

European Association for Evolutionary Political Economy **NEWSLETTER**

No 9

January 1993

EAEPE 1993 CONFERENCE

**The Economy of the Future
Ecology: Technology: Institutions
University of Barcelona, Spain
4th-6th November 1993**

The last decade of the twentieth century witnesses the apparent triumph of liberal capitalism over almost the entire globe, accompanied by high levels of material income for some. Does this mean 'the end of history'? Or are there still disruptive forces – exacerbated by current instabilities in the world financial system – which portend future crisis and further structural change?

Two centuries of rapid growth have led to severe threats to the ecosystem, to the impoverishment of many natural resources and to the encouragement of an individualistic ethic of material gain. As a result, both ecological and institutional stability are uncertain. The long-term viability of the contemporary socio-economic system is now in question.

Decades of accelerating technological advance have led to major adjustments in the structures of firms and markets, and in patterns of work and state intervention. The emergence of cheap and sophisticated information technology augurs revolutionary changes in modes of living and the nature and distribution of work.

The role of institutions such as the family, the hierarchic firm, and the liberal nation-state are all put into question by these developments. The modern world system faces a crisis in social institutions and inherent values which social scientists cannot afford to ignore.

The EAEPE 1993 conference in Barcelona will address the evolution of modern economic systems, with special attention to ecological, technological and institutional aspects. Papers will be welcome on all theoretical and empirical issues related to these themes, for example: the ecological and social limits to growth, the entropy law, environmental impact analysis, technological change,

In addition to all the themes outlined above, participants are welcome to submit abstracts for conference papers on any of the themes – including economic theory and methodology – relating to EAEPE's Scientific Development Plan (see back page).

technological paradigms, income redistribution, unemployment, the family, worker cooperatives, industrial democracy, transnational firms and the role of the state.

Participants wishing to submit papers are invited to send a title with a 400-600 word abstract to Geoff Hodgson, EAEPE Scientific Committee Convenor, The Judge Institute of Management Studies, University of Cambridge, Mill Lane, Cambridge CB2 1RX, UK. Telephone (44) 223 338171. Fax (44) 223 338076. Priority will be given to abstracts submitted before 1st March 1993. If the paper can be fitted into the conference schedule then a final version will be requested by 13th September 1993 and this also should be sent to Geoff Hodgson in Cambridge. Final papers should be typed clearly, suitable for reprography 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 Scientific Committee reserve the right to exclude papers which are illegible or in excess of 20 sides.

(See page two for further conference details.)

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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, Crookesmoor Building, Sheffield S10 1FL, 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@UK.AC.SHEFFIELD. Contributions will not be refereed, but the Editor reserves the right to decide what is to be accepted.

EAEPE 1993 CONFERENCE

The conference will be located at and around the University of Barcelona, Spain: full details will be circulated later.

Conference registration will commence on the afternoon of 4th November and the conference will finish in the evening of 6th November. The conference fee is £110 and this includes the cost of the conference dinner on the 6th November. 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 1993 members of EAEPE, plus an addition of £25 for bookings received on or after August 1st.

All conference bookings and fees should be sent to the EAEPE Treasurer, Andrew Tylecote, Sheffield University Management School, Crookesmoor Building, Sheffield S10 1FL, UK. Telephone (44) 0742 768 555. Fax (44) 0742 725103. Payments may be made over the telephone by credit card.

The conference fee does not include accommodation. Hotel bookings are the responsibility of delegates themselves. However, the EAEPE Conference Organiser, Carlos Calleja, will be pleased to supply information on hotel accommodation. He may be contacted at Avinguda Diagonal 499, 08029 Barcelona, Spain. Telephone (34) 3 405 1524. There are many hotels around the Ramblas which is close to the conference venue.

The conference is organised with the assistance of the Universities of Barcelona, Sheffield and Cambridge. Applications for further financial support are in progress.

The Foundation for European Economic Development (FEED) has agreed to sponsor the conference. It will set aside and administer a limited Conference Assistance Fund for EAEPE conference delegates who are unable to obtain adequate support from their own institution. Applications for financial assistance should be sent by 1st March 1993 to the Secretary of FEED, Dr Andrew Tylecote, Sheffield University Management School, Conduit Road, Sheffield S10 1FL, United Kingdom; telephone (44) 0742 768 555. Fax (44) 0742 725103.

RECOMMENDED HOTELS

All of the following telephone numbers should be preceded if necessary by the code for Spain (34) and for Barcelona (3).

The following hotels are around the Ramblas and the Placa Catalonia:

Hotel Cortés ** C. Santa Ana 25. Tel 317 9112
 Hotel Flor Parks ** Ramblas 57. Tel 318 1324
 Hotel San Augustin ** Plaza San Augustin. Tel 318 1658
 Hostal Australia R. Universitat 11. Tel 317 4177

The Hostal Australia is for economists on a strict budget constraint.

The following hotels are in the commercial zone:

Hotel Condor **** Via Augusta 127. Tel 237 3940
 Hotel Belagua *** Via Augusta 89. Tel 237 3940
 Hotel Pedralbes *** Fontcoberta 4. Tel 203 7112
 Hotel Turin *** Pintor Fortuny 9. Tel 302 4812
 Hotel Tres Torres *** Calatrava 32. Tel 417 7300
 Hotel Mikado *** P. Bonanova 58 Tel 211 4166
 Hotel Bonanova Park ** Capitan Arenas 51. Tel 204 0900
 Hotel Lleo ** Pelayo 24 Tel 318 1312

CONFERENCE ASSISTANCE FUNDS

Unfortunately, the funds of EAEPE and FEED are highly limited. Those wishing to attend future EAEPE conferences are strongly encouraged to apply for conference assistance from their home institutions and national governments.

As an example, the Royal Economic Society (UK) has advertised a Conference Grant Fund open to UK residents. If RES members are presenting a paper or acting as a principal discussant at a conference they may apply for support up to £250 from Professor David Greenway, Department of Economics, University of Nottingham, Nottingham NG7 2RD. The closing date for applications are April 30th and October 31st each year.

