

A History of Heterodox Economics

Challenging the mainstream in the
twentieth century

Frederic Lee



Routledge Advances in Heterodox Economics

A History of Heterodox Economics

Challenging the mainstream in the
twentieth century

Frederic Lee



First published 2009
by Routledge
2 Park Square, Milton Park, Abingdon, Oxfordshire OX14 4RN

Simultaneously published in the USA and Canada
by Routledge
711 Third Avenue, New York, NY 10017

Routledge is an imprint of the Taylor & Francis Group, an informa business

First issued in paperback 2010

© 2009 Frederic Lee

Typeset in Times New Roman by
Taylor & Francis Books

All rights reserved. No part of this book may be reprinted or reproduced or utilized in any form or by any electronic, mechanical, or other means, now known or hereafter invented, including photocopying and recording, or in any information storage or retrieval system, without permission in writing from the publishers.

British Library Cataloguing in Publication Data

A catalogue record for this book is available from the British Library

Library of Congress Cataloging in Publication Data

Lee, Frederic S., 1949–

A history of heterodox economics : challenging the mainstream in the twentieth century / Frederic Lee.

p. cm.

Includes bibliographical references and index.

1. Comparative economics–History–20th century. I. Title.

HB90.L42 2008

330–dc22

ISBN13: 978-0-415-77714-8 (hbk)

ISBN13: 978-0-415-68197-1 (pbk)

ISBN13: 978-0-203-88305-1 (ebk)

A History of Heterodox Economics

Economics is a contested academic discipline between neoclassical economics and a collection of alternative approaches, such as Marxism-radical economics, Institutional economics, Post Keynesian economics, and others, that can collectively be called heterodox economics. Because of the dominance of neoclassical economics, the existence of the alternative approaches is generally not known. This book is concerned with the community history of heterodox economics, seen primarily through the eyes of Marxian-radical economics and Post Keynesian economics.

Throughout the twentieth century neoclassical economists in conjunction with state and university power have attacked heterodox economists and tried to cleanse them from the academy. Professor Lee, in his groundbreaking new title, discusses issues including the contested landscape of American economics in the 1970s, the emergence and establishment of Post Keynesian economics in the US and the development of heterodox economics in Britain from 1970 to 1996.

Professor Lee's fascinating monograph tells a story about a community of economists that mainstream economists and the state wish would not exist. Mainstream economists and the state attempt to restrict intellectual diversity in economics by using state power to deprive heterodox economists of their jobs and ability to teach economics in the classroom. Despite these attacks, heterodox economists have succeeded in building their community and in doing so have maintained intellectual diversity in economics.

This book will be relevant to both undergraduate and postgraduate students with an interest in heterodox economics in the US and UK, as well as researchers with an interest in the history of Post Keynesian and Marxian-radical economics and in the current state of heterodox economics.

Frederic Lee has a Ph.D. in Economics from Rutgers University, New Jersey, was Associate Professor at Roosevelt University, Chicago, from 1984 to 1991, was previously a Reader in Economics at De Montfort University, UK, and is currently Professor of Economics at the University of Missouri-Kansas City.

Routledge Advances in Heterodox Economics

Edited by Frederic S. Lee, University of Missouri-Kansas City

Over the past two decades, the intellectual agendas of heterodox economists have taken a decidedly pluralist turn. Leading thinkers have begun to move beyond the established paradigms of Austrian, feminist, Institutional-evolutionary, Marxian, Post Keynesian, radical, social, and Sraffian economics—opening up new lines of analysis, criticism, and dialogue among dissenting schools of thought. This cross-fertilization of ideas is creating a new generation of scholarship in which novel combinations of heterodox ideas are being brought to bear on important contemporary and historical problems.

Routledge Advances in Heterodox Economics aims to promote this new scholarship by publishing innovative books in heterodox economic theory, policy, philosophy, intellectual history, institutional history, and pedagogy. Syntheses or critical engagement of two or more heterodox traditions are especially encouraged.

