIW, Vienna, Austria)

Research Area J: Monetary Economics, Finance and Financial Institutions

Coordinator: Marcello Messori (University of Cassino, Italy)

Research Area Coordinators (RACs) are appointed by the Steering Committee. The primary role of a RAC is as a network-builder, linking EAEPE in with other researchers and other networks. Each RAC is encouraged to:

- (1) develop international networks and seminars relating to the research area;
- (2) apply for EC, nationally-funded or private grants for research work in the area;
- (3) develop and promote research material for future EAEPE conferences relating to the research area;
- (4) make a contribution to the development of EAEPE sponsored publications reflecting work in the research area.

Each year after appointment, each RAC is asked to submit a Research Area Report, of no less than 500 words, on the annual progress of his or her work in the Research Area, to the EAEPE Steering Committee. A token annual grant of a minimum of £100 will be awarded to each RAC, subject to the following conditions:

- (i) the Research Area Report is satisfactory and indicates satisfactory progress by the RAC in network-building and other work in the research area, and
- (ii) the Research Area Coordinator has maintained links with and personal membership of EAEPE, undertaken projects specifically linked to EAEPE, given sufficient accreditation to EAEPE in reporting or publishing the research, and has given sufficient priority to (3) and (4) – as well as (1) and (2) – above.

Research Area Coordinators have a significant role in helping to organise sessions for, and suggesting and recruiting potential contributors to EAEPE conferences.

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Federation"; R Kosonen "Institutions, Indigenous Development and Problems of Transition"; A Nesterenko "Creating Legal Framework for Market Reforms in Russia"; I Zadorozhnyuk "Keynes and Social and Economic Transformations of Russia: Experiments with an Open End".

14.15-16.15

1. The Theory of Firm and Production Processes: W Andreff "Corporate Governance of Privatized Enterprises in Transforming Economies: A Theoretical Approach"; WJ Otto "Economic Transition and the Theory of the Firm"; P Suteia "But ... Does Mr. Coase Go to Russia?"; Theoretical and Policy Aspects of Environment-Economy Interactions: F Hinterberger & MJ Welfens "Dematerialization and Sustainability: A New Approach for Environmental Policy in Central and Eastern Europe"; IRYPKE "Western Lifestyles in an Environmental Perspective"; J Van der Straeten & J Van den Bergh "The Relationship between Ecosystems and Environmental Policies".
3. The Intuitions of Economics: R Backhouse "The International Transmission of Economic Ideas"; A Klammer "Rhetorical Obstacles in the Communication among Economists"; U Maki "Social Theories of Science and the Institutions of Economics: an Introduction".
4. The Analysis of Structural and Institutional Change in Eastern Europe: T Balabanov "Reflections on the Institutional and Structural Change in Eastern Europe"; A Midtun & E Svirindland "The Political Economy of Economic Transition"; E Van de Mortel "Taking Decisions in Transition Economies: Coping with Uncertainty".
5. Monetary Economics, Finance and Financial Institutions: M Amendola "Money out of Equilibrium"; V Chick & J Toporowski "Evolution and Sudden Transition in Banking"; S Owsiak "The Financial Intermediaries in Poland".
6. Economic Reform and Social Change in Post-Socialist Economies: D Kracun "Reforms and Economic Recovery in Slovenia"; B Leven "Welfare Effects of Poland's Transition: Winners and Losers"; Ewa Okun-Horodynska "Risk Aspects in the Realization of Economic Development Targets in the Polish System Transformation"; V Sikora "The Crucial Significance of the External Factor for the Ukrainian Transitional Path"; A Sulejewska "Mass Privatization in Poland: Financial Intermediaries and the Problem of Corporate Control".
7. Technological Change and Technology Policy: SS Athreye "The Tendencies and Counter-Tendencies to the Commoditisation of Knowledge: Observations from the Development of Technology in the Computer Industry"; A Havas "The Emergence of Laser Technology. Theoretical Implications and Economic Impacts"; H Hegmann "Risks and Research in an Innovative Society"; MF Kluth & JB Andersen "Pooling the Technology Base: The Globalisation of Europe's Semi-Public Technological Services"; M Muchie "The Economic Analyses of Technology Policy From a Planned to a Market Economy".

