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20 March 2005

Online at <https://mpra.ub.uni-muenchen.de/48644/>
MPRA Paper No. 48644, posted 27 Jul 2013 04:36 UTC

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Abstract

This is a pre-publication version of a paper that appeared in *Post-Autistic Economics Review* No. 40. Please cite it as Freeman, A. and Andrew Kliman. 2006. 'Beyond Talking the Talk: Towards a Critical Pluralist Practice'. *Post-autistic economics review* issue no. 40, 1 December 2006, article 4, pp.26-53.

This paper, initially presented at the AHE 2005 conference, was one of the earliest to argue that pluralism in economics requires formal rules of conduct to guarantee pluralism in research. These should provide for transparent and professional standards for research, presentation and editorial judgement.

The guiding principle of this reform is what we term critical pluralism. There are two key ideas in this. The first is that truth, or progress towards it, arises only if empirical reality is tested against a multiplicity of theoretical explanations of that reality. Pluralism is thus not a normative or ethically desirable adjunct to science but a necessary prerequisite to producing valid knowledge. Critical pluralism would, therefore, impose on the researcher the obligation to

- engage with, and critically examine, explanations alternative to her own;
- clearly state the alternative presuppositions which differentiate her own explanation of observed reality from the alternatives considered;
- clearly identify the evidence in support of her own conclusion
- clearly identify the evidence that supports the researcher's interpretation of the alternative views against which she tests her conclusions, in order to provide for a fair test.

The article concludes with a statement of the guidelines of the International Working Group on Value Theory (IWGVT) for pluralistic writing in economics.

Keywords: Pluralism, IWGVT, Economics

JEL Codes: A11, A12, A13, B4, B5,

Beyond talking the talk: towards a critical pluralist practice

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Critical pluralism – an introduction

This paper argues that pluralism in economics requires formal rules of conduct to guarantee pluralism in research. These should provide for transparent and professional standards for research, presentation and editorial judgement.

The guiding principle of this reform is what we term critical pluralism. There are two key ideas in this. The first is that truth, or progress towards it, arises only if empirical reality is tested against a multiplicity of theoretical explanations of that reality. Pluralism is thus not a normative or ethically desirable adjunct to science but a necessary prerequisite to producing valid knowledge. Critical pluralism would, therefore, impose on the researcher the obligation to

- (1) engage with, and critically examine, explanations alternative to her own;
- (2) clearly state the alternative presuppositions which differentiate her own explanation of observed reality from the alternatives considered;
- (3) clearly identify the evidence in support of her own conclusion
- (4) clearly identify the evidence that supports the researcher's interpretation of the alternative views against which she tests her conclusions, in order to provide for a fair test.

This proposal differs substantially from prevailing informal standards. In our view, these informal standards exercise a suppressive function. Nevertheless, in our experience, when most economists, whether heterodox or orthodox, come to realise what we are really proposing, their initial reaction is usually hostile. This is at first sight surprising, particularly since heterodox views suffer the most from the suppressive effects of the current procedures extant in economics. It is doubly surprising given that the kind of measures we propose – for example, the right of reply, the right of appeal, safeguards against misrepresentation – are generally regarded in society as reasonable guarantees of objectivity and justice.

This hostility conveys, we think, something about the profession of economics. It tells us that the problem does not simply lie with orthodoxy, and will not be overcome by the mere existence of heterodoxy. It requires a different model of pluralism, something different from the present informal conception which consists, we believe, of an 'evolutionary struggle between competing orthodoxies' in which the practices which produce a suppressive orthodoxy are merely reproduced among its rivals. In essence, we argue that heterodox economists have made

the mistake of reducing pluralism to diversity. This is the principal factor which perpetuates the continued dominance of orthodoxy.

The foundation of this system is what we term 'monotheoretic practice', by which we mean that each individual school of thought, no matter how heterodox and different from the mainstream, conceives of its role in economic debate as the working out of a single explanation within a single paradigm, attempting to demonstrate its superiority against both existing orthodoxy and alternative heterodoxies. In the 'market for economic theory', a successful product is not conceived of as an economist who engages with other ideas, but a theory which defeats them.

We relate this to the cult of the economic expert, which conceives that the primary function of the economist is to determine, on behalf of others, the correct policy for these others to follow. The duty of an economist lies elsewhere, we believe, than merely judging which ideas are correct. It lies in showing where the ideas come from, and exhibiting the evidence in support of or against them, in order that others may themselves judge what is correct. Economic research, from this standpoint, should consist of a concerted battle to lay bare and make transparent the presuppositions on the basis of which economic judgements are made.

This battle is required not only so that economists themselves may be freed up to pursue truth; it is required so that non-economists can regain access to, and control over, what the economists are doing. We think the current practices of economics are rooted in its constitution as a distinct discipline; the separation of economics from social science as a whole has allowed it to be converted into a pseudo-science hermetically sealed against external standards of judgement.

We believe that economics is for this reason incapable of self-reform. Our reform programme is therefore not primarily addressed to economists but to the consumers of their product. Those economists who seek the reform of their discipline need to appeal outside their profession, to remove the freedom from external accountability to which economics alone among the sciences lays claim. When a bridge falls down through bad design, the engineer is held to account. When a patient dies under medical treatment, society is rightly entitled to question the competence of the doctor. Yet when a country collapses whilst implementing an economic recommendation, it is the people and not the advisors who are blamed. Our proposed reforms are intended to correct this by imposing on the economists a long-overdue responsibility for the consequences of their own actions.

It may be thought that such a programme is normative and ethical, rather than positive or scientific. We will argue that, on the contrary, without formal guarantees of pluralism and critical method, economics does not function as a science. Our guiding principle is to identify those practices which society must impose on its economists, should it require these economists to provide them with scientifically valid information.

Monotheoretic heterodoxy – an inadequate informal norm

As evidence of the approach we believe necessary, we refer the reader to the scholarship guidelines reproduced at the end of the Appendix to this article. The scholarship guidelines were arrived at during ten successive miniconferences of the International Working Group on Value Theory, which took place at the Eastern Economic Association's annual spring conferences in the USA each year from 1994 to 2004. We refer the reader also to the mission statement and editorial guidelines for *Critique of Political Economy* (<http://copejournal.org>), a new forthcoming theoretical journal.

These documents do not claim to be a complete programme of reform: they are a work in progress which we want to share with others interested in participating in a radical reconstruction of economic practice.

On the IWGVT website, we also present for discussion, and as evidence, “Beyond Talking the Talk: Background Materials” (www.iwgtv.org/beyond-talking-background), which details some of the concrete experiences which have led us to conclude that such a reform is necessary.

Our own field of enquiry is value theory and Marx’s critique of political economy. It may therefore be thought that our experiences and conclusions relate only to a narrow specialism – the value theory of Karl Marx – and that our paper is therefore a discussion internal to Marxian economics. We believe to the contrary that the experiences we have had relate to economics as a whole. The problem we wish to address is the way that heterodox schools of thought themselves deal with difference and with a plurality of views. If we ask any economist, for example, whether Keynesianism as a whole, or Marxism as a whole, behave any differently from orthodox economists towards differences in their own ranks, then if that economist is honest she would have to conclude that her own ‘camp’ behaves no differently than the currently dominant view.