1 Ontology and Economics:

Tony Lawson and his critics
Edited by Edward Fullbrook

2 Currencies, Capital Flows and Crises

A Post Keynesian analysis of
exchange rate determination
John T. Harvey

3 Radical Economics and Labor

Frederic Lee and Jon Bekken

4 A History of Heterodox Economics

Challenging the mainstream
in the twentieth century
Frederic Lee

This series was previously published by The University of Michigan Press and the following books are available (please contact UMP for more information):

Economics in Real Time

A theoretical reconstruction
John McDermott

Liberating Economics

Feminist perspectives on families,
work, and globalization
*Drucilla K. Barker and
Susan F. Feiner*

Socialism After Hayek

Theodore A. Burczak

Future Directions for Heterodox Economics

*Edited by John T. Harvey and
Robert F. Garnett, Jr.*

Are Worker Rights Human Rights?

Richard P. Mcintyre

Acknowledgments

The essays in this book have been commented on by many, many friends and colleagues—far too many to thank individually. However, there are souls that directly or indirectly help me to sustain this decade-long project. Writing institutional or social histories of economics is not popular with most economists who prefer intellectual histories. But, in the beginning and even before that Warren Samuels supported my unfashionable tendencies to write such histories. On the other hand, Malcolm Rutherford's own quite excellent historical writings on Institutional economics showed me that I was not alone in writing about the history of heterodox economics. While I always used qualitative data in my historical writings, Sandra Harley help me gain a better understanding of how to engage in such data collection, especially when working with questionnaire data. Moreover, her enthusiasm for exploring the impact of the Research Assessment Exercise on economics made those particular research projects possible. When I first met him, Tiago Mata was a doctoral student at the London School of Economics working on the history of radical and Post Keynesian economics. Our common interests greatly benefited my research and I actually had someone who kept me honest so-to-speak about my interpretations of the historical data which is difficult to interpret in any case. In addition, we both have an interest in oral testimony as a form of data collection and I have learned a great deal from his extensive knowledge of collecting and interpreting such evidence. Finally, there is John Henry and John King. I have carried on a discussion with them about heterodox economics for nearly two decades. They were always interested in what I had to say and always had something to contribute. At times they seem to know more than I did about the history of heterodox economics which helped to keep me humble. Without their help and support, this project would have never been completed.

Several of the chapters have previously appeared in economic journals:

- Chapters 2 and 5 include material that originally appeared in "The Organizational History of Post Keynesian Economics in America, 1971–95," *Journal of Post Keynesian Economics*, 23.1 (Fall, 2000: 141–62); "Alfred S. Eichner, Joan Robinson and the Founding of Post Keynesian Economics,"

Research in the History of Economic Thought and Methodology, 18-C, *Twentieth-Century Economics* (2000: 9–40); and “Mutual Aid and the Making of Heterodox Economics in Postwar America: A Post Keynesian View,” *History of Economics Review*, 35 (Winter, 2002: 45–62).

- Chapter 3 includes material that originally appeared in “History and Identity: The Case of Radical Economics, 1945–70,” *Review of Radical Political Economics*, 36.2 (Spring, 2004: 177–95).
- Chapter 4 includes material that originally appeared in “To Be a Heterodox Economist: The Contested Landscape of American Economics, 1960s and 1970s,” *Journal of Economic Issues*, 37.3 (September, 2004: 747–64).
- Chapter 6 includes material that originally appeared in “Conference of Socialist Economists and the Emergence of Heterodox Economics in Post-War Britain,” *Capital and Class*, 75 (Autumn, 2001: 15–40).
- Chapter 7 includes material that originally appeared in “Conference of Socialist Economists and the Emergence of Heterodox Economics in Post-War Britain,” *Capital and Class*, 75 (Autumn, 2001: 15–40); and “Making History by Making Identity and Institutions: The Emergence of Post Keynesian-Heterodox Economics in Britain, 1974–96,” *History of Economics Review*, 46 (Summer, 2007: 62–88).
- Chapter 8 includes material that originally appeared in “Research Selectivity, Managerialism, and the Academic Labor Process: The Future of Nonmainstream Economics in U.K. Universities,” *Human Relations* 50.11 (November, 1997: 1427–60); and “Peer Review, the Research Assessment Exercise and the Demise of Non-Mainstream Economics,” *Capital and Class*, 66 (Autumn, 1998: 23–52), published by the Conference of Socialist Economists (<http://www.cseweb.org.uk/>).
- Chapter 9 includes material that originally appeared in “The Research Assessment Exercise, the State and the Dominance of Mainstream Economics in British Universities,” *Cambridge Economics Journal* 31.2 (March, 2007: 309–25), published by Oxford University Press.

