Epilogue

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Abstract and Keywords
This chapter provides a brief outline of some of the major developments in the Economics Department during the years after 1981. The domain of radical political economics expanded considerably and lines between paradigms in the Department blurred. But the intellectual legacy of the radical period in the Department is considerable and remains significant to this day.

Keywords: heterodox economics, legacy, conscience-on-the-left, paradigms

Don't let it be forgot

That once there was a spot

For one brief shining moment that was known

As Camelot.

A.J. Lerner and F. Lowe, Camelot
In our world, perfection, no matter how closely approximated, cannot last. Outside events, changing circumstances, and human development, frailties, and weaknesses always intervene to cause its disruption and dissipation. That happened to Arthur’s Camelot, and it happened to the Economics Department on the University of Massachusetts’ Amherst campus.

Up to the mid 1980s, the Department had been run mostly by those older individuals who had joined the economics faculty by 1975 and who had played a major role in working out compromises between radicals and nonradicals from 1975 to 1980. By 1985, however, the younger generation in the Department, many of whom had been hired more recently and had been given, or were close to being given, tenure by then, were becoming restless. As of 1980 they were not quite yet mature scholars, and many had come late to the exciting and stimulating intellectual intercourse that had developed among radicals and between some radicals and some nonradicals during the 1970s. Thus, even if these younger faculty members were teaching graduate courses, they had still been largely left out of much of the latter discussions and interactions. Not surprisingly, the younger generation wanted to be more a part of the Department and to have more of a say in running it. They also began to dislike being identified as radical or nonradical according to the classification scheme set up in the search-committee report of the spring of 1976. The aversion to that scheme arose because the younger faculty members felt that they were more flexible and eclectic than the rigid and narrow classification scheme made them out to be. The impetus for these latter feelings may have had something to do with what was then occurring in the outside world. First, this generation was too young for the Civil Rights and Vietnam War protest movements, now in the distant past, to have had a major impact on their lives. Second, the threat of Communism and the fear of the Soviet Union had begun to decline, weakening the allure of Marxism and interest in traditional radical topics like imperialism. Moreover, some Marxian ideas, such as power and authority in the firm, intergenerational inequality, and unemployment as labor discipline, had been picked up by economists with little or no intellectual connection to Marx. ¹ Third, with the U.S. economy starting to recover from its inflationary and recessionary difficulties of the previous ten years, domestic economic issues that had initially piqued the curiosity of the radicals, such as poverty, had become less urgent. Of course, the fall of the Berlin wall in 1989, the subsequent breaking away of Eastern
Europe from the Soviet umbrella, the collapse of the Soviet Union itself in 1991, and the continuing economic expansion into the 1990s only intensified these feelings.

What was becoming clear was that this subgroup of the economics faculty (along with some of the older faculty members as will be described below) had begun to perceive the field of radical political economics in a new and different way. From their developing perspective, the field was moving closer to the economics establishment (as the establishment, noted earlier, was co-opting some radical notions) both in taking up, albeit in a different way, some of the topics investigated by that establishment, and in adopting some of the establishment's analytical techniques, like the theory of games, as the basis for addressing their own questions. These changes, set in motion in the 1980s, extended well beyond the Economics faculty at the University of Massachusetts at Amherst. They evolved over the next twenty years into a full-blown metamorphosis that considerably modified and broadened the field. In its altered and expanded (and contemporary) form it could now be said that

. . . radical economics comprises a broad set of methodological approaches, including Marxian political economy, institutionalism, post-Keynesianism, analytical political economy, radical feminism, and post-modernism. . . . [It] emphasizes conflict outside of class conflict [such as that arising from race and gender relations], policy-relevant analysis, and incorporation of more mainstream methods into radical research. . . . [Its] characterization of the core injustice of capitalism has moved from a narrowly defined concept of exploitation at the point of production to broader inequality beyond both (p.174) production and class. . . . The role of individual choice . . . has become more prominent . . . [and the representation of capitalism itself more realistic].

Perhaps because of its expanded intellectual domain, radical political economics has come to be known as heterodox economics.

At any rate, by 1989, restlessness among the younger faculty had built up to the point at which they had become receptive to Departmental change. And while this receptiveness was developing, the intellectual stances of some of the older
radical faculty were also evolving in a similar way, thereby providing leadership for a demand for change. As previously noted, Rapping abandoned the field of radical political economics entirely and moved back into closer alignment with the economics establishment. And Bowles and Gintis lost interest in traditional Marxian political economics and began to turn their attention to such topics as altruism in economic behavior and contract enforcement in the labor market. In addressing these and other matters, they employed game theory as one of their fundamental analytical tools. Such intellectual transformations, occurring as they were among both young and older faculty, caused within the Economics Department some of the previously existing sharp paradigmatic distinctions described in Chapter 1 to blur. The exciting and stimulating intra-Departmental discourse that went with those distinctions, and that characterize the near perfection that the Economics Department had achieved, began to dissipate. There was still, to be sure, lively scholarly interaction in the Department, but it did not have the same passion, intensity, and urgency as before. (p.175)

These intellectual transformations also had an impact on the Department’s graduate PhD program and on its radical/nonradical classification scheme. In the spring of 1991 changes were adopted in the former that de-emphasized cross-paradigmatic comparisons and propelled it, in some small measure, toward more traditional programs. Courses taught by Bowles and Gintis began to employ, in confluence with their altered research interests, the methodology of game theory rather than Marxian methodologies. Comprehensive examinations were revised so that students need be examined on economic theory in relation to only one paradigm instead of two. The second examination could now cover an applied field such as economic development, economic history, or labor economics.