For instance, ‘Keynesianism’ actually constitutes a multiplicity of ‘Keynesianisms’, including dominant and suppressed views of Keynes. But the practitioners of the dominant view of Keynes behave, in relation to ‘heterodox’ views, with an intolerance equal to if not greater than the intolerance of neoliberalism towards Keynesianism of any variety.

We believe that this experience is quite general in economics. The perceived integrity of the ‘schools’ does not exist, and this extends well into the mainstream. Thus if one examines more closely the general approach which is now labelled ‘marginalism’ and which is itself generally identified with orthodoxy, one finds that this school has in fact marginalised the first marginalists, in that the Austrian approach, which emphatically rejects general equilibrium, contained in its ranks the founding fathers of marginalism, not least Menger himself. It is not unfair to suggest that resistance to pluralism is general throughout economics, quite regardless of whether it is orthodox or heterodox.

Thus there is a paradox which cannot be addressed merely by taking issue with orthodoxy: heterodoxies are just as lacking in pluralistic practice as the orthodoxies against

which they set themselves. The general intolerance of economics towards difference and pluralism is, alarmingly, *universal*: it is not confined to ‘the bad guys’.

The conclusion we draw is that heterodox economics is the victim of a false model of pluralism; it conceives of it as a struggle of ‘school against school’ – Keynes *versus* Marx *versus* Sraffa *versus* neoclassical theory. It thus sees itself as engaged in a battle with orthodoxy to ensure that each ‘school’ is fairly represented. For instance, the principles of ICAPE,¹ an organisation which has made a signal and important contribution to the cause of pluralism in economics, begin with the words

ICAPE is dedicated to the idea that pluralism and intellectual progress are complements. This is not to say “anything goes,” but that each tradition of thought (Austrian, feminist, old and new institutionalist, Marxian, neoclassical, Post Keynesian, Sraffian, etc.) adds something unique and valuable to economic scholarship.

Of course, the exclusion of any ‘school’ is an obstacle to progress. But the difficulty does not stop, or indeed even start, at this point. The schools *themselves* are among the greatest enemies of pluralism. It is precisely within each individual school that we find the mechanisms through which difference is suppressed, in order to establish what is ‘true’ Marxism, what is ‘true’ Keynesianism, Institutionalism, and so on.

This model of pluralism is, in the first place, wrong in its tacit assumption that each particular school represents a single view, rather than a multiplicity of views. The false camaraderie of the Marxists is a classic example. The major obstacle to expressing a different reading of Marx is the perception that, since Marxists are an endangered and beleaguered species, the expression of difference among Marxists is a dangerous practice, a threat to the existence of all. The irony is that it becomes possible to contend that the suppression of Marx’s work is an act of illegitimate censorship (rather than, as is claimed, the reasonable rejection of an inconsistent system) only by repudiating the interpretation of his value theory that dominates Marxian economics, in favour of an alternative interpretation that eliminates Marx’s supposed internal inconsistencies (see the Appendix to this paper). This irony only reflects the wider problem: heterodoxy cannot be limited to a battle to substitute one received truth for another. It requires instead a different way of striving to arrive at truth.

However a deeper error is, in our view, involved. Our point is not to argue that economics is even more diverse than the pluralists have recognised, or to multiply indefinitely the number of different viewpoints which economics needs to take into account. Our point would still be valid even if there were only two different views in the whole of economics, because it concerns the way in which the proponents of divergent views deal with each other’s ideas. If there were only two schools in economics, they would still be acting in the most profoundly

unscientific way if each saw its job as simply to develop its own viewpoint without engaging with the other.

In our view, as already mentioned, the fault in economics lies in the entire notion that the job of the economist is to judge, on behalf of the consumers of economics, what is a correct theory. We sustain that the function of economic research is, on the contrary, to lay bare the concealed assumptions behind all theories so that the consumers of our output may for themselves judge between them.

The prevailing informal norm is rooted in a reductionist syllogism: since, the heterodox researcher reasons, there is only one truth, there is therefore no need to examine many theories. All we must do is find the 'one true theory' and then apply it. From this standpoint, which is in fact shared by many heterodox economists, the only thing wrong with orthodoxy is that it has not found the truth. Therefore, the only necessary step to reform economics is to substitute the correct, heterodox single truth for the false, orthodox single truth.

This is the fundamental justification for the general practice in most heterodox economics itself, which by and large conducts itself as a multiplicity of orthodoxies. It perceives economic debate as a clash of a great variety of different views – each of which, however, is the property of a single school, the subject of a single article, the object of a single research programme, or the lifework of a single researcher.

Monotheoretic practice and the cult of the economic expert

Behind the prevailing informal norm just described, there lies an almost universal view of what an economics researcher 'does' which becomes clear only when we examine the practice of the heterodox. Essentially, economics 'research' is held to consist of applying one particular theory or idea to the study of some aspect of empirical reality. In consequence, the recipients of economic advice are told to adopt a policy because it is scientifically or technically correct. They are rarely told that it is one particular view, or given the option to adopt different policies. Far less are they permitted to require of the policy advisor that she offer a range of alternative options based on a range of alternative theories.

All heterodox economists recognise this as monotheoretical practice to a greater or lesser degree precisely because they are heterodox; that is, they can see that orthodoxy contains mistakes. In general, however, they do not translate their insight into the errors of others into a reflection on their own practice.

In orthodox or mainstream economics, monotheoretical practice is concealed because researchers do not need to put a name to the theory they are using. An economist at the International Monetary Fund is not required to say, when telling a country what to do, that this is the neoliberal view of what the country should do. She, or more usually he, just says 'this is what economics tells us you should do'. Nevertheless such judgements contain a concealed and unstated bias, since by the word 'economics' the researcher or advisor actually means one particular theory – the current dominant paradigm.

Heterodox economists cannot so conceal their bias, so at least their product is labelled. Although this is an improvement, it is not sufficient. In order to say that one differs from the mainstream, and in order to make common cause for a different theory and a different policy, one has to put a name and a description to what one proposes. One has to call it 'New Keynesianism' or 'Evolutionary economics' or 'National Systems theory'. This is in and of itself, unobjectionable. However, each such school then proceeds to conduct itself as an orthodoxy-in-waiting, concentrating its work on the one hand on acquiring the necessary homogeneity to compete in the marketplace of ideas, and on the other hand in supplanting or replacing its rivals as the fount of truth. Monotheoretic practice, therefore, does not *simply* arise from the existence of orthodoxy; and cannot simply be eliminated by replacing it with heterodoxy: its roots lie in the way that all economists, including heterodox ones, organise their relations to each other.

Moreover, the notion that the function of economic research is to apply and develop a single theory is utterly rooted in the way that it is organised. A struggling heterodox PhD student, or grant applicant, has enough trouble mastering one author or body of theory. Surely it is an impossible burden to demand that the researcher should be conversant with and consider not only this theory but its critics and alternatives? How many times, at heterodox conferences, have we heard a presenter, when asked why she or he considered no alternative approach, simply state that she had no time, was not interested in it, or would 'leave the other approaches to those who were involved in them'?