16.30-18.00

1. Nationalism and Institutional Development in Post-Socialist Economies: B Dallago & M Uvalic "The Distributive Consequences of Economic Nationalism: The Case of Former Yugoslavia"; S Pejovich "Privatizing the Process of Institutional Development in Eastern Europe".
2. Trade and Industrial Development in Post-Socialist Economies: P Guerrieri "Technology, Structural Change and Trade Patterns of Eastern Europe"; H van Zon "A Typology of Industrial Development Paths in Central and Eastern Europe".
3. Associations, Democracy and Social Economy: A Amin "Associative Economics, Political and Economic Democracy"; M Mendell "The Social Economy - An Agenda for a Dialogue".
4. European Development and Economic Restructuring": Veblen and the German Historical School: B Schefold "The German Historical School and the Belief in Ethical Progress"; MR Tool "An Institutional Theory of Social Class in Veblen's Leisure Class".
5. Development, Governance and Social Embeddedness: N-L Sunn "Social Embeddedness and Geo-Governance in East Asian Economic Regions: Their Nature and Dynamics in Three Contrasting Cases"; GN Wood "Towards an Evolutionary Myrdalian Theory of the Development of Developmental Economies".
6. Evolutionary Economic Theory: A Fusari "A Micro Representation of the Economic Process with Endogenous Innovation and Uncertainty"; L Magnusson, Jan Ottosson & J Bergdahl "The Role of Punctuated Equilibrium in Evolutionary Economics".

Mesoeconomic Aspects of Linkages between Technological Development and Economic Performance"; H-P Brunner "The Strategic Export Expansion Model"; F Green "The Theory of Skill Formation Systems"; J L Pedersen "Companies between Growing Needs for Investments and Social Consumers"; CP Rook "The Free Market in a Radically Democratic Economy".

11.15-12.45

1. The Political Economy of Complexity: R Delorme "From First Order to Second Order Complexity in Economic Theorizing"; B Jessop "Governing Complexity".
2. Innovation and EU Harmonization in Eastern Europe: A Inzelt "Rebuilding of the National System of Innovation in Hungary"; C Ross "Poland and the EU: Harmonization of Policies on State Aids".
3. Telecommunications in Eastern Europe: P Jasinski "Telecommunications in Poland: Systemic Transformation and European Integration"; D Phan & H Konkiewicz-Chachulska: "Institutional Change, Paradigm Shift and International Strategies in Telecommunications: Perspectives for Selected Central Eastern European Countries".
4. Pensions and Securitization. Evolutionary Perspectives: C Picelis "On Kaldor and Pensions"; TA Robinson "Securitization: an Evolutionary View".
5. Evolutionary Games: JJ Vromen "Institutions as Tacit Agreements in Evolutionary Games"; BR Weber "Institutions, Conventions, and Evolutionary Selection".
6. Macroeconomic Analysis: E Screpaniti "A Pure Insider Theory of Full Hysteresis in Employment and Inflation"; D Mair, AI Laraine & J Toporowski "Using Weintraub's Consumption Coefficient Approach to Analyse the Recent Behaviour of the UK Economy".
7. Evolutionary and Institutional Theory: M Egidi & M Riccotti "Specialization and Coordination in an Evolutionary Perspective"; P Skott "Endogenous Growth, Divergence and Institutional Change".

14.00-15.30

1. The Institutions of Economics: S Harley & F Lee "The Research Assessment Exercise, Academic Diversity and the Future of Non-Mainstream Economics in Britain's Universities"; G Hodgson & H Rothman "Clutton a and Power Networks in Economics".
2. Understanding the Transformation Process: Methods and Models H Hanappi "Endogenous Institutions: Implicit Institutional Change in Macroeconomic Transformation Models for Eastern European Countries"; J Lange-Von Kullessa "Collective vs Individualist Perspectives on the Transition Process - Some Methodological Remarks".
3. Accounting Principles and Practices: V Pestoff "Social Reporting and Accounting for Cooperatives and Non-Profit Organizations"; B Scapens & J Burns "An Institutional Perspective of Accounting Practices".
4. Dynamics of the World Economy and Japanese Economics: A Tylecote "Core and Periphery and the Current Dynamics of the World Economy"; K Yagi "The Concept of Society in Japanese Economics - Power Theory and Institutional Economics".
5. Ecology, Macroeconomics and Evolution: E Benedetti & S Solari "Evolutionary Systems and Long Run Economics"; B Waterton "Towards an Ecological Macroeconomics".
6. European Economic Development and Systems of Innovation: J Adams "Convergence and Divergence in European Regional Development: The Role of Institutions"; B Gregersen & B Johnson "Systems of Innovation and Economic Integration".
7. R&D and Qualitative Economic Change: C Edquist & M McKelvey "Does Sweden Get the Same Benefits from R&D Intensity as Other Countries?"; PP Savioth "Variety, Qualitative Change, Competition and Demand".

