Introduction

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In 2010, the European Journal of the History of Economic Thought (EJHET) and the European Society for the History of Economic Thought (ESHET) initiated a fruitful cooperation, leading to the publication of a special annual issue of EJHET consisting of a selection of papers from the preceding year’s ESHET conference. After seven years of committed collaboration, this joint venture has put down strong roots and the two autonomous institutions – the Journal and the Society – have successfully joined forces in their mission to promote innovative and promising research in the academic field of the history of economic thought.

This special issue publishes a selection of the papers presented at the annual ESHET conference held in Rome on 14–16 May 2015, jointly organised by Università Roma Tre (where the conference took place), Sapienza Università di Roma and Università degli Studi di Roma “Tor Vergata.” The theme of the Rome conference was “Great Controversies in Economics”, and the meeting attracted almost 300 participants to its plenary and parallel sessions. Although many of the papers addressed other themes, the all-encompassing nature of the conference offered a broader framework for the contextualisation of major conflicts, as well as minor debates, between different theoretical and methodological approaches to the study of economic problems and phenomena. Indeed, it is hard to understand the changing nature of the subject matter of economics over time without considering the role of intellectual and political debates centred upon the analytical constructions, ideological motivations, and policy implications of economic knowledge. The persistent and enduring nature of such controversies, regarded as driving forces for scientific improvement, is not to be underestimated. No economist is an island, and, therefore, even amid remote theoretical explorations, one can easily find the explicit reference to, or implicit shadow of, other controversial meanings that are debated, revised, or contested.

The total number of papers initially submitted was 37. A preliminary selection was made by the editors of this special issue, taking into account the likelihood of final acceptance and the time required for revisions within strict deadlines. After this screening, the editors of the special issue supervised a rigorous reviewing process, faithfully adhering to the high standards of the peer review system put in place by the managing editors of EJHET.

The set of seven papers finally accepted for publication in this issue offers a variety of approaches to different eras and controversies in the history of economic thought. Anders Ögren presents Anders Wappengren, a neglected Swedish author of the late eighteenth century who – in the context of early controversies about monetary and financial stability in paper
money regimes – developed an innovative perspective on monetary policy issues, especially in relation to adjustment mechanisms under floating exchange rates. Ögren pays particular attention to the institutional context of monetary policies and to the intellectual and political environment, showing the historical conditions that help to explain the routes of theoretical innovation.

This concern with historical reconstruction is also at the heart of the article by Anthony Howe, who discusses the different views on the Industrial Revolution in England expressed throughout the late nineteenth and early twentieth centuries. Such views were motivated by the impact of Arnold Toynbee’s book on the topic, published in 1884, which gave rise to a dispute between distinct historiographic traditions associated with different interpretations of the conditions and constraints of the processes of industrialisation. The dispute soon reached the public sphere and helped to provide arguments in favour of, or against, free trade.

The same historical period provides the background for another type of debate in Britain, concerning the functioning of financial markets. The emergence of modern portfolio theory is the topic of the article by Janette Rutterford and Dimitris Sotiropoulos, who analyse the notion of risk as it was perceived in the financial reports and recommendations made by British investors in the early twentieth century. The historical sources used in this article provide clear evidence of financial diversification, indicating that investors in the past were less naïve than the modern literature would have it.

The article by Mauro Boianovsky and Roger Backhouse is a revised version of the Blanqui Lecture delivered at the ESHET Conference in Rome in acknowledgement of the award of the Best Book Prize from the previous year. The authors explore the concept of secular stagnation and its different meanings and appropriations in the history of macroeconomics from the 1930s until the recent 2007/2008 economic and financial crisis. The article demonstrates how the history of a single concept can serve for throwing light on recurring controversies about macroeconomic theory and policy.

Wilfried Parys starts his paper from Paul Samuelson’s assertion that Wassily Leontief and Piero Sraffa, whom Samuelson considered as two eminent economists working along similar lines, never paid attention to each other’s works. Parys explores archive materials that provide clear evidence of an unspoken and almost invisible, although definitely existing, dialogue between Leontief and Sraffa. If these two famous and influential authors knew each other’s work, why were they not able or willing to acknowledge this publicly and enter into debate? Parys does not give any definite answer, but his detective story suggests that both Sraffa and Leontief found
it too difficult to precisely articulate on what they could agree and on what they would not.

Other eminent economists of the twentieth century highlighted the role of acknowledged masters, even when they merely served as a point of departure for scientific advancements, as is clearly shown by Patinkin’s admiration for Keynes. Sylvie Rivot re-examines Patinkin’s attempts to account for Keynes’s concept of involuntary unemployment within his Walrasian general equilibrium framework. She shows how Patinkin, who was convinced of Keynes’s insight that downward wage flexibility is no safe cure for mass unemployment in an interdependent system of markets, inadvertently paved the way for the New Keynesian recourse to nominal rigidities as explanations of involuntary unemployment – a relapse in a long-standing controversy.

Ariel Dvoskin and Saverio Fratini contribute the seventh and last paper to this special issue. Setting the focus on the Samuelson–Etula master function, they provide a detailed demonstration of the problems and difficulties encountered when using the conventional neoclassical theories of the marginal productivity of capital to explain income distribution in a capitalist economy. The technical nature of this article gives the reader an opportunity to test the relevance of analytical exercises that enrich our knowledge of a discipline which, for its development, clearly benefits by turning certain basic principles that used to be, but are no longer, taken for granted into a subject of controversy.

We hope that the readers of EJHET will enjoy reading these articles as much as we did. Last but not least, we would like to thank the anonymous referees who helped us in the selection of the papers and who contributed to the improvement of their quality.

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