

'Economists also need competition'
André Orléan – 19.01.2015

In these same columns on 4 July 2012, several major figures in the social sciences asked the French government to guarantee pluralism in all institutions engaged in research and teaching in economics. Without this pluralism, our country cannot possibly engage in informed and rigorous democratic debate. The objective at that time was to draw lessons from the 2008 financial crisis, which had demonstrated how counterproductive economic thinking characterised by excessive uniformity and an overweening self-confidence could be. Today, however, we have to acknowledge that these lessons have not been heeded: nothing has changed, either in research programmes or in teaching. This is due to the monopoly position that so-called 'mainstream' approaches occupy today. Let us be clear: we do not in any way deny the value of these approaches, nor their influence and nor are we demanding that they be in any way constrained. However, we would argue that, both in France and abroad, there are other intellectual traditions which, although very appealing to academics and students, are fettered by a short-sighted adherence to majority rule, which enables the dominant approaches to enjoy exclusive control of economic thinking.

Awareness of this situation subsequently increased, the most visible sign of it being the founding of the AFEP (*Association Française d'Economie Politique*), whose membership now includes more than 600 PhDs in economics and the social sciences. This association proposed that, by way of experiment, a new research and teaching space should be opened up for four years in order to enable this alternative approach to economics, 'rooted in the social sciences', to stay afloat. At the end of these four years, it would be decided either to continue the experiment or to put an end to it, depending on the results. This balanced proposal which, let us reiterate most strongly, takes nothing away from the activities of mainstream economists or the resources devoted to them, attracted considerable support from academic economists – even before its existence, 300 of them (out of a total of 1800) signed a solemn declaration in which they expressed their wish to contribute to such a space as soon as it was established.

The urgency of the problem, the simplicity of the proposed solution and the strong support it received in the academic community convinced the ministry, which at the beginning of December 2014 announced the launch of a new field of teaching and research on 'economics and society', which would join the 80 or so sections already in existence. The reaction to the announcement of this agreement was both rapid and violent. The chair of the current 'Economics' section threatened to resign if the ministerial decree was not abrogated! A number of deans of economics faculties and he himself declared in the *Figaro* of 4 January 2015 that the new section would serve only 'as a home for the failures and frustrated elements' of the university system, 'those who do not succeed in getting their work published in reputable journal'. They added, for good measure, that 'the minister has been taken in by the leftists'. We thought that such an argument, advanced not by self-radicalised net surfers but by the most senior figures in the world of academic economics, would enable ministers to gauge precisely the state of pluralism and dialogue in our universities. It clearly demonstrates the reality of what we have repeatedly declared when we explain that, in the current situation, divorce is the best solution, one that will enable us to start talking to each other again. The Ministry could also have questioned the logic of an argument that declares 300 academics to be 'failures' or 'frustrated' while at the same opposing their departure with the utmost vehemence.

Economics is most assuredly a complex and, at times, confusing discipline. The belief that one is absolutely right and all the others have absolutely nothing to contribute is suicidal. Have we forgotten the terrible failure of economists to warn the world of the 2008 crisis? Should we not react? Let it not be forgotten that for twenty years financial efficiency was proclaimed from the rooftops as the 'economic proposition with the most solid empirical foundations'! To be innovative in a changing world is not necessarily to go where the majority are already located. Now in France we have in our possession a treasure house, namely the way of doing economics that goes back to the Annales School and to Baudel and includes authors as diverse as Commons, Marx and Keynes. It has a long history and many supporters. It cannot be easily summarised in a few words since it likes to think of itself as fiercely pluralist. It takes the view that progress results from an amalgamation of economics and the other social sciences. Many researchers and students identify with this approach. Good for them! Allowing them to follow their intuitions takes absolutely nothing away from those who wish to do things differently. This new section must be seen as an asset for everyone, for those who are keen to prove that their theory works as well as for the mainstream, which certainly needs the spur of competition if it wishes to advance and continue to be innovative. Is this not a proposal that all economists should be able to understand?

Minister, at a time when pluralism is so widely proclaimed, we urge you to see your project through to completion. Give the freedom to express heterodox ideas in economics a chance and establish the new 'Economics and Society' section!