

Economics and Interdisciplinarity: One Step Forward, N Steps Back?

Economia e interdisciplinaridade: um passo em frente, n passos para trás?

Économie et Interdisciplinarité: un pas en avant, n pas en arrière?

Ben Fine



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BEN FINE

Economics and Interdisciplinarity: One Step Forward, N Steps Back?*

Mainstream economics has become more interdisciplinary. Why is this? Does it represent a break with its intra-disciplinary character? How does it relate to major points of criticism – the lack of realism and disregard for methodology and alternative schools and history of economic thought? What light does this shed on the nature of economics today? Answers are found by tracing “economics imperialism” through three phases, emphasising the “historical logic” of economics imperialism, how its initial confinement to market supply and demand created a logical framing of universal application. As a result, microeconomics (and econometrics) triumphed over other fields and methods to such an extent and with such an acceptability that its corresponding principles are now applied, however inconsistently, with those of other disciplines and fields through a process termed “suspension”.

Keywords: economic alternatives; epistemological decolonization, interdisciplinarity; mainstream economics; political economy.

Economics Is as Economics Does

The purpose of this piece is to assess the prospects for political economy, especially in the context of interdisciplinarity. A necessary starting point for making such an assessment is the current state of mainstream economics. I approach this obliquely in the first instance, and anecdotally. I was recently invited to give a lecture at the Institute of German Historical Research in London as part of a series to mark the 200th anniversary of Karl Marx’s birth, May 5th, 1818, and I sought to address the theme of Marx’s continuing influence on contemporary social science. Other talks in the series included politics, sociology, anthropology and history. I explained that the one on economics would necessarily be extremely

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short as Marx had predominantly been excluded from mainstream economics today, since the mainstream totally dominates the discipline with little room for, let alone tolerance of, alternatives. This is so whether deriving from Marx, other classical authors, or political economy or otherwise more widely. As a result, I offered to give a lecture explaining why this was so, whether this was or was not a sign of health of the dismal science, and what sets economics apart as a social science in being so negligent of Marx (and others), themes to which I will return below.

First, though, let me recall an earlier lecture I gave a few years ago for the Association of Social Economies, in which I suggested that the mainstream is unfit for purpose, focusing on just one of the many dimensions for which this is so, that is, its own heavy ethical content which it seeks to deny as being present in view of its putative scientific/positive content as opposed to normative content (Fine, 2013). In preparing the lecture, I undertook a simple test of the self-confidence of the discipline, comparing it with sociology. In the wake of the 2007/2008 Global Financial Crisis (GFC), I searched the scholarly literature employing the terms “crisis of sociology” and “crisis of economics”. Sociology had a steady stream (if not a torrent) of contributions, numbering in the thousands, persisting over time and suggesting a commendable degree of self-critical examination. Economics, by contrast, barely totalled 100, most of these dating to a debate from the 1930s on Schumpeter. Especially in the wake of the GFC, one has to wonder whether this lack of critical self-examination is a mark of the mainstream’s success or of its failure.¹

This is indicative of one of a number of other features of the mainstream: 1) its absolute self-confidence; 2) its lack or misuse (if not abuse) of the history of economic thought; 3) its lack of engagement with alternatives; 4) its poverty of methodology; 5) its lack of realism; and 6) denial of, and so lack of attention to, normative content and issues.² As a result, the absence of Marx from the mainstream is not a targeted exception, as much as the same is true of all major figures in the history of economic thought, and, other than opportunistically, most major figures in social science as well. Does this mean that there is no interdisciplinarity with respect to and within mainstream economics? I would suggest not at all, hardly surprising as I have been critically peddling the notion of economics imperialism, the colonisation of the subject matter of other social sciences by economics for twenty years or more now. Let me explore this in detail in order both to specify the nature

¹ For an account of the “superiority” (if not the arrogance) of economists, see Fourcade *et al.* (2015).

² Discussed at length in Fine (2013).

of contemporary mainstream economics, its approach to interdisciplinarity, and the potential for alternatives.³

Economics Imperialism

The term economic(s) imperialism dates from the 1930s, but it only really gathers momentum after the Second World War (WWII). From there, it has gone through three phases, ones which I have called the “old”, the “new” and the “newer”. The first phase reflects the Post WWII period, the second corresponds in part to a reaction to the monetarist counter-revolution built upon the first phase (although this second phase had a dynamic and logic of its own), with the current phase just about preceding but intensified by the GFC.