15.45-17.30

Plenary session. Guest speakers: D Stark "Recombinant Property in East European Capitalism"; P Mirowski "Hayek versus Polanyi. Science, Economics and Knowledge".

20.00

Conference dinner in Wieliczka salt mine

For details of the conference contact: J Roe, EAPE Administrative Assistant, Sheffield University Management School, 9 Mappin Street, Sheffield S1 4DT. Tel: (44) 0114 282 5296. Email: J.Roe@sheffield.ac.uk.

Please copy and display this conference programme

CONFERENCE

Transforming Economies and Societies: Towards an Institutional Theory of Economic Change

City Hall, Krakow, 19-21 October 1995

THURSDAY 19 OCTOBER

15.00-19.00 Registration

FRIDAY 20 OCTOBER

08.00 Registration

09.00-09.15 Opening Address by EAEPE Chairperson Robert Delorme.

09.15-11.00 Plenary Session. Guest speakers: DM Ntini "Post-Communist Mutations"; GW Kolodko "Politics versus Economics: Ups and Downs of the Post-Socialist Transformation".

11.15-13.15

1. The Development of Realist and Post-Positivist Methodologies for Economics: W Jackson "Functional Explanation in Economics: A Partial Defence"; A Salanti "On Methodological Pluralism"; F Toboso "Is Institutional Individualism an Adequate Method for Analyzing Institutional Changes?"

2. Self-Organization of Socio-Economic Systems: B Ancori "Setting up and Changing Economic Conventions. A Cognitive Approach"; J Foster "Modelling Diffusion and Discontinuity in Economic Evolution: the Application of the Augmented Logistic Approach in the Presence of Regulatory Change in the Financial Sector"; U Witt "Self Organization and Economics. What is New?"

3. The Theory of Institutional Change: M Basle "Rent-Seeking Model, Deregulation Process and Genesis: An Institutional Point of View"; M Rosenfeld "The Economic Theory of Institutional Change as an Approach to Explain the Emergence of Public Activities"; R Van Tulder & W Ruijgrok "The Nature of Institutional Change. Managing Rival Dependencies".

4. The Theory of Innovation and Technological Change: U Cantner & A Pyka "Absorptive Capacity and Technological Spillovers. Simulations in a Evolutionary Framework"; N Lazaric & L Marengo "Organizational Learning During Cooperation and Distribution of Knowledge"; G Pell & B Nooteboom "Simulating Research for Partners in Competence".

5. Schumpeter and Economic Theory: ES Andersen "Schumpeter versus Evolutionary Economics"; P Kesting "Schumpeters Analysis of the Capitalist Process - an Alternative to the Axionomic Approach of "Mainstream Economics"; F Louca "Schumpeter and Keynes: a Comparison of Evolutionary Visions".

6. Institutional Change in Post-Socialist Economies: A Duszynski "Institutional Change and Monetarisation in Post-Socialist Economies"; I Egorov "New Role of the Soft Budget Constraints in the Former USSR"; L Jakobson & NA Makashova "The Evolution of Corruption in Russia"; L Rychevnik "Management and Labour Relations in Medium-Sized Privatized Czech Firms"; S Stahl "Transition Problems in the Russian Agricultural Sector - a Historical-Institutional Perspective".

7. The Transition Process in Russia: PH Admiral "Russia in Black and White"; R Benini "State

7. Environmental Disruption and Sustainability: AG Calafati "The Origin of Environmental Disruption"; J Jespersen "A Critical Presentation of the Daly & Cobb-Index of Sustainable Economic Welfare"

18.15-19.15 EAEPE Membership Meeting

20.15 Concert in the Slowacki Theatre

SATURDAY 21 OCTOBER

09.00-11.00

1. Self-Organization of Socio-Economic Systems: K Dopfer "Self-Organization in Economics: Causation and Autopoiesis"; M Orillard "Cognitive Networks and Self-Organization in a Complex Socio-Economic Environment"; J-L Rulliere & P Garrouste "Equilibrium and Self-Organizing Processes: an Evolutionary and Institutional Economics Perspective".

2. The Theory of Innovation and Technological Change: U Cantner & G Westermann "Factor Prices, Technological Trajectories and Firm Asymmetries. Confronting Neoclassical and Evolutionary Hypotheses"; WK Wasniski "Technological Change, Entry and Skew Distributions of Firms Sizes"; B Verspagen "Measuring Inter-Sectoral Technology Flows Using a Non-Input-Output Based Approach".