Information on the availability of other sources of funds will be welcome.

EAEPE NAMES AND ADDRESSES

PLEASE NOTE THAT THE EAEPE OFFICE HAS BEEN REMOVED FROM NEWCASTLE AND THAT THE EAEPE ADMINISTRATION IS NOW DIVIDED BETWEEN THE UNIVERSITY OF CAMBRIDGE (UK) AND THE UNIVERSITY OF SHEFFIELD (UK).

EAEPE General Secretary:

Geoff Hodgson, The Judge Institute of Management Studies, University of Cambridge, Mill Lane, Cambridge CB2 1RX, UK. Telephone (44) 223 338171. Fax (44) 223 338076.

EAEPE Treasurer:

Andrew Tylecote, Sheffield University Management School, Crookesmoor Building, Sheffield S10 1FL, UK; telephone (44) 0742 768 555. Fax (44) 0742 725 103.

EAEPE Conference Organiser:

Carlos Calleja, 499 Avinguda Diagonal, 08024 Barcelona, Spain. Telephone (34) 3 405 1524.

1993 Conference bookings should be sent to the Treasurer in Sheffield (UK) and abstracts – by 1st March – and final papers – by 13th September – to the General Secretary in Cambridge (UK).

EAEPE Newsletter Editor:

Mike Dietrich, Sheffield University Management, Conduit Road, Sheffield S10 1FL, UK. Work telephone (44) 0742 768 555. Fax (44) 0742 725 103.

EAEPE Steering Committee:

Ash Amin	(UK)
Wolfgang Blaas	(AUSTRIA)
Carlos Calleja Xifre	(SPAIN)
Robert Delorme	(FRANCE)
Mike Dietrich	(UK)
Kurt Dopfer	(SWITZERLAND)
John Groenewegen	(NETHERLANDS)
Jerzy Hausner	(POLAND)
Geoff Hodgson	(UK)
Eva Maskova	(CZECHOSLOVAKIA)
Klaus Nielsen	(DENMARK)
Angelo Reati	(BELGIUM)
Ernesto Screpanti	(ITALY)
Andrew Tylecote	(UK)

EAEPE 1993 Scientific Committee:

The following persons were elected to the 1993 Scientific Committee at the 5th November Member's Meeting in Paris:

Ash Amin (Newcastle), Wolfgang Blaas (Vienna), Carlos Calleja (Barcelona), Robert Delorme (Paris), John Groenewegen (Rotterdam), Geoff Hodgson (Cambridge – Convenor), Tony Lawson (Cambridge), Christos Pitelis (Cambridge).

Pauline Bailey, who has acted as EAEPE's Administrative Assistant since 1989, has now left us. Pauline's energy, enthusiasm and personal service for EAEPE was widely noted, and the association is deeply grateful for her support in the crucial early years. We are pleased to say that Pauline has been appointed to a new and challenging administrative position at the University of Northumbria at Newcastle. On behalf of the EAEPE membership we wish her all the best in her new employment.

The new part-time Administrative Assistant for EAEPE is Jane Roe, located at Sheffield University Management School. She will be assisted by Debra Maxwell. We welcome Jane and Debra and hope that they both will enjoy working with us.

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, Conduit Road, Sheffield S10 1FL, UK. Work telephone (44) 0742 768 555. Fax (44) 0742 725 103.

FEED BOARD OF TRUSTEES:

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

OUT OF THE MARGIN: FEMINIST PERSPECTIVES ON ECONOMIC THEORY

International Conference, 2-5 June 1993
Amsterdam, The Netherlands.

During the past decades economists have become increasingly aware of the fact that gender has a deep impact on the economy. Thus far, however, little attention has been paid to the impact gender might have (had) on economic theory and methodology itself. This conference will highlight the interrelation between gender and economic theory and explore the nature of a gender-bias free economics.

Further details from: Stg. Out of the Margin, Postbus 16625, NL-1001 RC Amsterdam, The Netherlands. Fax: 31 (0) 20 6257445 or 31 (0) 20 6384608.

EAEPE 1992 CONFERENCE IN PARIS

About 140 delegates attended the EAEPE 1992 conference in Paris in November. The conference was organised by Robert Delorme of CEPREMAP.

It was generally agreed that it was an excellent conference. Overall, the papers were of a very high quality. The EAEPE conference now ranks as one of the most productive and prestigious international conferences for social scientists.

The main theme addressed by the 1992 conference was the globalization of modern capitalism. In addition to this motif there were a number of papers on themes related to EAEPE's Scientific Development Plan.

At the Conference Dinner Professor Luigi Pasinetti presented the Kapp Prize to Ulrich Witt (University of Freiburg) for his essay 'Innovations, Externalities and the Indeterminateness of Progress', and the Myrdal Prize jointly to Len Doyal (London Hospital Medical College) and Ian Gough (University of Manchester) for their book *A Theory of Human Need* (Macmillan, 1991), and Mario Morroni (University of Pisa) for his book *Production Process and Technical Change* (Cambridge University Press, 1992).

EAEPE 1992 MEMBERS' MEETING IN PARIS

The 5th November Members' Meeting at the Paris conference elected the 1993 Scientific Committee and carried three constitutional amendments by large majorities. These were then passed on for a ballot of all members. Audited accounts for 1991 were received, and provisional accounts for 1992.

It was reported that although the membership of the association is growing rapidly, it is now experiencing some financial difficulties. In particular, a deficit of several thousand pounds is now expected for 1992. For this reason a resolution was proposed raising the ordinary membership fee from £20 to £25. This was carried nem con.

1993 EAEPE MEMBERS' MEETING IN BARCELONA

An EAEPE Members' Meeting has been called at the University of Barcelona in the evening of Friday 5th November 1993.

PROPOSED NEW EAEPE STRUCTURE

The following revised EAEPE structure was put to the EAEPE Member's Meeting in Paris on 5th November 1992 and a constitutional amendment to inaugurate a new post of Chairperson has been put out to ballot of all EAEPE members.