Analytically speaking, the logical origins of economics imperialism lie in what I have termed as its historical logic, which will require a bit of a narrative in the history of economic thought to specify. With the Marginalist Revolution of the 1870s, especially through Marshall rather than Jevons, Menger and Walras,⁴ we receive the key concepts of what I call the Technical Apparatus, TA1, which has remained persistent within mainstream economics to the present day. It is the apparatus attached to utility and production functions and their application to supply and demand through the market. In what was to be termed microeconomics from the 1930s, and as the junior partner to macroeconomics that distinguished itself and became the senior branch given the pressing problems of unemployment, TA1 set itself two major problems. The first refers to the properties of supply and demand functions, given that they derive from optimising individuals, and the second addresses what I call the Technical Architecture, denoted by TA2, which gave rise to the problem of forming the aggregate economy out of those individuals coordinated through the market, otherwise known as general equilibrium, and whether it exists and is unique, stable and Pareto efficient. Forging these two problems, and TA1 and TA2 together and we get what might be designated as TA².

The first of these problems was solved in the late 1930s and the second in the 1950s, via what are known, respectively, as the Hicks-Slutsky-Samuelson

³ The main thrust of what follows is to be found in Milonakis and Fine (2009) and Fine and Milonakis (2009) but for some more recent material and reflections around other themes, see my other later contributions (Fine, 2010, 2011, 2016a, 2016b, 2016c, 2017a, 2017b and 2018; Fine and Dimakou, 2016; Fine and Milonakis, 2011), where extensive references to, and discussion of, the broader literature can be found.

⁴ Marshall's *Principles* was the main microeconomic textbook until the end of the 1930s, laying out and applying the technical apparatus. General equilibrium, despite preoccupying Walras, only drew concerted attention from the mid-1930s (Marshall, 1959 [1890]).

conditions and by Arrow and Debreu for General Equilibrium. I am less concerned with the solutions than with the *process* and *context* by and within which they occurred. I call the process an *implosion* – for it involved making whatever assumptions are necessary to be able to derive meaningful results, assumptions such as fixed individuals, preferences, endowments, technologies, single motivation, fixed goods, etc., even technical assumptions within its own frame such as no externalities, increasing returns, concavities and imperfect competition. These are the origins of the mainstream’s deviation from whatever we mean by realism since, whatever the extent of use of empirical information in econometrics or otherwise, it is theoretically embedded in assumptions that suit the theory rather than the evidence.⁵ Theoretically, we do whatever is necessary to get what we want. Indeed, this actually sets a standard method within the discipline: make whatever assumptions (and exclusions) we need for our purposes and reality will have to fit, giving rise to all sorts of problems, even on its own terms, as a result of what are known as aggregation problems, the theory of the second best, the Cambridge critique of capital theory, and so on. This is indicative of a myth that the mainstream purveys of itself, that it is first and foremost committed to mathematical rigour. This may be so in obtaining mathematical results themselves if by virtue of mathematical reasoning alone. But such rigour derived from the mathematics is far from being carried over when observing the implications of mathematical reasoning, which asserts that most standard assumptions and results are implausible (as with existence, uniqueness, efficiency and stability of general equilibrium, for example).

So much for the process by which these results were derived with corresponding implications for the content of economic theory that was to become standardised, natural to economists if totally unnatural in relation to realism. The context in the interwar period within which such TA² microeconomics emerged and began to flourish was one in which it did so alongside the increasingly prominent and more significant macroeconomics and what we now call the old or, more recently, the original institutional economics, both to distinguish it from the new and to indicate that it remains relevant, respectively. The latter had, and increasingly, covered a wide range of what became more generally dubbed as applied economics, reflecting inductive, practical fields with mixed methods suitable to the subject matter at hand (public economics, labour economics, business cycles, technical change, and so on). This was very strong at the time in the United States and,

⁵ Made explicit by Friedman (1953) in dismissing the need for realism in assumptions, although the so-called F-twist rejected as such by Samuelson (1963).

alongside economic history, comprised core components of teaching and research, concerning itself with unavoidably contemporary developments for those who cared to see them, not least with the rise of large corporations, labour movements, technical change, consumerism and short- and long-term business cycles. These traditions survived into the post-war period but were subject to erosion and even marginalisation as such, if not immediately and only gradually.

When I began studying economics in the late 1960s, such subjects were still a core part of the curriculum but had already begun to be subject to accelerating capture in light of, and as raw material for, the internal colonisation of the discipline by microeconomics and its more limited methods (see below). Further, the so-called formalist revolution of the 1950s, which began the heavy mathematisation of the discipline,⁶ adopting the methods of the newly-established microeconomics, heavily consolidated the division between economics and the other social sciences (with its wider range of methods and conceptualisations including that of the economy).