3. The Theory of the Firm and Production Processes: M Dietrich "Explaining Capitalist Economic Restructuring: an Input-Output Analysis of the European Union"; J Groenewegen "Institutional Change: the Case of the Dutch Market for Corporate Control"; G Thompson "Globalisation and the History of the International Economy".

4. Welfare and Social Policy in Post-Socialist Economies (Organized in Cooperation with UCCEMET): J Hoos "Reform and Emergence of Social Insurance Funds in Hungary"; Z Mladenov & M Benito "Transforming Social Security Systems in Bulgaria and Poland. A Comparative Analysis"; T Páas "Socio-Political and Economic Environment for Changing Welfare System: The Case of Estonia as Small Open Economy".

5. The Theory of Institutional Change: T Boidart "Technology Development Enterprises: A New Approach in Technology Transfer Practice"; H Eisenhans "Rent and Transition to Capitalism"; J Marguand "Cultures in Transition: The Education System in Poland"; F Moutlaert "Rediscovering Spatial Inequality in Europe. Building Blocks for an Appropriate "Regulationist" Analytical Framework"; H Rudolph "International Migration a Challenge to National Labour Market Regulations: The Case of Germany".

6. The Analysis of Structural and Institutional Change in Eastern Europe: C Andre "The Transformations of Governmental Social Policy in Russia and in Poland"; B Chavance & E Magnin "The Emergence of Various Path-Dependent Mixed Economies in Post-Socialist Central Europe"; M Csaradi "Structural Impact of Party-States on Transformation and Institutionalization"; J Hausner, T Kudlacz & J Sziachta "Regional and Local Factors in the Restructuring of Poland's Economy. The Case of South-Eastern Poland"; P Mertlik "Czech Privatization: From Public Ownership to Public Ownership in Five Years".

7. Institutional Economic Analysis: Z Bara & E Kocsis "Competition versus Co-operation. Some

EAEPE REVIEWS

Books, a major part of which are authored or edited by EAEPE members, may be reviewed in this section of the Newsletter. Contact the Newsletter Editor for details.

Thomas Clarke and Christos Pitelis (Eds),
The Political Economy of Privatisation,
London: Routledge 1993.

Reviewed by Peter Else,
University of Sheffield, UK

This book is a collection of papers which originated at a conference in the University of St Andrews, attended by more than 100 delegates from 30 countries, to discuss what the preface refers to as 'the global phenomena of privatisation'. The aim of the book is to provide an up-to-date reassessment of the theory and practice of privatisation and some of the issues associated with it and to provide comparative studies of privatisation with a particular emphasis on Eastern Europe. A useful introduction by the editors sets the scene with an overview of what they see as the main issues involved in the privatisation debate, and provides a foretaste of what the papers that make up the rest of the volume have to say in the context of that debate. Apart from one contribution on the theory of public ownership and the state, the emphasis of the papers is very much on empirical issues and an analysis of actual experience of privatisation.

The first three parts of the book are made up of nine papers dealing with particular aspects of the more general privatisation debate, namely the relationship between ownership and performance, problems of regulation and privatisation within the public sector including aspects of competitive tendering and the establishment of internal markets. The remaining eleven papers provide the comparative analysis of the experience of privatisation in a variety of countries. Six cover experience in selected western economies, three cover Eastern European countries and the other two deal with experience in two rather differing developing economies, Malaysia and Tanzania. Whether the fifteen per cent of the book concerned with Eastern Europe constitutes a 'particular emphasis' is perhaps debatable particularly since the earlier more general papers draw heavily on the evidence of recent experience in the UK. Nevertheless, given that, according to information cited by the editors, some three-quarters of the assets privatised in OECD countries up to 1991, in terms of value, were accounted for by the UK, some emphasis on British experience is perhaps understandable and overall the book offers insights from a range of viewpoints and makes a valuable contribution to the ongoing debate.

Throughout, as is appropriate in a book with 'Political Economy' in its title, due attention is paid to the political as well as the economic dimensions of privatisation. Thus it is emphasised that whilst the case for privatisation has been argued primarily in economic terms, there have also been underlying political objectives. It is also suggested that in some cases, privatisation may be a way of achieving an outcome which is "technically feasible but politically difficult" under public ownership. At the same time the outcome of privatisation must inevitably be influenced by political decisions affecting the structure of the privatised concerns and the competitive environment in which they operate. Hence the overall

assessment of the privatisation experience is a cautious one. It is acknowledged that some significant efficiency gains have been recorded in privatised industries, but it is also argued that in the vulnerable economies of Eastern Europe and the developing world the pay-offs to privatisation may be disappointing in the absence of complementary institutional changes in their economies.