Frederic S. Lee
Kansas City
July 2008

Contents

<i>List of tables</i>	vii
<i>Acknowledgments</i>	ix

1 Introduction	1
----------------	---

PART I

Heterodox economics in the United States	21
---	----

2 The contested landscape and dominance in American economics in the twentieth century	23
3 Radical economics in post-war America, 1945–70	50
4 The contested landscape of American economics, 1965–80	66
5 The history of Post Keynesian economics in America, 1971–95	78

PART II

Heterodox economics in the United Kingdom	97
--	----

6 The contested landscape of British economics, 1900–70	99
7 Heterodox economics in Britain, 1970–96	126
8 Research Assessment Exercise and its impact on heterodox economics, 1989–96	153
9 Research Assessment Exercise, the state, and the dominance of mainstream economics in British universities, 2000–2003	172

PART III

Heterodox economics at the beginning of the twenty-first century 187

10 The emergence of heterodox economics, 1990–2006 189

11 Ranking heterodox economic journals and departments:
suggested methodologies 207

Appendix 227

Notes 229

Bibliography 286

Index 338

Tables

1.1	Neoclassical price theory/microeconomics in the twentieth century as represented in American textbooks	3
2.1	Leading American economic departments with Ph.D. programs and doctoral students, 1904–40	28
2.2	Leading American economic departments with Ph.D. programs and doctoral students, 1962–74	41
2.3	Stability in top neoclassical journals, 1969–2003	45
2.4	Leading American economic departments with Ph.D. programs, 1925–2003	46
4.1	Economics Ph.D. programs with a major heterodox component, 1970–80	71
4.2	Economics Ph.D. programs with a minor heterodox component, 1970–80	73
5.1	Social network of Post Keynesian economists, 1971–78	87
5.2	URPE, AFEE, and ASE support for Post Keynesian economics at the annual ASSA meetings, 1984–95	95
7.1	Social network of Marxist-heterodox economists participating in three or more CSE activities, 1970–75	135
7.2	Social network of Post Keynesian-heterodox economists participating in two or three Post Keynesian-heterodox activities, 1974–88	142
7.3	Social network of Post Keynesian-heterodox economists participating in three or more Post Keynesian-heterodox activities, 1988–96	150
8.1	Assessment panels for economics, 1989–96	159
8.2	1989, 1992, and 1996 economics panels members' references	160
8.3	Impact of the RAE on department work (Q. 6)	163
8.4	Ways in which own work affected by RAE (Q.7)	164
8.5	Changes in recruitment policy in relation to economists in own institution (Q. 4)	165
8.6	Recruitment policies always applied (Q. 4)	166
8.7	Hiring mainstream and heterodox economists, 1992–94	168