A few years later in the spring of 1994, in the process of selecting a new chair, the rule that 40 percent of the Department’s faculty should be from the field of radical political economy was discarded:
Having regard to the evolution of Department members’ professional interests, activities, and curriculum developments, . . . at this time the existing dichotomization of the Department memberships [sic] into [radical] “political economy” [sic] and [non-radical economics is to] be . . . discontinued. [However] the dedication of the Department to the intellectual diversity and varying professional commitments that have identified the uniqueness of the Department [is to be maintained] . . . .

The elimination of the 40 percent rule was initiated by the nonradical Douglas Vickers as chairman of the Department’s Chair Search Committee and was a reflection of the new harmonies and new (p.176) interaffiliation of ideas and interests that had come to characterize the Department. Its importance should not be underestimated. Dropping the 40 percent rule represented closure or the end of the no-longer-necessary agreements associated with the search-committee report of the spring of 1976 that had permitted the Department to overcome difficult ideological differences and function as a unified, friendly, and productive unit. It also signaled the end of the radical era in the Economics Department on the Amherst campus of the University of Massachusetts as it existed from the early 1970s into the mid 1980s.

It should also be noted that, by this time, Richard C. Edwards of the original radical package had left the Department along with Michael H. Best and two others who had earlier been counted as radical political economists. Leonard A. Rapping had died in October of 1991. Subsequent retirements have left only Steven A. Resnick from the radical package as a full-time faculty member. James R. Crotty retired in 2008. As for those members of the Economics faculty who served as chairmen of the Economics Department, James K. Kindahl retired from the Department in 1998 and died in 2003. Simon Rottenberg retired the same year as did Kindahl and lived until 2004. Norman D. Aitken moved into University administration in 1992 and did not return to the Department as a full-time faculty member. And I am still a full-time member of the Economics faculty.

However, in spite of all of these changes and departures, the intellectual legacy left by members of the original radical package, with the addition of Rapping and Crotty, up through 1981 remains significant. That legacy includes a sweeping revision and extension of Marxian theory as well as a
resuscitation of its notion of the reserve army of the unemployed, and substantial contributions to post-Keynesian economic thought, and to the analyses of inflation, \textit{(p.177)} segmented labor markets, endogenous preferences, the economics of education, and the exercise of power in markets with incomplete contracts. Extending their influence still further, the radical faculty created two institutions in the late 1970s that continue to thrive to this day: The Center for Popular Economics reaches into the nonacademic community to promote economic justice through education. The Association for Economic and Social Analysis advances the development of the revised version of Marxian theory identified with the Resnick-Wolff paradigm of mutual interaction of all analytical elements, in part with the publication of its widely read journal \textit{Rethinking Marxism}.

There is more. The presence of the radical political economists was the primary contributor to the development of an intellectual ethos or culture that remains in the Economics Department today and that permits serious economic work which, although it does not fall clearly within any of the four main paradigms, is cognate to them. Over the years, multifarious efforts in a variety of fields have been undertaken. Apart from the development of the three radical paradigms listed in Table 1.1 (see p. 15), radical studies in the areas of gender economics, now a part of feminist economics, \textsuperscript{5} Latin American development, and the interplay between politics and economics in American capitalism, and extra-paradigmatic collaboration between radicals and nonradicals have already been noted. However, in addition to these latter investigations, inquiries were also undertaken by faculty members who might more readily be classified as closer to the mainstream of economic theory and \textit{(p.178)} the neoclassical paradigm, but which, at the same time, had clear relevance to what was developed within the radical paradigms. Nonradical analyses of economic decision making based on the previously noted notions of historical time, ignorance, and nonprobabilistic uncertainty are illustrations.\textsuperscript{6} Traditional analyses undertaken by nonradicals often had a more liberal and methodological flavor than those emanating from the economics establishment.\textsuperscript{7} And nonradical dissent from the neoclassical paradigm also found a home and flourished in this environment.\textsuperscript{8} \textit{(p.179)}
Part of the reason for the emergence of the intellectual ethos just described has been indicated in Chapter 1. To recapitulate it here, recall that, due to the restrictiveness of the standards for judging scholarship imposed by the economics establishment, the radicals were unable to publish their research in many of the standard economics journals. Thus, within the Economics Department, publication in nonestablishment-approved outlets was considered to have the same status as publication in approved locations. Because this was Department policy that applied to all faculty equally, a vast array of new research possibilities was opened up to nonradical as well as radical faculty. Combined with the intense intellectual interaction and questioning that went on across paradigms, work related to but outside of the four main paradigms, and work by nonradicals that was critical of the neoclassical paradigm found a comfortable home.