Shaun P Hargreaves Heap and Yanis Varoufakis,
Game Theory: a critical introduction,
 London: Routledge, 1995.

Reviewed by Michael Dietrich,
 University of Sheffield, UK.

This book opens with statements from two established game theorists (Auman and Hart) and a social theorist (Elster). The former authors have suggested that:

Game theory may be viewed as a sort of umbrella or 'unified field' theory for the rational side of social science ... [it] does not use different, ad hoc constructs ... it develops methodologies that apply in principle to all interactive situations.

Elster seems to concur with this:

if one accepts that interaction is the essence of social life, then ... game theory provides solid microfoundations for the study of social structure and social change.

These are bold claims that are examined in this work. Overall the authors suggest that the universality of the claims cannot be substantiated (hence the subtitle). But after a careful sifting of theoretical propositions and (frequently implicit) methodological stances a mixed conclusion is drawn:

[game theory] is useful mainly because it helps clarify some fundamental issues and debates in social science, for instance those within and around the political theory of liberal individualism. In this sense, we believe the contribution of game theory to be largely pedagogical. Such contributions are not to be sneezed at. (p2)

This leads on to an important 'negative' contribution: an examination of the logic of game theory can demonstrate the limits of instrumental rationality and the importance of viewing decision making occurring in particular social contexts.

With this background in mind this book is clearly not a 'run of the mill' text on game theory because there is an explicit (and arguably successful) attempt to locate the framework within wider social science debates. Hence the book has a number of objectives. It is clearly aimed at being a student text for the general social sciences not just economics. In this regard recent theoretical developments are introduced in a remarkably transparent manner helped by numerous examples and application to economic and other topics. But, in addition, there is a wider set of aims: attempting to bring 'non-economic' debates to economists in a way that the latter might find accessible; and, related to this, attempting to break down the 'economic imperialism' characteristic of much orthodox reasoning.

In terms of a technical introduction to the subject, the book is organised around a logic in which later chapters build on the logic set out in earlier discussion. Chapter 2 introduces the 'elements of game theory' covering ideas of dominance, Nash solutions, trembling hand equilibria and the like. These ideas are then applied to dynamic and bargaining games (chapters 3 and 4), the prisoners' dilemma and reputation building (chapters 5 and 6) finishing in the final two chapters with evolutionary games and experimental evidence.

At least as interesting (to the reviewer) is the way in which the authors link technical discussion to wider philosophical, methodological and political issues. This wider context is the strength of the book and involves linking technical detail to the ideas of, among others, Kant, Hobbes, Locke, Hume, Marx and Wittgenstein. The central objective here is to present a critical appreciation of the importance of instrumental reasoning, Nash reasoning and consistent beliefs for equilibrium selection.

At root ... the major problem is ... that people appear to be more complexly motivated than game theory's instrumental model allows and that a part of that greater complexity comes from their social location. (p.260)

Overall the book achieves the objectives that it sets out. But, on the critical side, there is likely to be a trade-off between the 'text' and 'grand' goals. The wider issues in this book are discussed in the context of problems rather than solutions. Good students (and more general academic readers) will, of course, appreciate the ambiguity involved with this critical presentation. But for those wanting secure answers: this book is not for them. EAEPE members may, of course, find this a strength not a weakness.

PAUL TWOMEY



RECENT PUBLICATIONS BY EAEPE MEMBERS

The following publications are authored, in whole or in part, by members of EAEPE. This regular feature of the Newsletter is intended to disseminate information throughout the Association. Send details of recent publications to the Newsletter Editor. EAEPE members are shown in bold type.

Daniele Archibugi and **Jonathan Michie**, University of Cambridge, UK

'Technology and innovation: an introduction', *Cambridge Journal of Economics*, **19**, 1995.

'The globalisation of technology: a new taxonomy', *Cambridge Journal of Economics*, **19**, 1995.

JL Baxter, University of Sheffield, UK

Behavioural Foundations of Economics, Macmillan, 1994.

Kurt Dopfer, University of St Gallen, Switzerland

'The Phenomenon of Economic Change: Neoclassical vs. Schumpeterian Approaches', in **Lars Magnusson** (ed), *Evolutionary and Neo-Schumpeterian Approaches to Economics*, Kluwer Academic Publishers, Boston, 1994.

'How Economic Institutions Emerge: institutional entrepreneurs and behavioural seeds', in Yuichi Shionoya and Mark Perlman,

Innovation in Technology, Industries and Institutions, Studies in Schumpeterian Perspectives. Ann Arbor, The University of Michigan Press.