9.1	2001 RAE publication data by ranking: Diamond List journals	174
9.2	2001 RAE publication data by ranking: Diamond List and other selected mainstream and interdisciplinary journals	174
9.3	2001 RAE publication data by ranking: heterodox, history of economics thought, and methodology publications	175
9.4	2001 RAE research groups in heterodox economics, history of economic thought, and methodology, by ranking	175
9.5	Proportion of Diamond List publications in RAE-submitted publications in 1992 and 2001, for selected departments and overall	180
9.6	Department rank, heterodox economists, and student numbers for the period 2002–03	180
9.7	Departments, heterodox economists, heterodox course aims, and student numbers for the period 2000–03	182
10.1	American heterodox economists membership in AFEE, ASE, AFIT, URPE, and/or subscription to the JPKE, 1987–2006	195
10.2	American heterodox economists membership in AFEE, ASE, AFIT, URPE, IAFEE and/or subscription to the JPKE, 2000–06	196
10.3	American heterodox economists membership in AFEE, ASE, AFIT, URPE, IAFEE, AHE, PEF, and/or OPE, subscription to the JPKE, and/or received HEN, 2006	196
10.4	Theoretical work that engaged two (or more) heterodox approaches (representative sample for the period 1990–2006)	201
10.5	Heterodox economics associations, 2006	203
10.6	Heterodox economists by country, 2006	205
11.1	Citations of twenty heterodox economic journals, 1993–2003	213
11.2	Ranking heterodox economic journals	215
11.3	Heterodox departments ranked according to their publications	219
11.4	Program-size weights	221
11.5	Teaching commitment to heterodox economics	221
11.6	Work environment for heterodox economists	223
11.7	Ranking heterodox economic departments	225

1 Introduction

Scholars generally view the history of economics in the twentieth century as an intellectual history, that is, in terms of the history of economic thought. However, for the past decade, there has slowly emerged research on the social construction of communal activities that promoted and sustained the economic ideas and theories. This type of research generates what can be called community histories. Clearly the intellectual and the community histories of economics are distinct in their subject matter, but they are symbiotically related in that one presupposes the other and changes in one will affect the other. The essays in this book are primarily concerned with community histories not of mainstream economics, but of a non-comparable, alternative economics, specifically heterodox economics. But in saying this, an immediate problem emerges in that most scholars in the history of economics do not believe that heterodox economics has an intellectual history and hence deny that a heterodox economics community existed of which a history can be written. That is, they adopt the position—the *continuity-pluralism thesis*—that neoclassical economics dominated economics for all of the twentieth century, although there were often periods of internal pluralism. The significance of the thesis to scholars of the history of economics is its suggestion that throughout the last century no theoretical alternatives to neoclassical economic theory existed; only heretical views that enriched the dominant economic discourse and made important theoretical contributions, while the ones that made no contributions deservedly disappeared.¹ Moreover, the thesis dismisses the possibility that heretical ideas could evolve into non-neoclassical ones independently of their heretical originators or that well-developed non-comparable theoretical alternatives take time to emerge. Thus the continuity-pluralism thesis effectively makes the economic landscape of the twentieth century non-contestable, thereby rendering alternative economists invisible, the existence of alternative economics implausible, and the writing of its intellectual and community history impossible.

The continuity-pluralism thesis clearly captures the development of neoclassical economics since 1900 if not before. For example, the tools, models, and discourse that comprise and concretely define neoclassical price theory can be identified from the textbooks assigned in introductory, intermediate,

2 Introduction

and graduate economic courses. Table 1.1 lists the twenty-nine core tools and models included in American neoclassical price theory textbooks in the last one hundred years. It is divided into four time periods, the first being the base period, while the next two represent the supposed periods of pre-1940 pluralism and the post-war ascendancy of neoclassical economics, and the last period represents neoclassical economics at the end of the twentieth century. The first entry in each column represents the number of textbooks that included the tool or model and the second entry in parentheses gives the percentage of textbooks that included the tool or model. What Table 1.1 establishes is that the core theoretical tools of neoclassical price theory circa 1900–10, such as scarcity, maximization, utility and marginal utility, marginal products and the law of diminishing returns, supply and demand curves, and marginal productivity principle of distribution, and the core model of competition have been retained throughout the century. In addition, it shows that the number of core theory components have increased over time, to include, for example, utility functions and income and substitution effects, production functions, monopolistic competition, oligopoly, game theory, and general equilibrium. These two points imply that while there have been significant theoretical developments in neoclassical economics there has been no break—that is a period when neoclassical economics did not exist and a period in which it did exist. Rather neoclassical economics as defined in terms of the tools, models, and discourse of its price theory has always been with us. Finally, the twenty-nine tools and models are currently taught to every mainstream economist in their core graduate microeconomic theory courses as well as taught in undergraduate microeconomic theory courses.² Since the core tools and models and associated discourse (in conjunction with the deductive-formalist methodology) underpin virtually every book, article, and model that utilizes neoclassical microeconomic theory, they constitute the minimum standards of what the profession expects every new PhD economist to know³ (Klamer and Colander 1990; Hansen 1991; Kasper et al. 1991; Krueger et al. 1991; Knoedler and Underwood 2003).