In contrast to the American economics profession, which, as indicated in Chapter 4, had moved politically and ideologically to the right, the University of Massachusetts's Amherst campus Economics Department, even without the strong 1970s comparative paradigmatic emphasis, has maintained its position on the left. Its stress on comparing paradigms has been replaced by a focus on empirical studies and policy analysis. But unlike the profession in general, which currently relies on the functioning of markets to solve problems and improve human lives, the Departmental approach is more inclined to give relatively greater weight to state or governmental intervention. That perspective can be thought of, in part, as an outgrowth of the Keynesianism, liberalism, and radicalism of the 1960s and appears to be more in tune with policies undertaken to resolve the economic difficulties that began to affect the U.S. and global economies in 2008. Leading the way in this regard is the Political Economy Research Institute (PERI) which was created in 1998. PERI is an independent unit on the Amherst campus of the University of Massachusetts with close ties to the Economics Department. It shares staff and collaborates with Department faculty, and employs and provides fellowships for Department graduate students. Its mission is to develop "workable policy proposals that are capable of improving life on our planet."
In the spring of 2002, the Economics Department was evaluated once again by an outside visiting committee, this time consisting of Keith B. Griffin (University of California at Riverside), William A. Darity, Jr. (University of North Carolina at Chapel Hill and Duke University), and Deidre N. McCloskey (University of Illinois at Chicago). The April report of the external evaluation committee stated in its introduction that:

The Department of Economics is a jewel in the crown of the University of Massachusetts at Amherst. It is distinctive in that it is one of a very few departments in the country that gives a strong voice to heterodox economics alongside of orthodox economics. Thus it stands out from the bland uniformity of the large majority of economics departments in the United States . . . in systematically exposing orthodox economics to the competition of ideas . . . and [thereby] plays a very important role in this country's economics profession.

The Department . . . has a highly distinguished faculty working within several different traditions in economics [including] Marxian, post-Keynesian, institutionalist, historical, non-Marxian radical political economy, and feminist economics. Many members of the faculty enjoy national and international reputations for the quality, originality and relevance of their work. It is no exaggeration to say that the quality of the economics faculty at U Mass [sic] is the envy of other departments which provide a home for heterodox economics.

Finally, the Department is impressive for its diversity, in several dimensions. Its methodological approach is of course diverse. . . . Many different schools of thought are represented and students, both undergraduates and graduates, are exposed to many different points of view and encouraged to come to their own conclusions.

So it appears that in its descent from the near perfection it enjoyed from the mid-1970s to the mid-1980s, the Economics Department of the University of Massachusetts at Amherst has not, apart from the characteristics that are a direct consequence of that near perfection itself, lost very much. Over the years it has matured into a sort of conscience on the
left for the economics profession at large, and is unlikely to give up that role soon. (p.182)

Notes:


(3.) A more detailed and more complete history of heterodox economics, covering, in part, extensive versions of the approaches listed in the previous quotation can be found in F. Lee, A History of Heterodox Economics (London: Routledge, 2008).

(4.) Report of the Chair Search Committee, April 8, 1994, p. 5.

(5.) Feminist economics, as it exists today, challenges neoclassical economic theory in its forceful criticism of that theory's male-focused assumptions. In addition to its gender-economics emphasis on the role of gender as it relates to household work (including nursing and child care) and work allocated through labor markets, feminist economics is also concerned with gender roles as they relate to economic development and industrialization, and national income accounting.

Historical time is the time that human beings actually experience, in which past, present, and future events each have their own time-related characteristics. In neoclassical economics, which abstracts from those characteristics, the only relevant aspect of time has to do with the manner in which it sequences events—one set of events comes before the set of events that follows. In reference to the characteristics of events in historical time, whereas past events have gone by and can never reappear in the same way again, and whereas present events represent current experience, future events are both unknown and unknowable. In light of the ignorance of the future, it is not possible to predict, in the formal or analytic sense of the word, future events, even in probabilistic terms. (The neoclassical approach to time permits and assumes sufficient information availability about the future to allow the determination of probabilities and their use in prediction.) However, surprise is a notion that does not require knowledge of the future and can be invoked by individuals as part of the process of making decisions. It is the characteristics of surprise and its employment in place of probability in economic decision making that is analyzed and explored in the works cited here.

(7.) For example, D.W. Katzner, An Introduction to the Economic Theory of Market Behavior (Cheltenham: Elgar, 2006).


The first of these references criticizes neoclassical economics in considerable detail for its avoidance of historical time and ignorance and its use of probability in the analysis of markets and the decision-making behavior of individual consumers and firms. (See immediately preceding note 6.) The second reference describes the kinds of things that render analytical conclusions meaningless when, as is so common in
neoclassical economics, variables that are unmeasurable or as yet unmeasured are treated either as if they were at least cardinally quantified, or are replaced by proxy variables that are at least cardinally quantified and taken to fully represent and provide the same information as the replaced variable. The same reference also shows how alike meaninglessness arises when ordinally measured variables are treated in a similar fashion.

(9.) There have been other outside evaluations since 1981. This is one of the more recent ones.

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