5-PERSON SECRETARIAT:

CHAIRPERSON

(New EAEPE Officer)

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

GENERAL SECRETARY

CURRENT LOCATION:
Cambridge

TASKS:
Strategic planning, arrangements for EAEPE Secretariat & Members' Meetings, EAEPE prizes, conference programme, Scientific Committee & Scientific Development Plan

TREASURER

CURRENT LOCATION:
Sheffield

TASKS:
Membership applications & records, conference bookings, keeping of audited accounts

NEWSLETTER EDITOR

CURRENT LOCATION:
Sheffield

TASKS:
Edits, produces & circulates newsletter

CONFERENCE ORGANISER

CURRENT LOCATION:
Barcelona

TASKS:
Organises conference arrangements at venue, & prints conference papers

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 MEMBERSHIP

Membership of EAEPE is still growing very rapidly. The growth is as follows:

		Annual Growth Rate
30 Jun 1989	165	
30 Jun 1990	313	89.7%
30 Jun 1991	409	30.7%
30 Jun 1992	557	36.1%

The current (November 1992) membership figures by country are:

AUSTRIA	19
BELGIUM	12
BOSNIA	1
BULGARIA	2
CROATIA	1
CZECHOSLOVAKIA	41
DENMARK	18
ESTONIA	1
FINLAND	12
FRANCE	34
GERMANY	30
GREECE	3
HUNGARY	6
IRELAND	3
ITALY	50
LITHUANIA	1
THE NETHERLANDS	32
NORWAY	9
POLAND	18
PORTUGAL	2
ROMANIA	1
RUSSIA	3
SPAIN	17
SWEDEN	21
SWITZERLAND	10
TURKEY	3
UKRAINE	2
UNITED KINGDOM	104
YUGOSLAVIA	1
EUROPE:	457
AUSTRALIA	6
BRAZIL	1
CANADA	10
JAPAN	3
KENYA	2
NEW ZEALAND	2
SOUTH AFRICA	1
UNITED STATES	31
NON-EUROPE:	56
OVERALL TOTAL:	513

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) 0742 768 555 or fax (44) 0742 725103 with your card number and expiry date. Alternatively, you can notify the EAEPE Treasurer's Sheffield office by post with the same information.

1993 PRIZE COMPETITIONS

Entries for the 1993 Kapp and Myrdal competitions are now welcome:

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 published or unpublished monograph (i.e. a book) on a theme broadly in accord with the EAEPE Theoretical Perspectives.

The strict deadline for receipt of each prize is 1st February 1993. 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. Three non-returnable copies of each entry must be submitted. Awards of the 1993 prizes will be made at the 1993 Conference in Barcelona, Spain.

All candidates must be paid-up 1993 members of EAEPE. The Steering Committee will judge both prizes in February-March 1993. 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 1st February 1992 to 1st February 1993 inclusive shall be ineligible to submit an entry. The EAEPE Steering Committee reserves the right not to award a prize if the entries are below the required quality.

1993 EAEPE STEERING COMMITTEE MEETINGS

The following Steering Committee meetings are planned for 1993:
10.00 hrs on 13th March 1993 (following a meeting of FEED trustees at 12 March at 18.00 hrs) and
17.00 hrs on 4th November 1993 (following a meeting of FEED trustees at 16.00).

All 1993 meetings will be held in Barcelona.

European Association for Bioeconomic Studies

The EABS was set up on May 5 1990. Its aims and objectives 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.

REVIEW OF POLITICAL ECONOMY

The Review of Political Economy offers a reduced price for EAEPE members. Normal individual subscription rates for the UK and EC are £34, the reduced rate is £28. For the rest of the world the rates are £36 reduced to £30. For further details contact

The Promotion Department, Edward Arnold Journals, Hodder & Stoughton Publishers, Dunton Green, Sevenoaks, Kent TN13 27A, UK.

EAEPE PUBLICATIONS

In collaboration with Edward Elgar Publishing, EAEPE is proud to announce the publication of a volume of selected conference papers from the 1991 conference entitled *Mixed Economies in Europe* and edited by Wolfgang Blaas and John Foster. The normal cost is £45, but they are sold to paid-up EAEPE members at a 50% discount (£22.50)

Copies of the 1990 conference volumes are still available, titled *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.

These volumes are available from Edward Elgar Publishing, Gower House, Croft Road, Aldershot, Hampshire GU11 3HR, UK. All royalties will be paid to EAEPE.

Also a *Companion to Institutional and Evolutionary Economics* is being prepared, edited by Geoff Hodgson, Warren Samuels and Marc Tool. This work will also be published by Edward Elgar. Royalties will be divided equally between EAEPE and the USA-based Association for Evolutionary Economics.

SPECIAL OFFERS FOR EAEPE MEMBERS FROM MACMILLAN PRESS

The Macmillan Press have agreed to offer a discount of 25% to EAEPE members on books authored by EAEPE members. This special offer covers the following:

J Halevi, D Laibman and EJ Nell, *Beyond the Steady State: a revival of growth theory*. Original price £45, discounted price £34.00

EJ Nell, *Transformational Growth and Effective Demand*. Original price £75.00, discounted price £56.

EJ Nell and W Semmler (eds), *Nicholas Kaldor and Mainstream Economics: confrontation or convergence?*. Original price £75, discounted price £56.

V Chick, P Arestis and S Dow, *On Money, Method and Keynes*. Original price £45 discounted price £34.

L Doyal and I Gough, *A Theory of Human Needs*. Original prices £35 (hardcover) £11.99 (paperback), discounted prices £26 and £9.

GM Hodgson, *After Marx and Sraffa: essays in political economy*. Original price £45, discounted price £34.

The offer closes 28 February 1993. Send orders with payment to: Za Bushell, Macmillan Press, Houndmills, Basingstoke, Hampshire RG21 2XS, UK. Tel: (0256) 29242. Fax (0256) 810526.