Material roots: the practice of economic research

It is at this point where one begins to realise why opposition to a consistent pluralism is so deep-rooted. It arises, in our view, from a combination of two factors: the material circumstances of its practitioners, and the ideological bias imposed by the clients and patrons of economic analysis and theory. The combined effect of these two factors is that economics, as a whole and notwithstanding isolated achievements, does not function as a science

In this section we consider the first factor. The fact of the matter is that genuine pluralism is actually very difficult. To take the most basic point, it requires a 'genuinely pluralist' economist to be actively acquainted not just with a single viewpoint but also with the entire range of theory which could have a bearing on whatever she or he wishes to study. A core element of the IWGVT guidelines states that presenters have to engage with, and study, as an integral part of the way they explain one particular theory, the views of its critics and the possible alternatives to it.

Faced with this demand, a substantial body of participants in our miniconferences simply gave up and went back to doing what they had always done. Pluralism is a lot of work. If it were imposed as an editorial criterion, we make a rough estimate that around 90 per cent of currently published articles would be rejected on these grounds alone – never mind what would happen to research grants.

A system of rewards and sanctions which insisted on pluralism, as a criterion for funding, promotion and publication, would impose a very different structure on economic knowledge. But the evolutionary success factor for an economist is not to engage with the work of others, but either to work within the dominant paradigm or to differentiate herself from others, to construct an 'original body of work' which 'no-one else is doing'. Indeed, in either case, it is in the *interest* of an economist to reduce the attention given to the theory and work of others, precisely in order to promote and sell her own particular product, her own particular theory.²

Thus to be a consistent pluralist is a daunting research option. It involves twice or three times as much work. It reminds one of Ginger Rogers' famous statement that 'I did everything Fred did, but backwards and in high heels'. The necessity of such practice is in fact revealed by the very different practice of business economists, who have to advise people with large amounts of money to spend as to their best course of action. In fact, the very best working economists, and the very best economic units *do* recognise the necessity of a multitheoretical approach, *do* triangulate from evidence, *do* examine a variety of explanations for what they hope to explain or predict.³ It is a perfectly possible thing to do. But it is hard work and it is time-consuming, and as a consequence it is not seen outside of the closed world of the business decision-makers.⁴ Above all in research, in publication, and in those areas of the practice of political economy where vested class and political interests are most openly at stake – notably giving advice to countries and governments – pluralism is virtually absent.

But it goes further: pluralism is not merely difficult but career-threatening. Not least, the pursuit of many different theories, even those relating to the same practical problem, is often regarded as time wasting. At any time, a particular dominant theory is always in vogue; the alternatives are perceived as not only irrelevant but, more often than not, eccentric or downright suspect.

Thus, from the very start of a researcher's career, profound material conditions impel her or him at every step to a narrow theoretical specialisation. Monotheoretical research practice is an intrinsic organisational factor in what is considered 'good' in economics.

To realise how deeply ingrained is this attitude of thought one need only consider some of the more common arguments offered against pluralism. How many times have we heard that a presenter is 'too busy' to consider the ideas of her critics? Or that a journal rejects a submission because 'this journal does not publish this kind of material – it should be published somewhere else'? This 'natural' framework of thought informs us that the most efficient use of research time is to engage in narrow specialisation to the exclusion of all alternatives, and that the legitimate purpose of publication is to promote one particular set of views, consistent with the particular theoretical prejudices of the editorial board and its reviewers. Pluralism will be taken care of, it is argued, by an analogue of the competitive, liberal-market model: each school is free to publish its own material, present its own work, in its own conferences, its own schools and in its own journals.

But this is precisely to render economics a kind of microcosm of the liberal market. Schools of thought are thrown into a discreetly savage competition with each other: they

compete for publication, for space at conferences, to control journals, for research grants, to win institutions, indeed to capture the ears of entire governments. At every stage the ‘judges’ are practicing monotheorists, deaf to difference, resulting in a battle of organised clans of partisans masquerading as disinterested schools of thought.

In consequence, judgements about what is bad or good are made on a basis which drives the judges towards subjectivism. What rational person will promote or fund a researcher whose interest lies in defeating her ideas? Journal articles and research proposals are submitted for consideration to the ‘peers’ of the author concerned, where ‘peers’ means ‘other researchers that adopt the same label’. What advantage can any referee secure from consenting to the publication of an article which threatens to undermine her own research specialism?

Recognising these material pressures, a genuine pluralism would insist on controls. It would submit any article to a range of referees both within and without the specialism of the author. Among those referees, it would include those who share not only the author’s ‘label’ but also the particular paradigm within which that author works. It would expect the referees to judge the merit of the article not on the basis of whether or not they agree with its content or endorse its approach, but on the basis of whether the article complies with the norms commonly accepted among communities of scholars: are the conclusions provided are substantiated with evidence that supports them? Are alternatives considered? Is the logic is consistent in its own terms?

And if the referees failed in their duty to adhere to these standards of objectivity, genuine pluralism would provide an overriding accountability – just as do courts of justice – in the shape of formal appeal procedures in which it is legitimate to examine whether the referee has or has not done her or his job.

The very fact that this kind of pluralistic practice is considered ‘too difficult’ constitutes a verdict on what the profession of economics regards as good practice. To be sure, consistent pluralism would make good economics very hard to do. This is not, unfortunately, an excuse. It is hard to be a good doctor, but society does not accept this as a justification for unleashing quacks to practice on the sick. It is hard to be a good chemist but we do not let alchemists wander at large, poisoning people and blowing things up. It is hard to be a good astronomer but we do not hand over command of space flights to the writers of Sunday horoscopes. Society demands standards of its professionals because it wants them to do their job, and it has every right to do so.

Bad economists are arguably a more serious social danger than bad chemists, engineers or doctors. They damage not only individuals, but entire countries and populations. It simply isn’t a good enough excuse to say that it is too difficult to do it right. At the very least, if this approach is going to be adopted, the public is entitled to a few health warnings.

Ideological roots: the myth of the evolutionary selection of ideas

We turn now to the central argument of this paper, which is that critical pluralistic practice is not merely a normative question, a matter of ‘tightening up’ sloppy practices. The existing practices

are in fact integral to a system of organisation of economics which leads it to function not as a science, but as a theology.

It is for this reason that, we must insist, what is at stake is not personal injury or rights, but the actual content of the output of economics.

As explained above, we argue that the ‘traditional’ organisation of the economics profession, the routine common-sense practices it considers ‘normal and acceptable’ when judging whether to publish an article, accept a job application, promote a researcher, fund a project, or grant a PhD, are – when taken in their totality – a systematic instrument for suppressing a plurality of views and imposing conformity.

This much is widely recognised. We doubt there is a single heterodox economist who does not have some experience of the suppressive mode of functioning of economics. However, we want to go further. Until now, the standard reaction in heterodox economics has been, in our view, to ‘play the game’ – that is, to challenge the *output* of orthodox economics but not to challenge its *practices*. Pluralism, from the standpoint of this reaction, is then a luxury – something to aspire to or to lament the lack of – but not something to be implemented. Pluralism is to economics what MSG is to Chinese cooking. It is generally held to improve the taste, everyone wants it when it’s on offer, but it is probably injurious to health, and the true master chef has no need of it.

