Foreword II

Sheila Dow

‘Never let a serious crisis go to waste’ could be the motto of heterodox economics. Mainstream economists were initially caught wrong-footed, unable to explain the crisis. But heterodox economists were well-equipped to explain the crisis and grasped the opportunity to fill the void temporarily left by the mainstream. Further, the seriousness of the crisis required immediate action which came from the heterodox policy arsenal: state support for banks and expansionary fiscal policy. However, with time, once the greatest danger was thus averted, policy turned about to threaten withdrawal of support from banks and the introduction of fiscal austerity. In terms of theory, the mainstream had adapted by a range of adjustments (particularly incorporating new impediments to equilibrating market forces) to explain the crisis as an aberration.

So has the opportunity for heterodox economics closed up again? Well, as any heterodox economist will point out, real time is irreversible. Ever since the crisis there has been a new energy behind debates as to the nature of economics, not only in academia but also in wider society. There is a new awareness of the nature of the orthodox approach, as well as the sociology of the discipline within which orthodox economics wields power. Particular attention has been given to understanding the nature of heterodox economics and the appropriate strategy to promote it, in one form or another. The notable success of MMT in achieving a prominent place in the policy agenda, particularly in the US, has given others heart. At the same time, the efforts of students worldwide to demand an education more attuned to pressing real issues has dramatically opened up new arenas for debate and brought new ideas to the table.

In particular, there is a new impetus behind a focus on methodology, one of the main features of this set of interviews. There has always been a methodological angle to heterodox economics that is being increasingly identified as the level at which orthodox and heterodox economics ultimately differ. When the crisis broke, it was clear to heterodox economists that the failure of orthodox economics to explain it arose from a methodology which required argument to be expressed fully in terms of deductive mathematical general equilibrium models which ruled out crisis.

Methodological issues now loom large in discussions about the future of heterodox economics. The interviews here provide a good flavour of some of

the many views on offer, from the perspectives of different schools of thought and beyond. A specific issue surrounds the role of pluralism. For some, recognition and tolerance of a range of perspectives other than the mainstream approach is a defining characteristic of heterodoxy. For others the priority is instead to mount a cohesive strong counter to the orthodoxy, which requires heterodox economists from different perspectives to unite behind one synthetic alternative. Arguably much of the success of MMT has followed from the single-minded forcefulness behind its advocacy; some see this as a model for heterodox strategy. For yet others, the appropriate strategy is to get away from an oppositional approach to orthodoxy by exploring ways of amending it. Finally there is, quite rightly in my view, a shared suspicion of pluralism in the extreme form of ‘anything goes’.

But the whole point of pluralism is to strengthen argument from any perspective – definitely not to give up on argument. If, contrary to orthodox methodology, no one approach can be demonstrated to be closest to the truth, then there is bound to be a range of possibilities based on different ontologies. It is up to each of us to articulate and defend our approach in debate with others, and at the same time learn from others. This is what has motivated much of the student movement for a pluralist economics education: learning about different approaches, learning by debate, and equipping themselves to develop their own thinking according to their own ontology. Enthusiastic support has been provided by senior colleagues, but increasingly, and importantly, also by early-career academics (such as members of the UK group Reteaching Economics). The future of heterodox economics ultimately lies in the hands of all these young scholars. The enthusiasm, intelligence and practical engagement with which they are promoting pluralism is a source of great hope for many of the interviewees here.

Indeed these interviews are themselves an exercise in pluralism. The reader can ‘listen in’ to all these conversations where questions are addressed, and debate engaged, from different perspectives. By engaging vicariously in the exchanges we are encouraged to rethink our own positions, and consider how to strengthen or amend them. Much of the success of the interviews is down to the engaging interview style of Phil Armstrong, whose thoughtful questions, openness to different arguments (at different levels), and eagerness to engage in civil debate, are the hallmarks of pluralism. Enjoy.