MEMBERS' INFORMATION

George Blazyca (formely at the University of Greenwich – Thames Polytechnic) has taken up a new post as Associate Head and Professor in the Department of Economics and Management at the University of Paisley. The full address is: University of Paisley, High Street, Paisley Renfrewshire PA1 2BE, Scotland, UK. Tel: 041 848 3351. Fax: 041 848 3396.

STOP PRESS

The following three constitutional amendments have gone to ballot, have been passed by the required two-thirds majority, and are now incorporated into the constitution:

Constitutional Amendment 1:

Clause 1.2: Add where appropriate: 'Bosnia,' 'Croatia,' and 'Slovenia,'.

Constitutional Amendment 2:

Clause 3.8: Add where appropriate 'George Shackle,'.

Constitutional Amendment 3:

Clause 8.1: Before 'General Secretary' insert 'Chairperson'.

Add New '*Clause 8.5* The Chairperson shall have a casting vote only.'

Add New '*Clause 9.6* The Chairperson shall have a casting vote only.'

Clause 10.4: Before 'General Secretary' insert 'Chairperson,'.

The following resolution went to ballot and has received a majority of votes in its favour:

Resolution for a £25 Ordinary Subscription:

'The ordinary subscription rate shall be increased from £20 to £25 with effect from 1st January 1993, leaving the student and low income (£5) and special (£1) rates unchanged.'

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.

Post-Keynesian Study Group

Anyone interested in finding out details of the current programme for the Post-Keynesian Study Group should write to either Professor Philip Arestis, Department of Applied Economics, The Polytechnic of East London, Longbridge Road, Dagenham, Essex RM8 2AS, or Dr Victoria Chick, Department of Political Economy, University College London, London WC1.

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.

J Halevi, D Laibman and EJ Nell, *Beyond The Steady State. A Revival of Growth Theory*, Basingstoke: Macmillan, 1992.

EJ Nell, *Transformational Growth and Effective Demand. Economics after the Capital Critique*, Basingstoke: Macmillan, 1992.

Reviewed by Geoff Harcourt,
University of Cambridge, UK.

I am glad to review these two collections for they contain excellent, thought-provoking essays which include much that is original, novel and of essential value for a better understanding of the growth processes at work in modern economies (as well as past eras). But I must start with a gripe about the blinkered vision of the three editors of *Beyond the Steady State* – Joseph Halevi, David Laibman and Edward Nell, and to a lesser extent, about Nell's selected essays. Though the edited volume is subtitled *A Revival of Growth Theory*, nowhere in it is there any reference to the mainstream revival, the articles and books on endogenous growth which were stimulated by Robert Lucas's mid 1980s Marshall Lectures at Cambridge (published in the *Journal of Monetary Economics* in 1988 as "On the Mechanics of Economic Development") and Paul Romer's work for his PhD in 1983 (the first fruits of which were published in the *Journal of Political Economy* in 1986 as "Increasing Returns and Long-run Growth"). Both of these circulated widely as mimeos before they were published. There is now a huge literature on all this, including a number of good survey articles and a comprehensive book by Gene M Grossman and Elhanan Helpman, *Innovation and Growth in the Global Economy* (1991). Moreover, some of the neoclassical contributors to this literature actually acknowledge the inspiration of Nicholas Kaldor before they descend again into Cobb-Douglas, together with ingenious ways of getting increasing returns into a neoclassical model while preserving competitive market structures.

I don't wish to be taken as saying that I uncritically admire these developments – I don't, I think they certainly show intellectual ignorance and probably intellectual dishonesty. Nevertheless, I also think that scholars who take an alternative approach do themselves and their cause great harm if they leave their flanks so open as, for example, to start their Introduction with the phrase: "Neo-Classical growth theory is dead" (1).

That is my major gripe. I have another minor one, which also relates to shoddy scholarship. My (and their) mentor, Joan Robinson, neither could nor would ever have been so inelegant as to have said: "I didn't know the maths; therefore I was forced to think" (5) (ugh!). What she did say was: "As I never learnt mathematics, I have had to think". The authors may not like the British upper classes (neither do I, much) but they could at least give them credit for the elegant one-liners.

The starting point of the investigations is "Where do we go from the Cambridge criticism [of capital theory] ... [and] How can we bridge the gap between the static equilibrium of mainstream theory and the inherent dynamism of the real world and its problems?" (vii). To answer these questions our authors have gone back to the Classics and Marx, then forward to pick up Keynes and Kalecki, Adolph Lowe, a much neglected modern prophet still going strong in his late 90s (and to whom the edited volume is dedicated), Joan Robinson, Piero Sraffa and Richard Goodwin, together with modern mathematical developments on bifurcation and chaos theory. Following the, as ever, elegant over-vire by Vivian Walsh, we have essays on demand-determined growth (Pierangelo Geregrani, Heinz Kurz, Nell), technical change (Nell, Laibman, Peter Flaschel and Willi Semmler), the traverse

EAEPE REVIEWS

(an excellent introduction by Halevi and Peter Kriesler, Hagemann and Halevi) and growth cycles (Goodwin – he is nearly 80 yet path-breaking papers come even faster now than in his “prime” – Jarsulic, Laibman and Badel Mukherjc). Mukherjc’s essay, “Bifurcation in the Theory of Economic Growth”, arises from the late Sukhamoy Chakravarty’s advice to him to look at Goodwin’s then recently published paper, “A Growth Cycle” (1967), “carefully”.

What characterises the essays in these volumes is that, although some of them use the modern techniques, they are all firmly grounded in the history of the subject and the history, institutions and “rules of the game” of the societies being analysed. There is no nonsense about agents – classes are made explicit and their often conflicting and confrontational roles are brought out. Aggregate demand plays a major role but the intricate nature of production structures and their changes also figure prominently. Technical progress is not added on but grows out of the processes examined, an integral and major part of the story, just as it was in the writings of Adam Smith (when properly understood, as Prue Kerr’s writings show so clearly). Their models really do capture the crucial characteristics associated with historical time and would, I believe, have gone a long way towards dispelling the almost nihilistic gloom of Joan Robinson’s last years, had she lived to see them.