Our central thesis is that pluralism is not the condiment but the main course. *Because economics is not pluralist, it is not scientific*. Thus at stake is not just whether economics is ‘nasty’ or treats people badly, but whether its content is correct. The organisation of economics, we have argued, constitutes an unconscious reproduction of the model of the liberal market. Each school sets out its stall, marshals its supporters, and competes for fame and fortune, and may the best school win.

Indeed this model is celebrated. It is held to embody liberal virtue, since anyone has the right to speak; market principles, since the ideas must compete for attention; and to select for truth, since on Darwinian principles the fittest, and therefore the best, must surely emerge. But there is no guarantee that an evolutionary struggle will produce a superior outcome by any other criterion than survival. Economics itself furnishes a counterexample: the competition of currencies which, as we know from Gresham, is an evolutionary system in which Bad drives out Good.

The notion that the ‘competition of schools’ must, through some evolutionary process, lead to the selection of scientifically superior ideas, contains a great error. It is assumed that the ‘fittest’ economic theory must necessarily be the most truthful. But the evolution of ideas in economics selects not for truth, but for political acceptance, above all by those classes in society who fund it.

The empirical evidence is strong. Throughout the history of economics, employers, financiers and other privileged classes have constantly weighed in on the side of those economic ideas which offer a rational justification for their own particular privileges, over those which offer a general explanation for all the workings of a capitalist economy. Theories which explain

that differences in wealth between wage workers and property-owners are the natural state of the world, that high wages are incompatible with growth, that unemployment arises from the choices of the unemployed, or that neoliberal precepts are the surest guarantee of economic welfare, begin with an evolutionary advantage which is transparently obvious from the ideas to be found at the top of the profession and in its élite institutions.

Are the results nevertheless in some sense ‘true?’ This hypothesis is supported by scant evidence. In the words of Paul Ormerod (1994):

Economists from the International Monetary Fund and the World Bank preach salvation through the market to the Third World ... Yet economic forecasts are the subject of open derision. Throughout the Western world, their accuracy is appalling. Within the past twelve months alone, as this book is being written, forecasters have failed to predict the Japanese recession, the strength of the American recovery, the depth of the collapse in the German economy, and the turmoil in the European ERM.

One has only to consult, for example, the IMF’s own external audit on its role in Argentina, to realise that even within economics itself, the most serious doubts prevail, at least in private, about the accuracy of its predictions:

The International Monetary Fund's handling of the crisis in Argentina three years ago almost certainly deepened a recession that threw millions of Argentines into poverty and sparked political chaos throughout the country, according to a report released yesterday by the IMF's internal audit unit. By overlooking Argentina's growing indebtedness in the 1990s and continuing to lend the country money when its debt burden had become unsustainable, the fund significantly contributed to one of the most devastating financial crises in history, the report concluded. The crisis peaked when the Argentine government defaulted on nearly \$100 billion in debt to private creditors and had to abandon the "convertibility" system that pegged the peso to the dollar at a one-to-one rate. The ensuing crash led to an 11 percent decline in Argentine output in 2002, sent the jobless rate soaring and toppled a series of presidents in a country that the IMF had once hailed as a model of free-market reform and development. “ (Blustein 2004).

Nor can it be seriously maintained that the basis for such doubt is limited to particular episodes or problems, as if only minor corrections or improvements were necessary to correct fundamental errors which lie behind the mistakes that economists habitually make. There are very general phenomena, such as the persistence of famine in the midst of plenty, or the long-term growth of international inequality, which economics *repeatedly* fails to explain.

Empirically, it is incorrect to hold that truth necessarily emerges from the evolutionary competition of ideas. Ideas can evolve backwards as well as forwards. The simple Darwinian analogy does not hold.⁵

The evidence of economics’ own output is thus sufficient to cast serious doubt on the prejudice that the liberal market in economic ideas selects for truth.

There are also sound theoretical reasons for believing that these empirical failures are not at all accidental. A careful study, which is beyond the scope of this paper,⁶ of the actual outcome of major paradigm struggles in economics shows that its selection process is functional. It acts to prevent the emergence of modes and topics of enquiry, of theoretical frameworks or paradigms, which, to put it crudely, risk representing material interests as they truly are.

Even without a detailed historiography of economic thinking, we can appreciate the specificity of economics by contrasting its output with that of other many social sciences. Historical or sociological enquirers, including historians of economic thought itself, are given at least some training in identifying the material interests behind the various theoretical ideas which compete for our attention. They identify the losers and gainers from the policies arising from such ideas, and seek to bring to light the classes of society that, owing to the benefits they will receive, have acted to secure the acceptance of these ideas and policies.

Identification of the interests at stake is an uncomfortable outcome for these classes because it makes clear the subjective basis on which such ideas have been promoted. This is why economics has become the social science of preference. In contrast to history, sociology, etc., its specific ideological function – in a certain perverted sense, its great ideological achievement – is to disguise the material origin of theories and to present the unequal benefits arising from policies based upon them as natural economic necessity. It is therefore not at all surprising that the inventors of theories which achieve this outcome should find themselves rewarded with endorsement, employment, promotion, publication and indeed, acclaim.

On both empirical and theoretical grounds, there are compelling reasons to believe that the selection procedure of economics is unsound. It is for this reason that we argue that, without pluralism, economics cannot be considered scientific.

Can economics reform itself?

Is the output of economics inevitable? Can a pluralistic practice yield better outcomes, a superior selection process? The answer is ‘yes but...’ It is possible that the outcome and the process can be improved. But economics will not reform itself. Even more specifically, no movement of economists alone, however well intentioned, can achieve reform. Reform, we believe, requires conscious organisation because scientific practice requires a continuous battle with the anti-pluralistic tendencies of the profession and discipline of economics, tendencies that, given its social role and function, come naturally to it.

To explain why, we focus on some essential differences between the natural and the social sciences. In the natural sciences, the conception of evolutionary selection through the competition of schools probably works, most of the time and with some (rather important) exceptions. By a crude and uncritical analogy, economists assume that what works for natural scientists must also work for them.

As we have already indicated, it is erroneous in any case to assume that an evolutionary law will always work to improve. It is particularly erroneous to suppose that an evolutionary process will work in the same way for the natural sciences as it does for the social sciences and

above all for economics. The outcome of an evolutionary selection process depends on the criterion and process of selection. Evolution in a predator-prey habitat produces ferocious wolves and fleet deer, but animal husbandry produces tame dogs and bucolic cows. The two selection processes produce different outcomes because they use a different mechanism and apply different criteria. This happens in turn because their objectives and functions are not the same.

The criterion of success for a natural science theory is empirical. It is that of *prediction*. Although it is true that the selection process of the natural sciences is, as Kuhn has noted, tortuous and meandering, nevertheless this process ultimately rejects those theories whose predictions persistently fail to conform to a sufficiently widely observed reality.

This is probably not due to the exemplary intentions of the natural scientists. It arises from the social function of science in a capitalist economy. Left to their own devices, it is perfectly possible that natural scientists would conduct themselves little differently from the economists and indeed, in earlier periods of history, there is strong evidence that they did so.

However, a capitalist economy, in which successful competition of capitals demands the successful implementation of technology, imposes a powerful objective constraint, independent of whether the scientists behave like conscientious Popperians or Kuhn's prejudiced 'normal scientists'. Scientific theories are desired by capitalist society because they give rise to products and processes, and these are required to work. This severely limits the selection of bad ideas: theories which lead to bridges or buildings falling down, or aeroplanes falling from the skies, have a limited shelf life.