Ian Gough, University of Manchester, UK

'Economic institutions and the satisfaction of human needs', *Journal of Economic Issues*, **28**(1), 1994.

(with T Thomas) 'Why do levels of human welfare vary among nations?', *International Journal of Health Services*, **24**(4), 1994.

Geoff Hodgson, University of Cambridge, UK

'Varieties of Capitalism from the Perspective of Veblen and Marx', *Journal of Economic Issues*, **29**(2), June 1995.

'The Political Economy of Utopia', *Review of Social Economy*, **53**(2), Summer. 'Biological and Physical Metaphors in Economics', in *Biology as Society, Society as Biology: Metaphors. Sociology of the Sciences Yearbook 1994*, Kluwer, Boston.

Marc Tool, California State University, Sacramento, USA

'Institutional adjustment and instrumental value', *Review of International Political Economy*, **3**, 1994.

Pricing, Valuation and Systems, Aldershot: Edward Elgar, 1995.

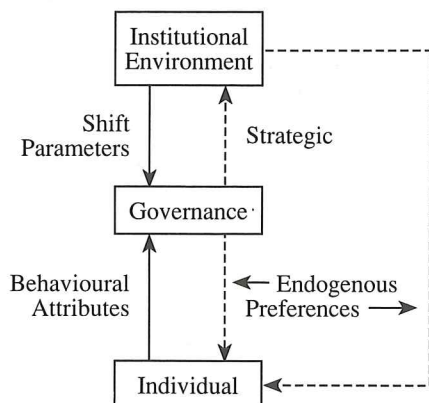
TRANSACTION COST ECONOMICS IN DISCUSSION

John Groenewegen, Erasmus University, Rotterdam, The Netherlands.

Last year a conference was held at the Tinbergen Institute in Rotterdam with the theme 'TCE and Beyond'. Scholars from different countries and backgrounds were invited to discuss the progressiveness of TCE as a research programme. The organization had invited a number of American economists, who are well known advocates of the Williamsonian tradition. In order to stimulate discussion also a group of Europeans who are known because of their skeptic attitude towards TCE was invited to come to Rotterdam.

Two 'camps' were present: on the one hand the defenders of traditional TCE (methodological individualism, comparative statics etc) on the other hand those who recognise the importance of TCE but who want to push the analysis beyond traditional constraints into the complexities of culture, dynamics, power and the like. Important was the presence of Oliver Williamson, who in his opening lecture used his layer schema (figure 1) to explain the position of TCE in respect to other explanatory variables.

Figure 1: A Layer Schema



The debate in Rotterdam focused on the meaning of the arrows and on the question of the dynamics of organization (selection, strategies and learning). Williamson stressed the importance of two well-known behavioural attributes of the individual (bounded rationality and opportunism) as explanatory variables for governance structures. The feedbacks from the governance structure to individual behaviour and underdeveloped in TCE and that was strongly questioned by the Europeans. Opportunism and trust depend on the governance structure as well as on the institutional environment and should not be taken as exogenous. Williamson admits that governance structures also have a life of their own, but this is not really part of his analysis. The 'Europeans' stressed the importance of corporate culture and competence as central concepts for understanding governance structures. Finally the layer of the institutional environment of legal rules, norms and the like is treated (by Williamson) as given and individuals minimize transaction costs in a specific institutional environment. When the environment shifts to a different one the corresponding efficient governance structure will also be different. The 'Europeans' stressed the importance of strategies and related to this the power of specific interest groups.

In general the participants from the US addressed the issue of economic organization from the traditional TCE framework: cost minimizing individuals operate in competitive environments which forces them to select the fittest governance structures. In other words: economizing is a good starting point for analyzing organization. The 'Europeans' recognised the important contributions TCE has made, but focused on the question how to proceed. They clearly saw a necessity and possibility to go beyond TCE. Attention was focused on concepts which offer opportunities to analyze the process of learning, along with cognition and selection, and to take culture and strategic behaviour into account. The conference gave ample opportunity for discussion and it was a very good experience to see that participants with different perspectives were very well able to have an open, fundamental discussion. The edited papers will be published by Kluwer Academic Publishers in 1995.

