
Introduction

The principal objective of this *Companion* is to provide statements about and access to the corpus of knowledge constituting institutional and evolutionary economics. Included are some 176 entries on the central topics and the leading contributors to the field. Most entries have cross references to other relevant entries and all have references to leading or representative works, which themselves will provide additional entry to the several subjects. All of the entries were prepared by specialists individually well informed on their respective topics.

This is the first publication extensively to combine European and American scholarship in evolutionary economics. It reflects and represents the emergence of parallel but historically distinct approaches to inquiry that are now in important respects converging. Two of the editors represent traditional US institutionalism and the third is one of the new wave of evolutionary and institutional economists now developing and working in Europe.

The sources of these bodies of thought are diverse and are explored throughout the work. The editors have sought to incorporate relevant substantive and biographical materials from (or relating to) the original institutional economics of Thorstein Veblen and John R. Commons and their cohorts; from the post-World War II neoinstitutional economics of Clarence E. Ayres and Allan G. Gruchy and their associates; from the European institutionalism of Gunnar Myrdal and William Kapp and their students and others; from contemporary institutional/evolutionary political economists in both the United States and Europe; and, to a limited extent, from the so-called 'new' neoclassical institutional economics and the Polanyi and Schumpeterian traditions as well. But the focus here is on institutional and evolutionary economics as such; the collection reflects the interests and approaches of these schools.

Although some attention is given to the critique of various aspects of mainstream neoclassical economics, the principal focus has been on the affirmative presentation of institutional and evolutionary economics as variegated alternatives to both neoclassicism (including the 'new' institutional economics) and Marxian economics, however much influenced by these other schools. Indeed, the time of publication of this collection is fortunate. There is everywhere a growing disenchantment with mainstream, orthodox economics. The *Companion* provides an introductory array of entry points to other, and arguably more substantive, approaches to economic inquiry.

While the entries were written expressly with advanced undergraduate and graduate university students in mind, social scientists and thoughtful government consultants and framers of public policies will find entries that are accessible, informative and provocative.

An interesting and instructive facet of several entries is the presentation of evolutionary and institutional aspects of the work of otherwise quite orthodox, even conservative, political economists, such as Adam Smith, Alfred Marshall, Joseph Schumpeter and Friedrich A. Hayek. Another facet of the collection is the group of entries exploring the philosophical and analytical connections between biology and economics.

A special strength of the work is the inclusion of a very large number of entries addressing the foundations of inquiry into political economy. These include the entries on Cartesianism, Cognition, Cost–Benefit, Darwinism, Determinism, Evolution, Formalism, Methodological Individualism, Need, Part–Whole Relationships, Power, Property, Rationality, Realism, Technology and so on. These and other entries provide instruments through which fresh and fundamental reexaminations of the basic foci and purposes of inquiry in political economy can be undertaken.

The reader should appreciate that the development of institutional and evolutionary economics, like that of any other body of scholarship, is ongoing; accordingly, no effort has been made in any entry to establish a definitive or *ex cathedra* declaration. The reader should also appreciate that no entry limited to about 2000 words or less can completely cover a topic. One of the lessons which the collection should underscore is the vastness and growth of the relevant literature on the topics constituting institutional and evolutionary economics. The reader will also observe that various entries encompass both theoretical formulations and policy considerations. The theory–policy linkage permeates the volume.

The importance and complexity of a number of topics has warranted entries on various aspects thereof, entries which, not surprisingly, have different foci. There are also two entries on each of four subjects, Power, The Theory of the Firm, Macroeconomic Policy and Macroeconomic Theory. Those on Power resulted from a decision to emphasize the subject as a central concept and as both complex and multifaceted. Those on The Theory of the Firm represent the work of two scholars of the highest international reputation, both close to the institutionalist tradition. Those on Macroeconomic Policy and Macroeconomic Theory emphasize the similarity of work in macroeconomics under the ‘institutionalist’ and ‘Post Keynesian’ labels and the linkages between these two schools.

The reader may be interested to learn that institutional and evolutionary economists have created several organizations and centres to advance their work. Some of these associations publish scholarly journals. The list in-

cludes the European Association for Evolutionary Political Economy; the Association for Evolutionary Economics (*Journal of Economic Issues*); the Association for Institutional Thought; the Association for Social Economics (*Review of Social Economy*); the Karl Polanyi Institute of Political Economy; the International Centre for Social Economics (*Journal of Income Distribution*); the International Joseph A. Schumpeter Society; the *Cambridge Journal of Economics*; the *Journal of Post Keynesian Economics*; the Society for the Advancement of Socio-Economics; the European Association for Bioeconomic Studies; and the *Review of Political Economy*.

The editors are sincerely appreciative of the efforts of the contributors to this *Companion*. Their contributions make available this survey of institutional and evolutionary economics. The editors are, finally, also appreciative of the cooperation of Edward Elgar and his fine staff.

