Foreword

When I accepted my appointment as an economist in one of the largest construction firms in the United Kingdom (UK), I thought it should be possible to apply the principles of economics to some of the aspects of construction. I did not expect that the efforts I was making in undertaking both macroeconomic and microeconomic analyses from the perspective of one contractor would grow to become a field of knowledge. I am impressed by how the field of construction economics has developed since the first efforts I made with colleagues at University College London (UCL) to build the framework for the field. This framework was drawn from industrial economics, and I always thought that field would provide a permanent home for studies on the construction industry, its procedures, processes and products. The critiques of my notes and ideas by the students on the MSc in Building Economics and Management course over the initial years of the course helped me to write, and continue to develop, Economic Theory and the Construction Industry. The tentativeness of the title shows that I did not think a separate field would emerge.

The principles that I had developed were applied and developed further in the work I did for government agencies on performance improvement in the economy including the construction industry. I worked at the National Economic Development Office (NEDO) on the National Plan in the 1960s. When I left NEDO, I went to UCL. Working with colleagues at UCL and later at Reading University we analysed the role of construction in the economies of both developed and developing countries. I was fortunate to undertake consultancies on the construction industry, often funded by world organisations, in a number of countries, notably Egypt, Latvia, Russia and Sri Lanka.

I am happy that many governments seem to have a better understanding of the construction industry and how judicious levels of investment in it and stimulation of improvements in its performance can be used for the good of the economy and the nation.

In my early writings I observed that it was rare to find countries formulating policies to develop their construction industries even as they mapped out ambitious national development plans. Today, the Construction Sector Deal in the UK is an example of a conscious effort by government to prepare the construction industry to deliver on the ambitions of a national plan, in this case, the Industrial Strategy. This underlines the importance of construction economics: it is necessary for us to provide policy makers with the basis for decision making to ensure that an efficient and innovative construction industry enables the attainment of national aspirations. I have always said that clients get the industry they deserve, and this is more apt today than ever before. There is much scope for the government–industry initiatives such as those by the Construction Leadership Council to succeed in bringing about change in the industry for the benefit of its clients, the component organisations and practitioners, as well as society as a whole.

I am disappointed that construction economics has not yet attained recognition as a branch of economics, but I believe this will come if the rate of development of the field is at least maintained.

I think this collection is a highly valuable contribution to the field of construction economics. I like the broad sweep of topics in this collection. It is good to see that construction
Research companion to construction economics

economics has grown to explore not only the theories and concepts of economics but also elements of the environment, society and technology. I like the exploration of the philosophy of construction economics, its application in antiquity, and its own nature and historical development. The strong theoretical foundations on which the chapters are based, and the projections for the future, are distinctive features of this book. I consider this to be truly an indispensable Research Companion to Construction Economics. I commend the authors of the chapters for producing such authoritative pieces. This is book will influence research and practice in construction economics for many years to come.

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