NEW POLITICAL ECONOMY

The aim of this new (for 1996) journal is to create a forum for work which seeks to bridge past empirical and conceptual divides. The emphasis will be upon exploratory and innovative work which draws on different disciplines and which addresses core issues in the emerging research agenda. NPE will bring together four key literatures:

- comparative political economy
- the political economy of the environment
- the political economy of development
- international political economy

Personal subscriptions £24 (US\$38). Institutions: £78 (US\$120). For free sample copy contact: Carfax Publishing Co, PO Box 25, Abingdon, Oxfordshire OX14 3UE.

On editorial matters contact: The Editors, New Political Economy, University of Sheffield, Elmfield Building, Northumberland Road, Sheffield S10 2TY, UK. EMail: npe@sheffield.ac.uk

EMERGO

Journal of Transforming Economies and Societies

This quarterly journal aims to provide up-to-date and high quality empirical findings and theoretical perspectives covering the range of the social sciences. While it sets its empirical focus on the transformation processes in Central and Eastern Europe, both empirical findings and theoretical constructs will be valid for all transforming economies. It is published by the Cracow Academy of Economics for the University Council for Economics and Management Education Transfer (UCEMET).

For further details contact: UCEMET Office in Krakow, ul. Szewska 20/3, 31-009 Krakow, Poland. Tel/fax: +48 12 22 69 19. EMail: enhausne@cyf-kr.edu.pl

Post-Keynesian Economics Study Group

Anyone interested in finding out details of the current programme for the Post-Keynesian Economics Study Group should write to the Study Group Secretary: Adrian Winnett, School of Social Sciences, University of Bath, Bath BA2 7AY, UK. Tel (01225) 826826x5745, fax (01225) 826381. E-mail A.B.Winnett@bath.ac.uk

INTERNATIONAL THORSTEIN VEBLEN ASSOCIATION

The purposes of this association are:

1. To facilitate and revive in a Veblenian spirit a critical and historical attitude in the social sciences.
2. To examine and evaluate Veblen's ideas and methods from the point of view of their applicability and utility for comprehending and analyzing the contemporary world.
3. To make explicit the attitudes, perspectives and assumptions underlying Veblen's social, economic, political and religious frameworks.
4. To illuminate the relationship between Veblen's ideas and his linguistic, rhetorical and poetic style.
5. To foster and facilitate communication between Veblen Scholars throughout the world.

For application and other enquiries write to: Rick Tilman, Department of Public Administration, University of Nevada, Las Vegas, Nevada 89154, USA.

MARSHALL STUDIES BULLETIN

This newsletter on Marshallian studies, published annually by the Dipartimento di Scienze Economiche of the University of Florence, Italy, takes the form of short commentaries, factual information and book reviews. We should be pleased to consider contributions for publication. The Bulletin is sent free of charge to interested parties.

Addresses. Articles, reviews and books: Dipartimento di Scienze Economiche, Via Curatone 1, 50123 Firenze, Italy. All other correspondence: Ms Philomena Guillebaud, Marshall Library of Economics, Sidgwick Avenue, Cambridge CB3 9DB, England.

The Association for Institutional Thought

AFIT is a US-based Association with close ties to the Association for Evolutionary Economics. It encourages and fosters the development of institutional thought within the tradition of Thorstein Veblen, John Dewey, Clarence Ayres, John Commons, Wesley Mitchell and others. For further information about AFIT contact

Professor James Swaney, Department of Economics, Wright State University, Dayton, Ohio 45435, USA.

European Association for Bioeconomic Studies

The aims and objectives of EABS are:

1. To promote the study and application of bioeconomics, with particular reference to the work of Nicholas Georgescu-Roegen.
2. To safeguard the environment, and to be concerned with the accelerated "entropization" of the limited resources of our planet.
3. To promote the exchange and diffusion of information on bioeconomics and related topics.

For details of any matters to do with EABS contact:
Korinna Muller, Secretary General EABS, 11 Via Larga,
I-20122 Milan, Italy.

The Review of Heterodox Economics: Abstracts of Work in Progress

The *Review of Heterodox Economics* is a quarterly newsletter dedicated to the interchange of ideas among heterodox economists. It contains abstracts of working papers that have not yet been published. Anyone working within heterodox approaches can have her or his working paper listed. Subscription to the *RHE* is currently free, but a charge may be levied in the future. To have your working paper listed send (1) your full mailing address and email address (2) the title of your paper (3) an abstract, 75 words maximum (4) identify the subject of the paper using the *RHE* coding system available from the address below.