So, with the two basic microeconomic problems set and solved on their own terms, microeconomics and its core TA^2 were established at the heart of at least one major field within the discipline. I can now specify the historical logic of economics imperialism, for, *historically*, TA^2 was derived out of addressing the problem of the consequences for supply and demand in the context of an entirely idealised and isolated market system. What are the (formally-derived) implications for supply and demand curves arising out of one part of individual economic behaviour in the context of a disembedded market? But, remarkably, and logically, the core concepts that were deployed (self-interest, inputs and outputs, efficiency, equilibrium and optimisation) depended purely upon universal, general, asocial, ahistorical (use whatever terms you wish) concepts with no relation to the market as such – specifically utility and production functions and the mathematical formulations associated with them. Hence, this gave rise to a tension of historical confinement to the market at one extreme, reflecting the origins of TA^2 and a *logic* of universal, not market-confined conceptualisations and potential application, at the other.⁷ As a result, there was potential to move in the direction of greater scope of application of TA^2 , to apply supply and demand as it were beyond the market, according to whatever took the economists' fancy and to whatever extent it would be accepted by fellow economists or even those

⁶ For discussion of the mathematization of economics, see Milonakis (2017).

⁷ This is made clear by Robbins (1935 [1932]) defining economics ahistorically and asocially as the allocation of scarce resources to competing ends.

from other disciplines. Against the historical origins of TA², the logic pushed towards using its methods and tools to expand its application. The implosion to establish the TA², and its subsequent implications, was to be thrown into reverse, slowly and surely at first but, as will be seen, in an increasingly explosive manner, as it gathered momentum.

This, then, gave rise to the first phase of economics imperialism, a reflection of this historical logic, with the most notable exponent being Gary Becker. What characterises this first phase, the old economics imperialism, is that it seeks to apply TA² not only to its initiating problem of the implications of individual optimising behaviour in a market context (supply and demand) but across other economic and social problems, in principle without limit. It comes to treat the non-market, the social, as if a market were present, as if family members trade with one another, for example, or criminal activity is simply a matter of potential rewards set against potential punishment at the margin. Initially, the most prominent applications were to be found with human capital theory (treat skills and learning and their application as if a fixed asset), the new economic history (or cliometrics, which treats the past as if models of supply and demand) and public choice theory (politics as markets). But in the context of the post-war boom and the intellectual triumph of Keynesianism, microeconomics remained subservient to macroeconomics (in the form of IS/LM), and there remained some continuing strength of applied economics, as well as respect for, possibly intellectual intimidation by, disciplinary boundaries.

But the stagflation of the 1970s gave rise to the monetarist counterrevolution most closely associated with Milton Friedman. Yet, ultimately, and equally and intellectually much more important or wide-ranging, something else was gathering momentum, possibly less likely to be recognised because of the dramatic demise of the previously hegemonic Keynesianism both as a field of macroeconomic scholarship and as a rationale for much more wide-ranging interventionism. For, generally, the monetarist counter-revolution also signalled a watershed for the reversal of the macroeconomic/microeconomic hierarchy within the discipline. In turn, it was associated with two effects of importance for our narrative. First, the applied fields became subject to “theory”, i.e. microeconomics, and became squeezed out as alternatives, most notably in the appropriately dubbed new development economics and the Washington Consensus, examples of the first phase of economics imperialism (treat everything as if, and to be made into, perfectly working markets) par excellence. This signified the extent to which economics imperialism was *internally* colonising the discipline of economics, not least macroeconomics itself, with its reduction to microeconomics. With the

New Classical Economics (NCE), and the emergence of rational expectations, representative individuals, and so on, macroeconomics was increasingly driven to the extremes of microeconomics, and assumptions to suit the theory rather than the subject matter.