I must confess to being “chuffed” by Joseph Halevi’s comment that in 1963 I had answered to a large extent a question left unanswered from Marx’s work on expanded reproduction: why should units in the consumption good sector “accept the leadership – in terms of investment decision – of the capital goods sector[?]” (267). Well, well, we know not what we do!

I turn now to Ed Nell’s collected papers. They are impressive, a fitting reply to the disgraceful treatment he received when he went to Oxford in the late 1950s and was put down because he was more keen to work on the writings of Joan Robinson and Piero Sraffa (and Marx) than on those of the local luminaries. This had a devastating effect on his confidence, even though he wrote some splendid papers in the 1960s and 1970s. Now he has put all that behind him (this may probably be dated from 1975 in S’Agaro when John Hicks (no longer JR) personally apologised to Nell and told him that he had been wrong about him).

Nell’s analytical approach contains not only his personal acute insights (and quirks) but also an amalgam of ideas which originated with Smith, Ricardo, Marx (of course!), Kalecki, Keynes, Joan Robinson, Adolph Lowe, Kaldor, Sraffa, and John Hicks himself. Nell wants us to see capitalism as an evolving system fraught with political, social and economic contradictions, yet extraordinarily ruthless and powerful, able to survive and deliver – but not to the underprivileged and powerless, nor often in socially acceptable ways. Nell takes the insights of Sraffa on price formation and feeds them into Keynes-inspired growth models in which he also exploits the two-sector framework that Hicks in particular gave us. But also into this he puts Lowe’s special insights on production interdependence and the problem of the traverse.

Finally, Nell takes over from Kalecki an interest in the link between investment decisions, pricing and the finance of investment. This leads to an incisive critique of the contributions of the late Alfred Eichner, Adrian Wood and Peter Kenyon and myself and an attempt to put an endogenous theory of growth into this class of model, so as to link them more satisfactorily to the macroeconomic processes in which he is (rightly) most interested.

The range of Nell’s contributions is breath-taking. His understanding of the classics and of the issues with which they wrestled and which are still relevant today is extraordinarily useful – I still think “Theories of Growth and Theories of Value” (1967), reprinted as Chapter 2, is probably his best paper; certainly, it was a remarkable paper for a scholar to have written at that stage of his career. And it is the base on which many later outstanding contributions have been erected.

Nell starts the collection with his contribution on Joan Robinson

to the awful Feiwel Volumes (Ed should not have contributed to them and neither should those other friends of Joan’s who did). He stresses here that she is remembered for her critiques, not for her positive contributions. But the latter were there, in his view, and one of his aims in the present volume is to show how very positive indeed they were, especially when allied with the understanding of the other authors whose approaches and writings he has absorbed and developed so effectively in his own work.

I recommend both these volumes unreservedly. Together, they make up a challenging set of essays which will both instruct and inspire, in equal measure. But if they also irritate, let me remind you, yet again, that *that* is why oysters make pearls.

EJ Nell and W Semmler (eds), *Nicholas Kaldor and Mainstream Economics: Confrontation or Convergence?*, London: Macmillan, 1991.

Reviewer AP Thirlwall,
University of Kent at Canterbury, UK.

This is an impressive volume of 620 pages containing 32 papers by 36 authors who gathered, with others, at the New School of Social Sciences in New York in 1987 (while the stock market was crashing) to reflect on the life and work of the great post-Keynesian economist, Nicholas Kaldor, who died in 1986. A distinguished array of scholars pay tribute, including Samuelson, Tobin, Scotovsky, Minsky, Davidson, and the editors themselves. The conference covered most of the areas of economics to which Kaldor applied his fertile mind, and the book is divided into eight sections reflecting those interests including capital theories; saving and distribution; money and macroeconomics; business cycles; theories of growth; the applied economics of growth; and economic policy and systems. The only major area missing in the relevance of Kaldor’s early work on general equilibrium and the theory of the firm which Frank Hahn argued (*Journal of Economic Literature*, December 1988) in his review of my intellectual biography of Kaldor (Harvester-Wheatsheaf Press and New York University Press, 1987) anticipated more recent writing, especially Kaldor’s insistence that perfectly competitive general equilibrium theory only makes sense under constant returns (which turns out to be the case if the number of firms is not assumed to be exogenously given), and that new firms with new products will continue to enter markets until demand curves are horizontal (later proved by Oliver Hart under certain assumptions).

Kaldor was in that category of economists in which Keynes included Marshall, but in which Keynes himself could also be included “whose intuition is in advance of their analysis and terminology” (Keynes’s Memoir of Alfred Marshall). Other examples of Kaldor’s intuition would be his 1940 trade cycle model which derives unique limit cycles, and his 1937 essay on capital theory in which he derived independently Von Neumann’s famous result that the rate of interest represents the highest potential rate of growth of the economic system which would obtain if nothing was withdrawn from the system for unproductive consumption. Samuelson devotes a whole essay to this topic in this volume and chides Kaldorians for neglecting this contribution of Kaldor.

What major contributions did Kaldor make to economic science and to our understanding of the way economic systems work which are featured in this volume. First there is his major contribution to the theory of distribution in capitalist economies addressed by Marglin and Bhaduri, Salvadori, and Abraham-Fois. Second, there is his attack on monetarism and his insistence that money must be treated as endogenous variable in a modern credit economy, considered here by Minsky, Tobin, Moore, Davidson, and Lavoie. Third, his ingenious

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1940 trade cycle model which does not depend on fixed accelerator coefficients provides a basis for papers by Day and Lin, Foley, Skaikh, Franke and Semmler, Phelps, Skott, and Jarsulic. Fourth, there is his massive contribution to the theory of economic growth containing concepts and ideas that now form the basis of the so-called "new" growth theory. Torreggiti, Kurz, Hagemann and Gram contribute papers in this section. Fifth, there is his stress on increasing returns and the "cumulative" nature of the growth process discussed by Boyer and Petit, Gordon, and Nagy. Finally, there are his proposals for making the world economic system more stable, addressed by Hart, Dell and Nell. There is a veritable feast, to which a reviewer can only wish the reader "bon appetit".