The triumph of the modern natural sciences was the outcome of a political struggle of the rising urban capitalist class against the aristocracy. Once the new capitalist class had separated the direct producers from the land, it needed to unite them with factories and technology, and so needed to acquire dominion over nature in order to organise production. It was not in the interests of any but the landed classes that sound theories, which would lead to ever-expanding increases in productivity, should be rejected simply because they were incompatible with aristocratic privilege. The capitalist class therefore looked with great favour on, and indeed participated directly in creating,⁷ a selection process for natural scientific enquiry, on the basis of enlightenment principles of abstract reason, to secure the greatest opportunity for themselves to reap the technological benefits. The selection processes of the natural sciences are thus driven by the overriding compulsion to accumulate through technical advance, imposing on it a distinctive competitive pluralism. Faced with a theory with difficult religious implications that makes more profit, capital generally chooses it regardless of theological niceties.

In short, the selection process in the natural sciences is, possibly against the will of the natural scientists, *intrinsically pluralistic*. What we mean by this is that the sciences are organised in such a way that, in the course of their quest to explain natural phenomena, observed reality is tested against *a wide range of possible theoretical explanations* of that reality. In particular, empirically successful theories are not excluded *a priori*, as in economics, on allegedly methodological grounds. In short, potentially successful theories are not as a matter of course excluded from empirical testing on ideological grounds.⁸

Because of its different social functions, this is not the case with economics. As we have noted, the crucial social function of economics is to offer a theoretical basis for the policies which classes and politicians seek to implement, in which the subjective interests of those who will benefit from the policies are concealed, and the subjective intentions of those who promote the policies are purged, and in which both are disguised as objective social necessity.

Because of this difference in social function, the selection criterion for economic ideas differs from the selection criterion in the natural sciences. The selection criterion in economics is certainly not success in prediction; almost all practicing economists agree on the unreliability of their own forecasts. The profession is instead dominated by *methodological* criteria of selection.

When economic theories are disqualified, this is rarely done on empirical grounds. Instead, the ostensible criterion of selection in economics is 'logic'. The first recourse of an economist seeking to promote her own theory, or attack that of a rival, is that her theory is 'logically coherent' but the rival's is not.

The first problem with this practice is that, while logical coherence is necessary for truth, it is not sufficient. A theory can be completely consistent but false. Most religions have an extremely logical and consistent structure, but this does not lead to the selection of predictively accurate religions. Secondly, and more importantly, economists commonly disqualify competitor theories as 'logically inconsistent' even when the latter conform to all axioms of Aristotelian or formal logic. What they mean by 'logically inconsistent' is that *their own* theoretical premises are incompatible with the conclusions of the competitor theory. In other words, the competitor theory is disqualified on purely *methodological* grounds. This is so especially when it excludes or refutes a premise that the economist holds to be self-evident. In particular, as a hundred years of economic debate have shown, any theory which leads to the conclusion that capitalism's economic crises are endogenous and endemic – rather than the result of imperfect markets, imperfect information, exogenous shocks, and the like – provokes the most violent existential angst among those whose lives and careers are organised around the principle that this is impossible.

To take an extreme but exceedingly influential example, Reder (1982), himself a member of the University of Chicago economics department, noted that

Chicago economists tend strongly to appraise their own research and that of others by a standard which requires (*inter alia*) that the findings of empirical research be consistent with the implications of standard price theory. ... [They shun] alteration of the theory to accommodate behavior inconsistent with [it] [In the Chicago Ph.D. program, students'] answers must conform to definite criteria which are the fundamental characteristics of [the Chicago School], e.g.: competitive markets must clear, decision makers must optimize, money illusion must be absent. However imaginative, answers that violate any maintained hypothesis of the paradigm, are penalized as evincing failure to absorb training.

... An acceptable dissertation ... [provides] an explanation of some empirical phenomenon “Explanation” means either a demonstration that the phenomenon is compatible with the underlying theory, or the provision of such extensions of the theory as may be required. [Reder 1982, p. 13, pp. 19-20]

Proponents of rival paradigms also try to enforce such practices, albeit perhaps with somewhat less rigour. This methodological monism ensures that a dominant and successful theoretical paradigm can, and will, suppress and eliminate its rivals without the embarrassing requirement, imposed on the natural sciences, of testing the ideas of these rivals against reality. Moreover, on the rare occasions when an empirically superior theory does overcome an orthodoxy which has excluded it, closer examination generally reveals that this is not the outcome of the internal processes of economics, but the intervention of external political forces for whom the prevailing orthodoxy has become so completely dysfunctional that it no longer serves any useful purpose.

Examples of this in economics are legion. The extraordinary inappropriateness of ‘official’ opinion regarding Argentina’s hard currency peg is only the most extreme example of the practical impact of neoliberal policies whose triumph is widely recognised to owe much more to political expediency than to empirical accuracy.

Keynes’ own battle, against the empirical background of the greatest slump in history, simply to secure acceptance for the theoretical possibility of an ‘unemployment equilibrium’, was won only through the ascendancy of interventionist political currents in the face of the social chaos provoked by this same slump.

A further instructive example is the course of the postwar debate on minimum wage legislation and the theory of the labour market. As Manning (2003:5-6) points out, early founders paid careful attention to the fact that the relation between employer and wage-earner is one-sided or ‘monopsonistic’ – the employer functions as sole purchaser and is therefore able to set wages. Nevertheless, the subsequent evolution of labour market theory firmly established, over a period of some 50 years, the prejudice of perfect competition in the labour market – notwithstanding such empirically absurd predictions as that a one-cent cut in the wage will lead all existing workers to quit:

The claim that labor markets are, in the absence, of outside intervention, pervasively monopsonistic, probably comes as something of a surprise to readers of labor economics textbooks. Table 1.1 documents the number of pages devoted to a discussion of monopsony and the total length in a selection of popular textbooks. As can be seen, monopsony does not figure prominently and, where it is mentioned, the discussion is generally not favourable....The first two volumes of the *Handbook of Labour Economics* (Ashenfelter and Layard, 1986) contain only two references to monopsony out of a total of 1268 pages...the three subsequent volumes published in 1999 (Ashenfelter and Card) contain three references in 2362 pages. (Manning 2004:6)

This prejudice is only now being subjected to serious empirical scrutiny, at precisely the time when a growing army of casualised and poverty-stricken labourers has become a sufficient social

threat for policy-makers to recognise the pragmatic necessity to provide some minimum protection. In contradiction to the standard predictions of perfect competition, the UK Low Pay Unit (2005:vi) concluded that

The National Minimum Wage was introduced on 1 April 1999, with an adult rate of £3.60. Its introduction benefited about one million low-paid workers and had no measurable adverse effects on employment or inflation... From 1999–2002 the minimum wage was increased roughly in line with average earnings, reaching £4.20 in October 2002. These increases also had no significant adverse effects and indeed employment continued to grow strongly in the sectors where low pay is most prevalent

... the Commission, in its fourth report published in March 2003, concluded that it was appropriate to increase the effective level of the minimum wage, increasing it faster than average earnings for a number of years, and thus benefiting more workers. In line with our recommendations, the adult minimum wage rose to £4.85 in October 2004, an increase of 15.5 per cent over two years in which average earnings increased by nearly 8 per cent. We also indicated in our fourth report that we believed that some further increase above average earnings would likely be required in subsequent years to arrive at an appropriate long-term level. This report analyses the impact of the significant upratings over the last two years and considers the appropriate path of the minimum wage over the next two. Our analysis suggests that the upratings have largely been absorbed without adverse effects. Employment continues to grow in most low-paying sectors and the impact on wage bills and profitability appears sustainable.