Second, and subsequently, there came the restoration of (hydraulic) Keynesianism⁸ through asymmetric information, market imperfection economics, consolidating (rather than breaking with) the reliance upon microeconomics, and many of the extreme assumptions attached to the NCE, such as rational expectations, representative individuals, and reduction of finance to the supply of and demand for money. In time, the New Consensus Macroeconomics emerged, and rose to hegemony until it was rudely shattered by the GFC, exposing even for its exponents how impoverished macroeconomics had become in content and scope.⁹ With real business cycles, and technical change treated as random shocks, the NCE was macro treated as micro, and not only taken to extremes but also in extreme ways. Lucas (2003) famously declares that micro has the prospect of making macro superfluous, possibly by defining as economics only what can be done by microeconomics.¹⁰

Inevitably, there were (orthodox) Keynesian reactions against such extremes, although they are striking for incorporating rather than rejecting much of the initiatives attached to NCE (especially in terms of continuing reliance upon microeconomics and rational expectations if not perfectly working markets and completely ineffective state intervention).¹¹ Such were

⁸ By which we mean, here and elsewhere, the hegemonic IS/LM framework of the Keynesian period, as opposed to the many varieties of Keynesianism that have both co-existed with and succeeded it.

⁹ For Blanchard (2008: 1; italics added), erstwhile Chief Economist at the International Monetary Fund: “For a long while after the explosion of macroeconomics in the 1970s, the field looked like a battlefield. Over time however, largely because facts do not go away, a largely shared vision both of fluctuations and of methodology has emerged. Not everything is fine. Like all revolutions, this one has come with the destruction of some knowledge, and suffers from extremism and herding. None of this deadly however (sic). *The state of macro is good*”. Subsequently, five *mea culpa*s were confessed in explaining how the state of macro was no longer good, that: low inflation should be a primary target of policy; this could be achieved through the single instrument of the interest rate; fiscal policy was of limited significance; financial regulation was not a macroeconomic matter; and, with the Great Moderation, continued stability was more or less guaranteed (Blanchard *et al.*, 2010).

¹⁰ Thus, as opposed to stochastic risk, “in cases of uncertainty economic reasoning will be of no value” (Lucas 1981: 224).

¹¹ Thus, for the neoclassical Keynesian, Solow, extreme distaste for the NCE is expressed and widely cited as follows: “Suppose someone sits down where you are sitting right now and announces to me that he is Napoleon Bonaparte. The last thing I want to do with him is to get involved in a technical discussion on cavalry tactics at the Battle of Austerlitz. If I do that, I’m getting tacitly drawn into the game that he is Napoleon Bonaparte” (Solow *in* Klamer, 1984: 146). But his own promotion of the economy as a single production function, and treatment of technical change as a residual in the 1950s is no less extreme and, indeed, facilitated further the macro as micro extremes of what was to follow, however much unpalatable to him as a Keynesian.

the market *imperfection* foundations for what was to give rise to the second phase, the new, economics imperialism. Unlike the old economics imperialism, which treated the non-market as if market (the choice between apples and pears is exactly the same as between war and peace, for public choice Nobel prize-winner James Buchanan), the new economics imperialism treats non-market as if it were a response to market imperfections. So, for example, the family, the state, institutions, customs and culture are all to be explained as the response to the failure of the market to work perfectly. As a result, non-market relations emerge, if still on the basis of optimising behaviour. These have the potential either to improve equilibrium outcomes or even to worsen them (as would be argued by those who believe in market perfections where interventions to improve upon the market merely make it work worse).

This held out the prospect of a more widespread and palatable economics imperialism from the perspective of other social sciences, in light of not reducing everything to be market-like, thereby giving rise to a whole range of “new” or renewed fields for the mainstream – such as the new economic sociology, the new welfare economics, the new institutional economics, the revitalisation of the new economic history (led by Douglas North with the startling claim that institutions matter), the new growth theory, and the shift from new to “newer” development economics (and from Washington to post-Washington Consensus).¹² This is all reflected in what can be termed a “bringing back in”, or BBI syndrome. This is paradoxical, even perverse, since given that the TA² could only be established by omitting legions of considerations in order to be able to establish core results, that apparatus was now to be more broadly applied, precisely in order to address those considerations upon which its legitimacy depended on them being absented.

As is well-known, the emblematic example of the new market imperfections economics is Akerlof’s market for second-hand cars considered to be lemons. Asymmetric information between buyers and sellers means the market is inefficient. Those wishing to get together to exchange a superior (inferior) car at higher (lower) price cannot do so since such cars are indistinguishable from one another and so must sell at the same price. Higher quality cars may be excluded from the market at too low a price, and lower quality cars crowd in at price higher than value. This is inefficient as such but it is also possible that there will be excess supply (demand) if prices settle high (low) or absence of markets altogether if no one trusts quality sufficiently. But this has nothing to do with second-hand cars in particular. The same

¹² Also space was found for game theory and its application to behavioural economics (strategising to optimise rather than allowing for other behavioural motivations in the first instance).

could happen in any market. Concerned dealers might group together and offer a warranty scheme, a non-market, collective solution. By the same token, this is the embryonic form of the state, culture, habit, institutions, etc. Microeconomic market imperfections are enabled to explain the non-market as responses to those imperfections.