C Pitelis, *Market and Non-market Hierarchies: theory of institutional failure*, Oxford: Basil Blackwell, 1991.

Reviewed by Michael Dietrich,
University of Sheffield, UK.

The objective of this book is to "examine the reasons for the existence, evolution and failure (crisis) of capitalist institutions, in particular the firm, the market and the state" (1). To achieve this objective Christos Pitelis integrates disparate literatures covering neo-classical, Austrian, Institutional, Marxist and Post-Keynesian views. The command of this wide literature is impressive which is not only covered in a comprehensive way but is also synthesised and moulded into a well rounded argument with intellectual synergies being exploited between these schools of thought.

Chapter 2 examines the mainstream transaction cost approach to market failure and the existence of firms. The main problem here identified by Pitelis is the sole attention given to exchange relationships. To complement this perspective the importance of the production sphere is emphasised. This exchange and production focus allows the historical evolution of the firm to be viewed as a transition from market to non-market hierarchies (hence the title of the book) – even markets embody power relations. Furthermore, from this perspective there is no need to separate the existence and objectives of firms (as in orthodox theory) rather the two are inseparable. The objectives of those with decision making authority guide institutional evolution, a principle that is applied to the development of the firm up to the modern transnational company.

Chapter 3 shifts emphasis to market structure, pricing and the monopoly-competition debate. Differences are emphasised between the structure oriented neo-classical view and the more process based Marxist and Austrian approaches. The resulting synthesis emphasises rivalry both between and within firms as the driving force to increasing long-run profit and the resulting tendencies to monopolisation and transnational production.

In chapter 4 attention is shifted to the capitalist state. Four particular questions are addressed: why do capitalist states exist; who are their principals; what are the principals' objectives and constraints; what explains the growth of the state sector. After examining neo-classical, new right and Marxist perspectives it is suggested that "the capitalist state is an institutional device for complementing the market and the firm in exploiting the fruits of the division of labour and team work, with an eye to furthering the interests of its principals" (142). This approach emphasises that while the state is a response to private sector (firm and market) failure, it is also faced with its own institutional failure (fiscal crises etc), an idea that extends into chapter 5 where long-run capitalist failure and crises are given specific attention. The elements of the preceding discussion are brought together here. Transaction cost, Keynesian (macroeconomic failure), monetarist and

new right (government failure), and Marxist (crisis theory) perspectives are accommodated and subjected to empirical testing.

Not everyone will necessarily agree with the theoretical connections made in this work, particularly perhaps those with an interest in defending the individual approaches used. Perhaps some of this (potential) criticism could have been diverted by discussion (at least briefly) of the methodological bases of the different schools of thought to show that a synthesis is both possible and necessary. For example, the (implicit) institutional comparative statics of transaction cost reasoning inevitably constrains the analyses offered, whereas the dynamic bases of, for example, Marxist approaches can offer an alternative set of insights. But this comment does not alter my recommending this book to any reader who wants, first an impressively thorough review of the various literatures covered, and secondly a thought provoking synthesis which goes beyond the individual elements of the discussion.

M Jacobs, *The Green Economy: Environment, Sustainable Development and the Politics of the Future*, London: Pluto Press, 1991.

Reviewed by Paul Ekins,
Birkbeck College, London, UK.

There are, perhaps, few economic challenges as pressing at the present time as to reduce the environmental impact of economic activity. This book looks in a clear-headed but committed way at the implications of this challenge across a wide range of theoretical and practical issues. In its analysis of the underlying causes of the environmental crisis, Jacobs identifies the capitalist world's principal culprit as "the invisible elbow" of the market which generates a plethora of externalities which involve environmental degradation:

The consequence is clear. An economic system based on market forces not only cannot prevent environmental degradation occurring, it can actually encourage it... Market forces have to be controlled, not prompted, if the overall environmental impact of economic activity is to be reduced. (35/43)

This robust political economic conclusion leads to consideration of the objectives of such control of market forces. Jacobs rejects as such objectives both "zero growth" and an exclusive concern with environmental evaluation in money terms (while recognising that environmental protection may reduce growth; and that such environmental evaluation can be valid and useful). For his over-riding objective he opts for "sustainability, defined as the maintenance of environmental capacities" (84).

The longest part of the book then discusses the programme through which sustainability can be pursued. This is perhaps the book's strongest section as Jacobs gives a politically insightful and even-handed review of the policy instruments open to government to improve environmental outcomes in a socially equitable way: planning, regulation, financial incentives, social and Third World policy are all discussed in some detail.

The book's fourth and last part is concerned with measurement of moves towards or away from sustainability. The limitations of cost-benefit analysis and monetary evaluation of the environment are again emphasised. There then follows a chapter on adjusting GNP for environmental losses in which Jacobs fails to appreciate several of the key issues: the difference between seeking to adjust GNP as an indicator of production and such adjustment of it as an indicator of welfare; the nature of defensive expenditures as intermediate inputs which have been wrongly counted as final product; price adjustments in the calculation of real GNP; the meaning in this context of

sustainable income. These analytical flaws lead Jacobs to a most unfortunate conclusion:

"It seems that the environmentalists' project of adjusting GNP is doomed to failure" (236).

In fact, this is one of the environmentalists' long-standing radical objectives which is close to achievement. Roefie Hueting in the Netherlands and a team at the Federal Statistics Office in Germany are both computing sustainable income figures for their governments, and the UN review of the System of National Accounts due out later this year is likely to endorse their methodology.

Jacobs' final chapter returns to the ground on which he is most secure, with sensitive analysis of the concepts of standard of living and quality of life, their relation to consumption, and the likelihood that people will sacrifice, if necessary, to obtain sustainability. He sees this as only likely if the demand for resource-consuming (and environmentally damaging) products and activities falls off simultaneously with the reduction in supply brought about by environmental policy. Such demand changes may be due to increased environmental awareness, new and improved products which are less environmentally damaging, and a growing appreciation or enjoyment of a less environmentally damaging pattern of consumption.