The workings of the evolutionary process are perhaps clearest of all in the economic profession's treatment of the ideas of Marx, which it systematically suppresses, and virtually never considers. This has nothing to do with the accuracy of Marx's predictions, many of which are widely conceded (though generally in private) to be rather good.⁹ Marx and other Marxist theorists have contributed predictions about long-term trends in the world economy that have stood the test of time somewhat better than most neoclassical theory. The persistence of business cycles and the existence of imperialism are both now recognised modern features of the twenty-first century world, but both were decreed, at one point or another, to be antiquated dogmatic fictions by the most eminent writers of the second half of the twentieth century.

Instead, Marx's ideas are ignored and suppressed because of their socially unacceptable conclusions, above all the conclusion that capitalism contains within itself contradictions which it cannot solve. Of course, this is rarely if ever acknowledged openly. The conventional justification for economists' suppression of Marx's work is rather that it is supposedly riven with logical inconsistencies. However, as we discuss in the Appendix, the 'logical' inconsistencies reduce to the fact that Marx's theoretical conclusions cannot be deduced from the models of his critics. Here again, the selection criterion is wholly methodological – but in this case it is wielded principally not by members of the Chicago School, but by Marx's Sraffian and Marxist critics.

Thus, theories which are perfectly internally consistent, and whose empirical predictions are as good as or better than the alternatives, will not be considered because, from the standpoint of rival theories, they appear illogical and, therefore, not worthy of consideration. This has two vital consequences. First of all, it provides no mechanism for selection against falsehood since,

as we have noted, a system can be as perfectly wrong as it is perfectly logical. Second, it contains no mechanism for selecting for truth, since economics fails to conduct the most important operation which distinguishes the natural sciences: it does not test observed reality against the full range of theoretical alternatives available to explain that observation. Third, to the extent that objective external constraints influence the selection mechanism, they operate only to secure theoretical support for policy conclusions which are invariably reflect – and disguise – the partisan interest of particular, and generally privileged, classes.

Why will this not be challenged from within the profession? Because economists reap no benefit from testing rival ideas whose conclusions challenge their own beliefs and theories. Worse still, economics has successfully secured itself against the criticism of other disciplines. To the other social sciences it explains that it is unique in being a ‘hard’ science and can be judged only by the standards of the natural sciences. It is thereby hermetically sealed off from external audit or critique.

Because of this special status economics is ‘naturally anti-pluralistic’, operating according to informal rules of conduct in practice accepted uncritically by the generality of economists whether orthodox or heterodox. These unwritten rules, the ‘accepted common-sense norms’ of economics, are driven by a social process of selection and merely formalise this social process. They contain, therefore, no guarantee of truth.

The crucial issue does not concern the minor decisions which economists make when studying this or that practical question – what will happen to interest rates, whether inflation will be worse or better in the next year, how many people will be employed in this or that sector, and so on. The crucial issue instead has to do with the major judgements about the principal types of theory and the principal methodologies which economists will use, in the course of making their countless minor decisions. Once a truthful theory has been ‘deselected’ by its proponents being denied publication, grants, resources of all kinds, it is no longer accessible to practitioners. It is precisely for this reason that the suppressive function of existing economic practice is its most consistently anti-scientific instrument; it is precisely for this reason that this suppressive function is the key thing to challenge; and it is precisely for this reason that only a consistent pluralism can actually be scientific.

The foregoing analysis lays the basis upon which, we believe, all alternatives to the present system should seek to organise.

First and foremost, it has to be recognised that the success of the natural sciences arises precisely from testing a multiplicity of theories. Economics should be no exception. Pluralism is thus not a luxury but a *sine qua non* of progress in economics. Second, this will not be achieved by setting economist against economist and school against school. It requires cross-paradigmatic engagement as the prime commitment of theoretical activity, as well as a system of practices, rewards and sanctions that promote such engagement.

The prime task of an economist, in confronting a variety of theories, is neither to ignore nor defeat rival theories by means of arguments based on ‘logic’ alone, but to bring about an *understanding* of these theories and their implications, to make both the material origin of these

ideas and their practical consequences available, for empirical verification by external agencies. Until now, theoretical selection has preceded empirical testing. This relation has to be utterly reversed. Theories must be tested empirically before being rejected, and they must first be understood properly before they can be tested properly.

Finally, it is necessary to organise to achieve these aims: they will not be secured spontaneously. The purpose of such organisation is to combine internal critique, which provides practical institutional defence of critical pluralism, with external judgement, to place economics back where it belongs in the body of the social sciences as a whole, and to subject it – and its fellow social sciences – to the objective judgement of society as a whole.

Appendix: Rules for Pluralistic Scholarly Engagement

At the end of this Appendix, we offer the Scholarship Guidelines of the International Working Group on Value Theory (IWGVT) as a model for other associations of heterodox economists to adopt and modify as appropriate. (The authors founded the IWGVT in 1993 and have served as its co-organisers since that time.) First, however, we wish to explain the circumstances that led us to develop and implement the Scholarship Guidelines in our annual conferences and elsewhere. We shall briefly outline how a challenge to orthodox Marxist value theory emerged and why, as a result, the adoption of pluralistic, critical norms to guide the debate within value theory became an immediate concern. We shall then discuss the particular circumstances that led us to develop and implement the Scholarship Guidelines as a crucial component of our effort to organise the debate in accordance with these pluralistic, critical norms.¹⁰

The Temporal Single-System Interpretation: a challenge to orthodox Marxist value theory

The Temporal Single-System Interpretation (TSSI) of Marx's value theory, which arose in the early 1980s, is controversial because it challenges a prior consensus within Marxist scholarship. In Duncan Foley's (1997:493) words, it 'endorses Marx's treatment of the transformation problem', that is, the account of the transformation of commodity values into prices of production given in Chapter 9 of *Capital*, Vol. III. It also offers the first refutation of Okishio's (1961) famous theorem, which had supposedly disproved Marx's claim that cost-reducing technical change tends to lower the rate of profit. In both cases, it confirms the logical coherence of Marx's theoretical results – which generations of earlier writers had purportedly proved to be internally inconsistent – without 'correcting' or replacing Marx's own presentation of his own views.

The TSSI's proponents do not seek a new orthodoxy. We do not assert that Marx made no mistakes, nor that other value theories and critical modifications of his ideas are illegitimate. We do insist, however, that allegations of error be substantiated. We have thus returned to Marx's texts, not in order to embrace them as infallible, but in order to ascertain whether he did

indeed commit the errors that have long been attributed to him. We have found, to the contrary, that the apparent errors have arisen from misreadings of his texts.