So, microeconomics and market imperfections allow more or less any economic and social variable to be incorporated on the basis of optimising individuals. This potential inclusion of variables as a response to market imperfection holds the key to the current, newer phase of economics imperialism, emerging prior to but accelerated by the GFC. This phase is characterised, relative to the market imperfections phase, by what I call “suspension”. The BBI could only become increasingly significant once TA² was so strongly and unquestioningly deployed that it could be done so without being threatened by confrontation, combination even, with inconsistent assumptions or conceptualisations around what has been left out. Most notable, for example, is bounded rationality, and behavioural economics more generally, and game theory (treated with suspicion as TA² was being consolidated because of its behavioural interdependencies). But the BBI associated with the new phase of economics imperialism is akin to an original sin, motivating the inclusion of any variable as subject to optimisation. But, by the same token, once these variables have been introduced on this basis, it is a simple step to continue to use them on whatever basis is chosen without necessarily relying completely and exclusively on optimising behaviour alone.

As a result, the exclusive preoccupation with optimisation can be suspended, but it is not discarded. It might be combined with other motivations and constraints other than the market. Even where optimisation (especially as utility maximisation) is abandoned altogether, there is a tendency for it to remain present in the form of what individuals would do if they or the world in which they live were perfect. Such suspension enriches the scale and scope of BBI, allowing for mixed theories in the formulation of the loosest of models – throw in variables and estimate, dovetailing with increasing presence of econometrics which allows a corresponding shift in meaning of model from theory to an equation or six. The world becomes a Cobb-Douglas function, or CES (constant elasticity of substitution) if you can manage it, most notably in empirical applications of the new, endogenous growth theory. And, with suspension, the mainstream economist can claim no longer to be neoclassical, to have become more realistic, and even to be interdisciplinary and heterodox in departing from what has gone before – although the reality is that the methods, theories and conceptualisations of the latest phase of economics imperialism remain negligent of, and hostile to,

those of other disciplines and heterodoxy especially regarding the analysis of the systemic, power, conflict, class and so on that take suspension too far from core dependence upon TA².¹³

Acknowledging the Strengths, Exposing and Exploiting the Weaknesses

In short, economics and economics imperialism in its latest phase of suspension is so powerful and confident in its core, TA², that it is able to breach it at will in extending itself to ever more areas of application. In a sense, it is fake news within the realm of academia. It also projects itself from an extraordinarily powerful position of institutional, Americanised strength, over training of PhDs, control of journals, command of Nobel Prizes, and so on.

But, equally, matching the overwhelming and even increasing institutional hold of the mainstream over the discipline, there are striking and increasingly overt intellectual weaknesses. The first and most stunningly obvious one is incapacity relative to the GFC: the inability to explain, even after the event, how it could have happened. Second is the lack of a coherent world vision – whether Ricardian, Keynesian or even monetarist – which commands general support despite the unanimity on unquestioned methods, centred on, even if suspended from, TA². Third is the inability of economics to explain the economy, the need to draw upon other social sciences and variables to do so, an implicit acceptance that economics as such is unfit for the economy without supplementation from the non-economic and the other social sciences. Fourth, once the mainstream trespasses onto other disciplines, outside its extreme methods, conceptualisations and assumptions, it exposes itself to critical alternatives drawn from the other social sciences. Fifth, the systemic and interpretative aspects of the other social sciences and the humanities are the least amenable to economics imperialism although weak assaults are and can be made; mainstream economics is extremely uncomfortable with the non-individualistic or what can be derived from it, not least with respect to issues of power and conflict, and equally ill at ease with the critical examination of the meaning and reconstruction of concepts and their normative content.

The most recent and obvious example of most of these weaknesses is provided by the concept of financialisation. This has exploded across the social sciences over the last decade but it has as yet had no presence at all

¹³ There are also claims not only of understanding the world as deriving from markets, working perfectly or otherwise, but also of capacity to create better-performing markets through appropriate design and regulation of markets and behaviour. Here, there are affinities with the performativity thesis (for example, the role of Black-Scholes in creating financial markets) but see Fine (2016d) for a critique.

within the mainstream,¹⁴ with the presumption that all that has happened in the intervening period can be sufficiently addressed through the suspensions previously suggested, broader behavioural assumptions in particular to the fore. But, whilst understandably prominent as a deficiency of the mainstream, brought to light by the GFC, this is merely the tip of the iceberg of a legion of deficiencies driven even by a suspended methodological individualism: how we deal with innovation, distribution, monopolisation, globalisation, neoliberalisation, the exercise of power, conflicts, their meanings, contextualisation and determinants.