These are indeed the kernels of a politics of sustainability which are all too rarely articulated with such clarity. They round off a book that must count overall as one of the most useful expositions to date of what will be necessary for an industrial economy truly to be "greened".

- J Agell, M Persson, BM Friedman, *Does Debt management Matter?*, Clarendon Press, 1992.
- B Burgenmeier, *Socio-Economics: an interdisciplinary approach: ethics, institutions and markets*, Kluwer, 1992.
- G Capoglu, *Prices, Profits and Financial Structures*, Edward Elgar, 1991.
- K Cowling and R Sugden (ed), *A New Economic Policy for Britain*, Manchester University Press, 1990.
- B Dankbaar, J Groenewegen, and H Schenk (eds), *Perspectives in Industrial Organization*, Kluwer, 1990.
- C Driver and D Moreton, *Investment, Expectations and Uncertainty*, Blackwell, 1992.
- M Emerson, D Gros, A Italianer, J Pisani-Ferry, H Reichenbach, *One Market, One Money*, Oxford University Press, 1992.
- U Himmelstrand (ed), *Interfaces in Economic and Social Analysis*, Routledge, 1992.
- D Jorgenson and Kun-Young Hun, *Tax Reform and the Cost of Capital*, Clarendon Press, 1991.
- D Mair and AG Miller, *A Modern Guide to Economic Thought*, Edward Elgar, 1991.
- AH Meltzer, A Cukerman, SR Richards, *Political Economy*, Oxford University Press, 1991.
- P Ekins and M Max-Neef (eds), *Real-Life Economics: understanding wealth creation*, Routledge, 1992.

If any EAEPE members wish to review any of these books contact the Newsletter Editor.

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, Rome Italy.

with **Mario Pianta**, *The Technological*

Specialization of Advanced Countries: a report to the EEC on international science and technology activities, Boston: Kluwer, 1992.

with **Mario Pianta**, "Specialization and Size of Scientific Activities: a bibliometric analysis of advanced countries", *Scientometrics*, 22(3), 1991, 341-58.

with **Mario Pianta**, "La specializzazione tecnologica italiana nel contesto internazionale: un'analisi dei bevetti", *L'Industria*, XII(3), 1991.

with S Cesaratto and G Sirilli, "Sources of innovative activities and industrial organization in Italy", *Research Policy*, 20, 1991, 299-313.

with **Mario Pianta**, "Specialization and size of technological activities in industrial countries: the analysis of patent data", *Research Policy*, 21, 1992, 79-93.

W Blaas and J Foster, (eds) *Mixed Economies in Europe*, Aldershot: Edward Elgar, 1993

Michael Dietrich, University of Sheffield, UK.

"The foundations of industrial policy", in K Cowling and R Sugden (eds), *Current issues in industrial economic strategy*, Manchester University Press.

Paul Ekins, Birkbeck College, University of London, UK.

A New World Order: grassroots movements for global change, Routledge, 1992.

with M Hillman and R Hutchinson, *Wealth Beyond Measure: an atlas of new economics*, Gaia, 1992.

with M Max-Neef (eds), *Real-Life Economics: understanding wealth creation*, Routledge, 1992.

H J Engelbrecht, Massey University, Palmerston North, NZ.

"Australia's Industrial R&D Expenditure and Foreign Trade", *Applied Economics*, 24, 1992, 545-556.

"Information Services, Private Bureaucracies, and Japan's Comparative Advantage", *Review of Economics and Statistics*, LXXIII, 1991, 716-9.

G M Hodgson, University of Cambridge, UK.

"Carl Menger's Theory of the Evolution of Money: Some Problems", *Review of Political Economy*, October, 1992.

"Thorstein Veblen and Post-Darwinian Economics", *Cambridge Journal of Economics*, September, 1992.

"The Reconstruction of Economics: Is There Still a Place for Neoclassical Theory?", *Journal of Economic Issues*, September 1992.

"Marx, Engels, and Economic Evolution", *International Journal of Social Economics*, 19, 1992.

"Commodity Variation and the Evolution of Money: a place for the state?", in W Blaas and J Foster (eds), *Mixed Economies in Europe*, Aldershot: Edward Elgar, 1993.

William A Jackson, University of York, UK.

"The employment distribution and the creation of financial dependence", *Journal of Post Keynesian*

Economics, 14(2), 1991/2, 267-80.

"Population ageing and intergenerational conflict: a post-Keynesian view", *Journal of Economic Studies*, 19(2), 1992, 26-37.

Bob Jessop, University of Lancaster, UK

Klaus Nielsen, Roskilde University, Denmark. with H Kastendiek, OK Pedersen (eds), *The Politics of Flexibility: restructuring state and industry in Britain, Germany and Scandinavia*, Edward Elgar, 1991

Egon Matzner, Technological University, Vienna

Gernot Grabher, WZB, Berlin. with J Kregel, *The Market Shock*, Austrian Academy of Sciences/Research Unit for Socio-Economics, 1992.

Andrea Salanti, Università degli Studi di Bergamo, Italy.

"The Notion of Long Period Positions: a useful abstraction or a Platonic idea?", *Political Economy - Studies in the Surplus Approach*, 6(1-2), 1990, 95-101.

"Marshall's Partial Equilibrium Analysis: a methodological note", *Methodus*, 3(2), 1991, 73-9.

"Roy Weintraub's Studies in Appraisal: Lakatosian Consolations or Something Else?", *Economics and Philosophy*, 7(2), 1991, 221-34.

"Popper, Lakatos and Economics: Are We Begging the Questions?", *Cahiers d'Epistemologie*, Groupe de Recherche en Epistemologie Comparee, Université du Québec à Montréal, N 9214, 1992.

INTERNATIONAL THORSTEIN VEBLÉN ASSOCIATION

The purposes of this recently formed 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.