For further details contact: Review of Heterodox Economics, c/o Eric Nilsson, Department of Economics, California State University, San Bernadino, CA 92407, USA. Email: enilsson@wiley.csusb.edu

INTERNATIONAL ASSOCIATION FOR FEMINIST ECONOMICS

IAFFE is a non-profit association with the goal of advancing feminist inquiry of economic issues and to this end is sponsoring a new journal. The association plans to hold its 1996 summer conference in Tours, France in early July. For information about IAFFE contact: Jean Shackelford, Department of Economics, Bucknell University, Lewisburg, PA 17837, USA. Tel: 717-524-3441. Fax: 717-524-3760. Email: jshackel@bucknell.edu

EAEPE MONETARY STUDY GROUP

The Area J "Monetary economics, finance and financial institutions" EAEPE Research Area is organizing the first and founding meeting of a "Study Group" in this area. The meeting will be held at the "Osservatorio intermediari e finanza internazionale" – CEIS, University of Rome "Tor Vergata" starting September 29 (2.30 pm) and ending September (6.00 pm). During the meeting six papers on monetary theory and finance will be discussed.

For further information contact:

Marcello Messori (EAEPE Research coordinator Area J),
via Isonzo, 42 – 00198 ROMA; fax: 39-6-4404572.

Michele Bagella (Director "Osservatorio intermediari e finanza internazionale – CEIS), Dip. Economia e Istituzioni, Università di Roma "Tor Vergata" via di Tor Vergata – 00133 ROMA; fax: 39-6-2020500.

REVIEW OF INTERNATIONAL POLITICAL ECONOMY

The International Review of International Political Economy is a new inter-disciplinary journal for 1994 based on an analytical synthesis between politics and economics. The particular RIPE will:

- address the internationalisation of the state, especially the structures of political authority, diplomacy and institutional regulation;
- examine the shift from a national to a transnational economic system, including the study of global finance and production;
- promote the study of development trajectories, local and national, in all parts of the world.

EAEPE members are entitled to a subscription discount. Normal individual rates for the UK/EC are £35/\$60, the reduced rate is £22/\$35. On editorial matters contact: The Editors (Ash Amin, Barry Gills, Ronen Palan, Peter Taylor), Review of International Political Economy, Department of Politics, The University, Newcastle upon Tyne, NE1 7RU, UK. Fax: + 44 (0)91 2228107. For subscriptions: Trevina White, Routledge Subscriptions, ITPS Ltd, Cheriton House, North Way, Andover SP10 5BE, UK, tel + 44 (0)264 332424, fax + 44 (0)264 364418.

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Club "Economika 2000"**

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This is one of a series of seminars organized every two years by Club "Economika 2000" concerning the key problems of economic development of Bulgaria. This year the main topic of the seminar will be:

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- Mass privatization: dispersing ownership or creating new devices for corporate control;
- Privatizing by sales: bringing the immediate taste of ownership over tangible assets;
- The growth of the private sector.

Deadline for applying: 31 August 1995.

For further information contact: Spartak Keremidchiev,
Club "Economika 2000"; tel: (+359 2)805201;
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1. The approach to analysis is based on successive, critical abstraction of relevant tendencies and linkages in actual economic systems – instead of a methodology which sanctifies fictions and diverts attention from the difficult task of analysing real world phenomena.
2. The analysis is open-ended and interdisciplinary in that it draws upon relevant material in psychology, sociology, anthropology, politics and history, as well as economics itself – instead of a definition of economics in terms of a rigid method which is applied indiscriminately to a wide variety of social, political or economic institutions.
3. The conception of the economy is of a cumulative and evolutionary process unfolding in historical time in which agents are faced with chronic information problems and radical uncertainty about the future – instead of approaches to theorizing which focus exclusively on equilibria.
4. The concern is to address and encompass the interactive, social process through which tastes are formed and changed, the forces which promote technological transformation, and the interaction of these elements within the economic system as a whole – instead of a theoretical framework that takes individuals and their tastes as given, technology as likewise exogenous, and with production separated from exchange.
5. It is appropriate to regard the market itself as a social institution, necessarily supported by a network of other social institutions such as the state, and having no unqualified nor automatic priority over them – instead of an orientation which takes the market as an ideal or natural order and as a mere aggregation of individual traders.
6. It is recognised that the socio-economic system depends upon, and is embedded in, an often fragile natural environment and a complex ecological system – instead of a widespread tendency to ignore ecological and environmental considerations or consequences in the development of theories and policy recommendations.
7. The enquiry is value-driven and policy-orientated and recognizes the centrality of participatory democratic processes to the identification and evaluation of real needs – instead of a utilitarian outlook which separates considerations of means from those of ends, and judgements of fact from those of value, and which ignores social relations, conflicts and inequalities between the agents.
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