This allows for a more positive turn in our account, especially where interdisciplinarity is concerned and through which mainstream economics is exposed by the mainstream let alone radical social science. For it is precisely with its narrow and reduced conceptualisation of the economy that mainstream economics' weaknesses have their other worldly mirror images in other social sciences. Nor is this merely a matter of logic and differences in interdisciplinary boundaries and inner content. Following a period of postmodernism, without ever fully discarding its fecund successors (varieties of post- this and that -isms) over the past twenty years, the social sciences have taken a more material or realist turn, as reflected in the treatments of neoliberalism and globalisation and, as already mentioned, financialisation. Attention has turned to how these developments with respect to neoliberalism, globalisation and, increasingly, financialisation, have affected everything from systemic functioning to our daily lives of situated individuals as opposed to those defined by exogenously given utility functions.

The result has been a blossoming of political economy across the social sciences and a sort of Cold War between it and mainstream economics, in which limited serious engagements take place other than in the unfulfilled demands of students for the Rethinking of Economics and its more pluralistic teaching. This is why the formation of Political Economy associations are so important in bringing together critiques of the mainstream, its putative interdisciplinarity, and its intolerance of alternatives. This has underpinned my own intellectual motivation in part for a number of decades, not least in how to sustain and to reproduce traditions and knowledges of alternatives, with critical knowledge of (and to be turned against) the increasingly intolerant monopoly of the mainstream.

Rhetorically speaking, where does this leave political economy and interdisciplinarity strategically, given the huge scope for analytical criticism?

¹⁴ See Dymski (2015) although, unsurprisingly, diluted understandings of financialisation have begun to appear within mainstream literature.

It is not, then, especially through “suspension”, to be underestimated how much the mainstream is capable of striking back by making minimal concessions through economics imperialism itself, as if such developments were capable of negating all criticisms from pluralist perspectives. There is thus the need for continuing to expose and critique the mainstream, even if doing so is arduous and unrewarding in certain respects. Also, as reflected in the movement for a pluralist economics, one must be mindful that there is considerable potential for both unity and division despite what might otherwise appear to be a common purpose. Across almost all criteria, mainstream economics is methodologically, conceptually, theoretically, by its standard assumptions even, positioned at far extremes from the standard perspectives of other social sciences let alone political economy. Accordingly, there is so much to criticise from so many different standpoints that often the only thing critiques need to have in common is the multiplicity of (and not necessarily shared) ways of disagreeing with the mainstream, whether minimally or as outright rejection. With the latest phase of economics imperialism as suspension, we are all pluralists now – although it is commonplace to find that mainstream economists accept pluralism in principle (or as a strategic response to what is perceived to be uninformed grumbles) whilst the practice is to reject alternatives as unscientific by some unspecified criterion (generally lack of mathematical modelling around TA^2 , suspended or otherwise).

In short, with suspension, we are all pluralists now although some are far more pluralist than others. To some degree, this situation plays into the hands of the latest phase of economics imperialism in a number of ways. First, it can selectively plunder heterodox economics in a marginal way, just as previously it has plundered social sciences, for variables to include in its (suspended) deployment of TA^2 . Second, this allows for what might be termed mainstream heterodoxy as a defence of the discipline – consider that we are responding to criticism, we are becoming more realistic, we are interacting with other social sciences. Third, this gives rise to claims that, far from perpetrating economics imperialism, economics is becoming more rounded, and even subject to, a reverse imperialism (as if the adoption of Indian cuisine in the United Kingdom, takeaways in particular, at the expense of fish and chips, is evidence of historical reversal of British imperialism).