By any objective standard, the significance of these findings is enormous. In the current historical context, they have an implication extending beyond the specialist study of value theory: they remove the only serious justification offered for the near-total exclusion of Marx's own ideas by mainstream economics. If the charges of internal inconsistency cannot be sustained, no rational basis for excluding Marx remains. Thus although the grounds for this censorship are allegedly logical, they are in fact ideological.

Given that the findings of TSSI research call mainstream economics into question in so fundamental a way, it might have been expected that Marxist economists would welcome them. Not so: TSSI authors first challenged the alleged proofs of inconsistency in Marx's value theory in the early 1980s. Since that time, mainstream Marxian (and Sraffian) economics have consistently greeted TSSI research with scepticism, incredulity, and opposition.

Critical evaluation is of course welcome; the problem is that no such response was forthcoming. The interpretation was ignored and excluded by Marxists just as economics ignores and excludes Marx.¹¹

Yet the TSSI nevertheless started to become known, especially since the publication of *Marx and Non-equilibrium Economics* (Freeman and Carchedi, 1996). Subsequently, some of its Marxist and Sraffian critics entered into a debate of sorts with its proponents. It was, however, a rather curious debate, since the critics either avoided, or indeed emphatically denied the need for, any serious re-evaluation of the question of internal inconsistency. They neither disproved the TSSI refutations of the alleged proofs that Marx's theory is inconsistent, nor acknowledged that the proofs are false. Inasmuch as these alleged proofs constitute the sole justification for the near-total exclusion of Marx's own work within economics, the critics' avoidance of the issue served to perpetuate that exclusion.

Moreover, articles based on alternative interpretations continue to be rejected – even by journals of radical political economics – on the grounds that their theoretical framework and results differ from those of the received Bortkiewicz-Sweezy-Steedman interpretation. Attempts to challenge such editorial standards have been met with great hostility. As has sadly been the case in the past, therefore, the Marxists themselves have played as substantial a role in the suppression of Marx's own ideas as have their non-Marxist opponents.

Confronting Dogmatic Exclusion with Pluralistic Engagement

In the course of their re-evaluation of Marx's legacy, TSSI authors were obliged also to re-appraise the conduct of Marxist scholarship. They were driven to a realisation that they could not respond to Marx's critics as these critics behaved towards them or, indeed, towards one another. They were thus drawn into a battle on two fronts. They had to seek recognition of, and debate around, their own discoveries. And they had to examine – and, as far as possible given their

limited numbers and influence, critically reshape – the practices that led to the suppression of Marx’s theory.

This examination involved more than a critique of the practice of others. TSSI authors were forced to ask themselves how they could react to their predecessors and opponents, to the existing body of theory, in such a way as to remove from the discourse the very possibility of establishing a new dogma. As part of the attempt to forge a new, non-dogmatic kind of discourse, proponents of the TSSI began to restructure their own conferences – the annual mini-conferences of the IWGVT.

In a rare and entirely welcome spirit of pluralism and support for heterodoxy, the Eastern Economic Association hosted the IWGVT mini-conferences for eleven straight years, beginning in 1994. A loose association of researchers sympathetic to the TSSI, the IWGVT was originally established to provide a framework for a small group of like-minded people to present, assess and discuss their work with one another.

It soon became clear, however, that the IWGVT occupied a terrain different from that which its founders intended. Its mini-conferences quickly became large and diverse. At the 1996 conference, for instance, eighteen papers were submitted, but only a few of them were written by TSSI authors. The remainder came from people holding of a great variety of other views, who often had little in common with the IWGVT, but who nonetheless wished to discuss Marx, or Marxism, or their approaches to value at its mini-conference.

The suppression of Marx by mainstream economics had created an uneasy association by default. Scholars were flocking to a conference that had been organised to promote a research programme different from their own – a research programme in which a good many of them were uninterested and to which some of them evinced outright hostility – because in effect there was nowhere else to go.

The mini-conference organisers had to decide what to do. They could have fallen back on standard practice and tacitly excluded contributions that did not address their concerns. Or, in recognition of their wider responsibilities to scholarship, they could have stuck with the *status quo* – continued to organise quite large conferences in which the great majority of participants not only disagreed with their views, but also declined to engage their research. Neither of these options were attractive, however, so they searched for an alternative.

At the 1995 conference, a seminal discussion took place at which the conference participants, including both advocates and critics of the TSSI approach, asked themselves whether and how to organise discussion between *paradigmatically distinct* theories of value, and interpretations of Marx, in such a way as to rule out dogmatic exclusion. The watchword of the conferences became *engagement*. It was not enough, TSSI authors argued, to follow the established procedures of ‘positive’ economics, setting out each theory on its market stall and leaving the reader to shop around. It was necessary also to read, and respond to, the alternatives to one’s theory.

The alternatives are paradigmatically distinct because they do not share a common ontology. On the surface, different value theories may seem to refer to the same things, but they

assign divergent and antagonistic meanings to the most basic terms – value, profit, price, output, consumption and investment. When a proponent of simultaneism speaks of the profit rate, she does not mean the same thing as a temporalist. When a dualist speaks of value, she does not mean the same as proponents of the New Interpretation or single-system interpretations.

An analogy, explored by Freeman (2004), is the cosmological debate of the sixteenth century. Galileo and his detractors could not resolve how to settle whether the earth moved because actually, they shared no common view of what the word ‘earth’ actually meant. In the absence of a means to appeal against it, prior authority rules by inertia. Not only were established practitioners deeply suspicious of dialogue with newer interpretations, they had unknowingly fallen into an intensely dogmatic practice. Proponents of the standard interpretation assigned a meaning – their own meaning – to the words ‘value’ and ‘price’, and then judged all assertions about value and price as if this meaning were the only one possible. Texts and research projects were judged unacceptable on *a priori* ‘logical’ grounds when they were in fact fully coherent, but did not conform to the methodological and ontological presuppositions of their judges. The result was what Dow (1985, 1996) has termed a ‘closed system’. Free scientific enquiry – which demands constant critical examination and transformation of the meaning of concepts – was replaced by a system of purely deductive logic with a fixed and unalterable ontology, which would not and could not grant the legitimacy of other ways of thinking. It had ossified and become incapable of advance.

The alternative proposed by the IWGVT organisers was a set of standards termed the “IWGVT Scholarship Guidelines” adopted in 1997 and reproduced here. The basic purpose of the guidelines was to try to create conditions in which alternative theories and interpretations engage with one another. A second purpose was to secure recognition that every theory and interpretation carries with it its own conceptual framework, and therefore that a theory or interpretation can be tested properly only if the conceptual framework employed in the test is its own, rather than that of the person running the test.

From this point of view, the first function of debate is not to settle differences, but, by means of engagement, to understand what each alternative is trying to say in its own right, to draw out the implications, and thus see where the differences lie without any prior judgement on which theory or interpretation is necessarily true. At *this* point, when the differences are clear, criteria for deciding between the alternatives can be applied.

This does not reduce to relativism. Rival theories may construct their facts in different ways, but the ‘raw material’ that is being observed is always common property. We may construct different aggregates, averages, or indicators from a set of tax returns or recorded commodity prices or wage rates, but we are not entitled to alter the tax returns, or simply to declare that a commodity was sold for a price other than the money actually paid for it. As regards interpretation, texts are shared and determinate ‘raw materials’ to which all interpreters are obliged to refer. The genuine possibility arises, therefore, to test a variety of interpretations and theories against each other, in terms of their ability to explain what all must accept as empirically given.