Senior Research Fellow (1 year)

Globalization and the Advanced Industrial State

This major study, which is funded by the ESRC, began in July 1992 and will run until June 1995. The senior research fellow, subject to negotiation, will join the project in summer 1993 for one year.

The project, directed by Professor David Held and Dr. Tony McGrew, is a study of the impact of the globalization and regionalization on the autonomy and sovereignty of nation-states. It is a comparative study, focusing on France, UK, and Sweden and on interest-rate policy, toxic waste policy and arms procurement. The project will attempt to determine the degree to which the autonomy and sovereignty of nation-states has been transformed in these policy areas and consider the implications of those changes for the theory and practice of democracy.

The senior research fellow will be required to conduct case studies in each country on interest rate policy and its relationship to exchange rate policy. The research will pay specific attention to the impact of international forces and actors on the policy process. This will involve research in the case study countries as well as research within international economic organizations. It is expected that the research fellow will also contribute to the theoretical development and writing-up of the project. The project plans to publish its results in book form in 1995-96.

Applicants should have considerable research experience and a record of publication in one of the following fields: policies of economic policy making, political economy, international economics and institutions and open economy macro-economics.

Closing date for applications: 19th February 1993.

Further information and application forms can be obtained from:

Ms Yvonne Honeywell, Faculty of Social Sciences,
Open University, Milton Keynes, MK7 6AA

Association for Evolutionary Economics

EAEPE has close ties with the US-based Association for Evolutionary Economics (AFEE), sponsors of the longstanding Journal of Economic Issues. Individual membership of AFEE, including a subscription to the journal costs \$25.00 annually (students \$12.50, institutions \$30.00). Members outside North America add \$5.00. Remittances to:

F Gregory Hayden, Department of Economics, University of Nebraska, Lincoln, Nebraska 68588, USA.

EUROPEAN GROUP FOR ORGANIZATIONAL STUDIES

11th EGOS Colloquium

THE PRODUCTION AND DIFFUSION OF MANAGERIAL AND ORGANIZATIONAL KNOWLEDGE

Paris, 6-8 July, 1993

The development of managerial and organizational knowledge is one of the chief preoccupations of our times. This field of research and inquiry is now undergoing considerable transformation and can be seen as one of the most dynamic disciplines of the social sciences, a veritable "intellectual ferment". Inspired by the strong European tradition of the sociology of knowledge, the 11th EGOS Congress will explore the ways and means of production and dissemination of managerial and organizational knowledge. It will look at the ways that "theories" and "tools" are selected and used, how links between managerial and organizational ideas are related to various ideological, institutional and social interests. The international transfer of managerial and organizational knowledge – especially pertaining to its political and cultural aspects – is a further object of study.

For further details contact: Christine Mercier, Delegation a la Recherche, Groupe ESCP, 79 avenue de la Republique, 75011 Paris, France. Tel: (33-1) 49 23 20 33. Fax: (33-1) 43 55 99 63.

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.

LSE Centre for the Philosophy of the Natural and Social Sciences

CONFERENCE ON EVOLUTION AND THE HUMAN SCIENCES

London School of Economics,
24-26 June 1993.

Over the last couple of decades Darwinian theorists have discovered rigorous and powerful principles of social behaviour, and have applied them successfully to a wide variety of animal species. Can this work lend insight into human behaviour – without repeating earlier "Social Darwinist" mistakes. Recent studies – in psychology, anthropology, economics and sociology and linguistics – suggest that it can. This conference will bring together evolutionary biologists, social scientists, methodologists and philosophers of science to appraise the prospects for carrying forward Darwin's unfinished revolution.

Topics: Evolutionary roots of homicide, incest, sexuality, reasoning, language, consciousness, economics, medicine.

Further details from: Pat Gardner, Centre for the Philosophy of the Natural and Social Sciences, LSE, Houghton Street, London WC2A 2AEA, England. Tel: 071 955 7341. Fax: 071 242 0392. Email: philcent@uk.ac.lse

AN EAEPE SCIENTIFIC DEVELOPMENT PLAN FOR THE 1990s

The Steering Committee invites further volunteers for the remaining posts of 'Research Area Coordinator', explained below.

This plan suggests priority areas of scientific development for EAEPE, and proposals emanating therefrom. It is based on the premise that EAEPE should now prioritize intensive rather than extensive growth; it must invest in theoretical and policy development and try to develop a theoretical cutting edge. This means the establishment of areas of priority for scientific work.

Research Areas

The designated priority Research Areas for EAEPE are as follows:

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

Coordinators: Tony Lawson (University of Cambridge, UK), Uskali Mäki (WIDER, Helsinki, Finland) and Andrea Salanti (University of Bergamo, Italy).

Research Area B: The Application of Evolutionary and Complex Systems Theory to Economics

Coordinator: Post Vacant.

Research Area C: The Theory of Institutional Change

Coordinator: Sven-Erik Sjöstrand (Stockholm Business School, Sweden).

Research Area D: The Theory of Innovation and Technological Change

Coordinator: Pier Paolo Saviotti (University of Manchester, UK).

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 (Catholic University of Brabant, Netherlands).

Research Area G: Theoretical and Policy Aspects of State-Economy Interactions

Coordinator: Post Vacant.

Research Area H: The Theory of Macroeconomic Development and Crises

Coordinator: Harry De Haan (Erasmus University, Rotterdam, Netherlands).

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

Coordinator: Todor Balabanov (WIIW, Vienna, Austria).

The Research Areas are bound together by common theoretical presuppositions. These relate to EAEPE Theoretical Perspectives and to the focus on evolutionary and structural aspects of economic change.

Research Area Coordinators

Research Area Coordinators (RACs) are appointed by the Steering Committee. 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 2000 words, on the annual progress of 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 in the research area, and
- (ii) the Research Area Coordinator has maintained links with and personal membership of 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.

EAEPE Conferences

Another major implication is that the chosen Research Areas will be reflected in the EAEPE annual conference programme, and that Research Area Coordinators will have a significant role in planning annual conferences.