In this light, vigorous debate on whether the current nature of the mainstream and its relationship with other social sciences is vital to situating and promoting alternatives. And there is such debate, on which considerable disagreements have arisen. An example of this is how Tony Lawson, the leading exponent of Critical Realism in Economics (CRE) has argued that neoclassical economics does not exist or, at the very least, is a misleading

term insofar as it does not have a common theoretical and conceptual core and certainly does not continue the traditions nor renew classical (political) economy. However, I would suggest that a trip to any number of lecture rooms, textbooks or journals, let alone economics departments, would indicate otherwise at least as far as core analytical content is concerned.¹⁵ For Lawson, mainstream economics is defined by its deterministic, deductive methodology as opposed to substantive theory, and this is reflected in its increasing reliance upon mathematical modelling. A different if, to some degree, consistent interpretation is offered by Colander (2010) in which he sees neoclassical economics as disintegrating from outside, as new methods and factors are brought to bear, drawn for example from other social sciences (i.e. reverse imperialism and more). As is apparent, I disagree with both of these interpretations and can explain why they might be termed a real illusion. In the case of mathematics (and econometrics) the discipline relies upon the false presumption that it is emulating some invented notion of the methods of the natural sciences. But, as I have sought to emphasise, alongside increasing mathematisation, there remains a core analytical content around TA² even if suspended in the latest phase of economics imperialism. And the idea that this represents the disintegration of the mainstream from without is contradicted by the simple observation that, as the mainstream has expanded its scope and methods, it has become even more (and not less) tolerant of alternatives beyond what are very narrow boundaries. Indeed, put the issue of the disintegration of the mainstream before any heterodox economist seeking a job or student seeking a course of political economy or history of economic thought, economic methodology, etc. Instead, as I have argued, at the heart of mainstream economics lies TA² even though it is now embedded in suspension, giving the appearance of no such thing as neoclassical economics (Lawson) and disintegration from outside (Colander).

Such different takes on the nature of the mainstream, and its interdisciplinarity, have significant implications on how to situate opposition and alternatives. For Lawson, the main line of attack is through social ontology where the mainstream is admittedly weak but not debilitatingly so. Tellingly, the mainstream has primarily and studiously ignored, even dismissed, methodological issues for decades. Whatever the intellectual merits of Lawson's approach – and they are considerable – there must be doubts over its impact in persuading those within the mainstream to abandon it, and whether they might be better drawn to do so by questioning many of

¹⁵ For my own critique and more general debate over Lawson's stance, see Fine (2016b) and Morgan (2016), respectively.

its extreme characteristics apart from those derived from its impoverished and ill-considered methodology. In short, CRE is just one amongst any number of avenues for critical assessment of the mainstream and for posing alternatives.¹⁶ And contra Colander, the idea that the mainstream will disintegrate from the outside through concerted but compliant contribution from heterodoxy is far-fetched.¹⁷

Nonetheless, my own inclination is unambiguously to lean towards being tolerant of all of the forms of heterodoxy, whilst engaging in vigorous and critical debate over alternatives, mindful of the extent to which the monopoly of the discipline of economics by the mainstream renders any opposition extremely difficult, fragile and to be welcomed and nourished. Nonetheless, there is much to be said both for intellectual integrity – saying how it is as opposed to what is acceptable to the mainstream – and never forgetting that pluralism is a stance of equal voice in very unequal circumstances, given the mainstream’s dominance.¹⁸ But in the realm of scholarship, at least in principle, it is the power of ideas and arguments that should prevail, and we have superior weapons across methodology, realism and interdisciplinarity especially as the mainstream exposes its weaknesses through economics imperialism. So, whilst we must be aware of the dangers of intellectual opportunism parading itself as strategic compromise, in the realm of ideas, intellectual integrity should take pride of place, alongside tolerance of its blooming wherever and however it can.

As a result, those engaged in heterodox, pluralist and/or interdisciplinary political economy should not underestimate the challenges they face from a hostile and dominant mainstream. But opportunities will open and close, possibly within economics itself (in response to student demands for example) as well as within other disciplines. In the United Kingdom for example, political economy is strong within business and management schools for peculiar reasons: that it is interdisciplinary and successful (students think it gets them a job), that it corresponds to financial and hence intellectual independence

¹⁶ Interestingly, Hodgson (2018) strongly supports the idea that TA² remains paramount, at least through dependence upon utility maximisation if, ironically, he ignores the role of production functions. He puts this down to the inability to falsify the U max hypothesis empirically. He argues that reference to ethics and broader individual motivation may be the most effective strategy in displacing the mainstream. However, this overlooks the extent to which the mainstream remains committed to its core even where it can be falsified, not least the Cambridge Critique of Capital Theory in which he has himself somewhat previously made a telling contribution in pointing to neglect of its implications (Hodgson, 1997).

¹⁷ For a spirited critique of Colander, and especially that heterodoxy does not have anything to offer other than critique, see Lee (2013).

