



## **EAEPE Symposium 2017**

# **Developing Economics: Towards a Critical Research Agenda for Development Economics**

Berlin Institute for International Political Economy (IPE)

**10-11 June 2017**

Input speeches will be delivered by

**Smita Srinivas (Indian Institute for Human Settlements)**

**Sanjay Reddy (The New School, New York)**

**Erik Reinert (Tallinn University of Technology)**

### *Topics and aims*

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The symposium will reflect upon the research agenda of ‘development economics’ from a critical and pluralist perspective. Its aim is to develop and connect new impulses for addressing the pressing global challenges of persisting poverty and inequalities. By critically discussing potentials and shortcomings of current approaches and practices, the symposium contributes to a research agenda that enables economists to analyse development processes in a globalised world from critical and pluralist perspectives. All contributions that help develop a critical research agenda are welcome. In particular, we will address two fields that attain huge attention in contemporary development economics: behavioural and institutional approaches to economic and human development. The symposium also aims at creating an environment in which contributions from different disciplines such as economics, political sciences, law, or sociology can be appreciated.

### *Institutional approaches*

Over the past decades, economists have developed a consensus that “institutions matter”. Some of the most prominent publications in the discipline are concerned with the role of institutions for economic development. But a number of critical points have been raised, too. First, it has been criticised that the relationship between economic development and institutions has been analysed one-sidedly since policy advice focuses on importing the ‘right’ set of institutions to developing countries. Standard measures of good institutions are closely tied to a specific understanding of desirable institutions. This neglects the potential diversity of beneficial institutional and regulatory configurations. Moreover, it has been criticised that global embeddedness and global influences on domestic institutions have been ignored. In a globalised world, nation states cannot design their institutional settings in full independence, as these are increasingly influenced by global developments and interactions. Therefore, structuralist perspectives must be brought back into the economic discussion. Against this background, we will discuss how shortcomings in the analysis of institutions by development economists can be overcome and how institutional analysis can be used most fruitfully for the understanding of development processes.

### *Behavioural approaches*

In recent years, behavioural approaches to economic development have become prominent. Using insights from the field of psychology, an increasing number of economists have attempted to develop approaches that can deliver a better understanding of why poverty and inequality persist in

so many societies. Not least with the World Development Report 2015 on “Mind, Society, and Behavior”, behavioural approaches to development have been put at centre stage. In particular, the ideas of soft development policies and ‘nudges’ have gained importance. This was paralleled by the rise of randomised controlled trials, now often regarded as the gold standard of empirical research. While many economists seem to place considerable expectations into behavioural approaches to economic development, this turn was also met with scepticism. There is a heated on-going discussion about their epistemological potentials and drawbacks. Also, it has been criticised that its strong focus on micro-level interactions and incentives inhibits the inclusion of macroeconomic or institutional dynamics into the analysis. Moreover, the great divide between researchers and the researched is criticised: Social experiments were since their beginning conducted by richer persons on the poor. This did not change with their implementation in development economics.

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### *Call for papers*

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The symposium welcomes contributions from any field of economics or neighbouring disciplines that may contribute to its goals. In particular, we invite contributions that discuss the following (non-exhaustive set of) questions:

- What can we learn from bringing structuralist perspectives (e.g. core-periphery models, regulationist approaches) back in, and can they be fruitfully connected with institutional analysis?
- How can we effectively account for institutional diversity?
- What are the potentials and pitfalls of behavioural approaches to economic development?
- How can we address the methodological and epistemological challenges facing behavioural economics approaches to development? In particular, how can we better understand apparently non-rational behaviour?
- Is it possible to bridge the two very different epistemologies of structuralist and behaviouralist approaches and if so, how? Can we use behavioural approaches without losing sight of socio-economic structures and dynamics?
- How can heterodox perspectives contribute to a research agenda for development economics that is critical, interdisciplinary, and sensitive to power issues and global inequalities?

Please send your abstract of max. 500 words to [svenja.flechtner@uni-flensburg.de](mailto:svenja.flechtner@uni-flensburg.de) until 31 March 2017. Participants will be notified in April. Limited funding is available to make a financial contribution to travel and accommodation expenses for those otherwise unable to obtain funding.

**Organizers:** Svenja Flechtner (European University Flensburg), Jakob Hafele (University of Vienna), Martina Metzger (Institute for International Political Economy at the Berlin School of Economics and Law), Theresa Neef (Freie Universität Berlin)

**Program committee:** Svenja Flechtner (European University Flensburg), Claudius Gräbner (University of Linz), Jakob Hafele (University of Vienna), Agnès Labrousse (University of Amiens), Theresa Neef (Freie Universität Berlin)

**Venue:** Berlin School of Economics and Law, Institute for International Political Economy (IPE), Badensche Straße 52, 10825 Berlin

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