This may seem simple and obvious, and indeed it is. Yet judging the validity of theories in terms of their empirical success, rather than in terms of their conformity with the accepted conceptual framework and methodological norms, represents a marked departure from the common practice of economics, including Marxian economics. The invitation to engage in a pluralistic but critical dialogue was met by Marxist economists with various degrees of scepticism, ranging from bewilderment to rejection.

In retrospect, it was exceptionally optimistic to hope that critics of the TSSI could be persuaded to adopt scholarship guidelines that worked against them, even though the same guidelines were clearly to the advantage of Marxists in the wider battle against censorship.

Our experience leads us to conclude that, in order to secure the implementation of rules of pluralistic scholarly engagement, a strategy of persuasion alone is insufficient, those who benefit from different, suppressive norms of conduct will not be persuaded to follow them voluntarily. Pluralistic rules must be implemented despite, and in the face of, continuing resistance from some members of the scholarly community, even a scholarly community of heterodox economists (such as Marxist economists). To secure their implementation, it is important to enter into dialogue and work closely with those particular members and groups within the heterodox community who do favour, and/or whose interests are served by, pluralistic norms.

The IWGVT Scholarship Guidelines

Preamble

We are convinced that the de facto function of mainstream selection procedures is to exclude. Mainstream selection criteria are subjective and therefore discriminate against theories and arguments which the reviewers and editors hold in disfavor. Conversely, the following guidelines put forth some objective criteria to which, as we have learned and as we teach, good scholarship should conform.

It is common in academic discourse for proponents of one perspective to exclude, ignore, and deny legitimacy to opposing perspectives. Against this, the aim of the guidelines is to achieve a style of debate in which different perspectives engage with one another. We seek to foster a dialogue which is pluralist, because no interpretation of a theory, and no presentation of the facts, will be ruled out a priori, but also critical, because proponents of various perspectives will need to confront the alternatives.

Inform Readers of the Alternatives

An argument is not well-grounded unless the extant alternatives have been addressed. This means that all points of view are legitimate until proved otherwise. Engage and cite the views of others involved in debating the issues you are addressing, and treat them as equals acting in good faith. If you want other people to attend to what you are saying, then attend to what they are saying.

Don't Deny Legitimacy to Alternative Views

The aim of debate is clarity, not demolition. Avoid turns of phrase such as 'absurd', 'ridiculous', or 'impossible' to deny the legitimacy of opposing views, or phrases like 'as is widely known' or 'of course' to prove your own views are undeniable.

Identify the conceptual basis of "facts"

Economic data are not undisputed facts of nature but the result of a theoretical interpretation which should be explicit. 'The real output of the UK economy in 1994 was £570,722m' is a false claim. 'Output as measured by the UK NIPAs, deflated using the HMSO GDP deflator, was £570,722m' specifies the conceptual framework that produced the claim, and lets the reader trace the assertion back to its source.

Distinguish Original Texts from Subsequent Interpretations

You must distinguish clearly between an original text and subsequent interpretation. John Maynard Keynes did not say that equilibrium in the goods and money markets is given by the intersection of the IS and LM curves. This is Hicks' interpretation of Keynes. Karl Marx did not say that value is a vertically-integrated labour coefficient: this is the interpretation of Marx proposed by Linear Production Theory.

Argue from Evidence

Both statements about the world and interpretations of texts must be supported by empirical evidence, from the world or from the text, respectively. Appeals either to authority or to popular wisdom do not constitute evidence. Avoid Ad Hominem reasoning: don't try to substantiate or refute an argument by reference to any characteristic of the person presenting it.

Distinguish Between Internal Inconsistency, Interpretive Difficulties, and Disagreement

If you justify your approach by asserting that opposing views are inconsistent, you are declaring they cannot possibly be right and you hence exclude them from discussion. If you have only demonstrated the inconsistency of your own reading of these views, then your proof is false because you have not exhausted the alternatives; but you have closed down the dialogue. If you want to say a view is inconsistent, provide evidence that it cannot be interpreted otherwise. Unless you can do this, instead say that you have difficulty making sense of the argument, or that you disagree with it, as the case may be.

Characterize Schools of Thought in the Preferred Manner

Do not use a characterisation for the purpose of dismissal. In debate, refer to other schools of thought by the name they prefer (for example, 'surplus approach' in preference to 'neoricardian') unless you are including them in a wider grouping with no recognised name. In the latter case, try to provide an accurate, descriptive term.

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Notes

¹ ICAPE stands for The International Confederation of Associations for Pluralism in Economics.

² Our claim that the anti-pluralistic practices of economists are rooted in material interests is broadly consonant with Martin's (1998) 'interests model' of the suppression of dissent in science generally. His analysis is informed by a quarter-century of study and firsthand knowledge; see his 'Suppression of Dissent' website, < <http://www.uow.edu.au/arts/sts/bmartin/dissent/> >. Kliman (2006, Chap. 12) draws on Martin's model to account for the suppression of Marx's critique of political economy by Marxist and Sraffian economists.

³ This is the general practice (but not the universal practice, as the spectacular failure of the Long-Term Capital Management hedge fund shows) of the best financial economists, particularly when, instead of advising governments, they find themselves and their advice accountable to employers that spend money.

⁴ This is one reason why, it has to be said, some of the most interesting and practical economics comes out of business schools. Of course an enormous amount of nonsense comes out of business schools, too, but this may be a price worth paying.

⁵ How many economists follow the precept which Darwin himself writes into his autobiography, which Freud (1938:102) uses to illustrate his principle of the 'pain motive for forgetting': "I had during many years followed a golden rule, namely, that whenever a published fact, a new observation or thought, came across me which was opposed to my general results, to make a memorandum of it without fail and at once; for I had found by experience that such facts and thoughts were far more apt to escape from the memory than favourable ones"? Is it then surprising that economics conveniently 'forgets' almost every theory, however factually well-supported, which might call into question its deepest-rooted prejudices?

⁶ See Freeman (2007)

⁷ See for example Uglow (2002).

⁸ The more a particular branch of science impinges on our internal explanation of society, and the farther its field of enquiry is from the study of a purely external nature, the more it is threatened by criteria derived from ideology, as can be seen from the progress of controversies in biology.

⁹ See for example Cassidy(1997) “Many of the contradictions that [Marx] saw in Victorian capitalism and that were subsequently addressed by reformist governments have begun reappearing in new guises, like mutant viruses.... He wrote riveting passages about globalisation, inequality, political corruption, monopolization, technical progress, the decline of high culture, and the enervating nature of modern existence – issues that economists are now confronting anew, sometimes without realizing that they are walking in Marx’s footsteps.”

¹⁰ The discussion that follows draws heavily on our “Introduction” (with Julian Wells) to Freeman, Kliman, and Wells (2004).

¹¹ ‘Single-system’ interpretations that continue to adhere to simultaneous valuation (proposed by Wolff-Callari-Roberts, Ramos & Rodriguez, Chai-on Lee, and Fred Moseley) have met a similar fate. The ‘New Interpretation’ (or ‘New Solution’) of Duménil, Foley and others initially received a similar treatment.