¹⁸ Consider, for example, how many departments of economics would join an association of pluralist economics.

and has some attachment to the real world (of business or otherwise), or that it represents an institutional strength of heterodoxy (Critical Management Studies), and a history of restructuring many disciplines under a single umbrella, at times under the leadership of radical academics from the 1960s as they attain institutional seniority. More generally, and more important, the turn against postmodernism (where it is not being reinvented) and towards the real in light of the privations of neoliberalism, and the stark realities of the GFC and its consequences, have meant that political economy has been centrally located in many disciplines and topics across the social sciences.

Different countries will have different disciplinary trajectories and contexts although the overall trend everywhere has been for the reduction and marginalisation of political economy even where it might previously have been both strong and vibrant. At an individual level, as opportunities equally open and close, compromises are needed with respect to publications and teaching, and these should be tolerated whilst advocating for progress towards alternatives to the mainstream. Such developments are that much stronger and secure the more they are linked to, and supported by, associations of political economy, these in turn committed not only to the critique of the mainstream but also to interdisciplinarity. Having played a role in founding the International Initiative for Promoting Political Economy – IIPPE (<http://iippe.org/>) a decade ago, and now serving as its Chair, I have been delighted that it has been able to engage with similar organisations, not least the Association française d'économie politique – AFEP (<http://assoéconomiepolitique.org/>), the Turkish Social Sciences Association – TSSA (<http://tsbd.org.tr/>), and the Brazilian association Sociedade Brasileira de Economia Política – SEP (<http://sep.org.br>). IIPPE has held joint conferences with AFEP (another in 2019), and TSSA, and has longstanding relations with SEP. The same will apply to the newly-formed Rethinking Economics for Africa – REFA (<http://www.rethinkeconomics.org/re-group/rethinking-economics-africa-wits/>) which has just held its founding conference. IIPPE held its 2016 Conference in Lisbon and a future joint conference surely represents a promising step for promoting political economy both within and across national and disciplinary borders.

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Ben Fine

Emeritus Professor of Economics at SOAS, University of London |

Visiting Professor, Wits School of Governance, University of the Witwatersrand
Thornhaugh Street, Russell Square, London WC1H 0XG, United Kingdom

Contact: bf@soas.ac.uk

ORCID: <https://orcid.org/0000-0002-4301-0730>

Economia e interdisciplinaridade: um passo em frente, n passos para trás?

A economia *mainstream* tornou-se mais interdisciplinar. Porquê? Representará isto uma rutura com seu carácter intradisciplinar? Como é que isso se relaciona com os aspetos mais criticados – a falta de realismo e o menosprezo por metodologia e escolas alternativas e a história do pensamento económico? Que luz é que isso lança sobre a natureza da economia hoje? As respostas encontram-se na identificação do “imperialismo económico” através de três fases, enfatizando a “lógica histórica” do imperialismo económico, e como o seu confinamento inicial à oferta e demanda do mercado criou um enquadramento lógico de aplicação universal. Como resultado, a microeconomia (e econometria) triunfou sobre outros campos e métodos, de tal forma e com tal aceitabilidade que princípios que lhe são correspondentes são hoje aplicados, ainda que de modo inconsistente, com os de outras disciplinas e campos, através de um processo denominado “suspensão”.

Palavras-chave: alternativas económicas; descolonização epistemológica; economia *mainstream*; economia política; interdisciplinaridade.

Économie et Interdisciplinarité: un pas en avant, n pas en arrière?

L'économie *mainstream* est devenue interdisciplinaire. Pourquoi? Ceci représente-t-il une rupture avec son caractère intradisciplinaire? Comment cela est-il en rapport avec les points les plus critiqués – le manque de réalisme et le mépris envers la méthodologie et des écoles alternatives et l'histoire de la pensée économique? Quelle lumière cela lance-t-il sur la nature de l'économie aujourd'hui? Les réponses sont trouvées en identifiant l'“impérialisme économique” à travers de trois phases, en emphasiant la “logique historique” de l'impérialisme économique, avec son confinement de base à l'offre et à la demande du marché qui créa un encadrement logique à l'application universelle. Comme résultat, la microéconomie (et l'économétrie) triompha sur d'autres domaines et méthodes, de telle forme et avec une telle acceptabilité, que ses principes correspondants sont à présent appliqués, bien que de façon inconsistante, avec ceux d'autres disciplines et domaines par le biais d'un procédé dénommé “suspension”.

Mots-clés: alternatives économiques; économie *mainstream*; décolonisation épistémologique; économie politique; interdisciplinarité.