While neoclassical doctrinal continuity existed in American economics throughout the twentieth century, it was not necessarily one of harmony. Within neoclassical economics there was accepted and encouraged contested theoretical knowledge, that is, pluralism. The controversy over the supply curve and the rise of imperfect/monopolistic competition circa 1930, pricing and the marginalist controversy circa 1940s, the controversy over the different theories of the firm circa 1960s, and the rational expectations revolution circa 1970s are well-known examples of this internal pluralism. There were also the not-so-well controversies over demand theory circa 1940s–1960s and the economics of information circa 1950s onwards that involved the Chicago School, Cowles Commission, and the MIT crowd that also demonstrated the existence of pluralism within neoclassical economics (Mirowski and Hands 1998; Mirowski 2007). However, pluralism was not extended to alternative

Table 1.1 Neoclassical price theory/microeconomics in the twentieth century as represented in American textbooks*

	Time Periods			
	1899–1910	1911–40	1941–70	1971–2002
<i>Tools and Models</i>				
Economics defined as the allocation of scarce resources		5 (19)	(81)	37 (86)
Scarcity, scarce factor inputs	9 (75)	23 (88)	24 (77)	31 (72)
Production possibility frontier			7 (33)	36 (84)
Opportunity costs	5 (42)	12 (46)	18 (58)	33 (77)
<i>Demand Side</i>				
Utility/diminishing marginal utility	12 (100)	22 (85)	26 (84)	43 (100)
Maximize utility	8 (67)	18 (69)	28 (90)	43 (100)
Utility functions, indifference curves, marginal rate of substitution			21 (68)	43 (100)
Income/substitution effects			20 (65)	43 (100)
Individual consumer/market demand curve	11 (92)	26 (100)	31 (100)	43 (100)
Price elasticity of demand	7 (58)	22 (85)	31 (100)	43 (100)
<i>Production and Costs</i>				
Production function			15 (48)	39 (91)
Single input variation, marginal products	12 (100)	25 (96)	29 (94)	43 (100)
Law of diminishing returns	12 (100)	26 (100)	30 (97)	39 (91)
Proportional input variation, returns to scale	1 (8)	2 (8)	14 (45)	34 (79)
Isoquants, marginal rate of technical substitution			11 (35)	36 (84)
Marginal costs: $MC = P_x/MP_x$	3 (25)	12 (46)	31 (100)	42 (98)
Firm/market supply curve	11 (92)	25 (96)	30 (97)	42 (98)
<i>Markets</i>				
Perfect, pure, or free competition	10 (83)	24 (92)	31 (100)	43 (100)
Profit maximization	6 (50)	22 (85)	31 (100)	43 (100)
Marginal cost = price	1 (8)	10 (38)	31 (100)	43 (100)
Imperfect/monopolistic competition		7 (27)	31 (100)	40 (93)
Firm demand curve		6 (23)	29 (94)	42 (98)
Marginal revenue = marginal costs (or equivalent)		7 (27)	31 (100)	42 (98)
Oligopoly with firm demand curve			19 (61)	34 (79)
Kinked demand curve			17 (55)	27 (63)
Game theory			6 (25)	32 (74)
<i>Distribution and General Equilibrium</i>				
Marginal productivity principle	6 (50)	14 (54)	26 (84)	30 (70)
Wage rate = $MP_L \times \text{Price}$, Profit = $MP_K \times \text{Price}$	10 (83)	18 (69)	27 (87)	42 (98)
General equilibrium			17 (55)	30 (70)
Pareto–efficiency/optimality			8 (26)	31 (72)
Total Number of Textbooks	12	26	31	43

Note:

* The list of textbooks examined is found in Appendix A.1

contesting approaches except to one heretical challenger, Institutional economics in the inter-war period (Morgan and Rutherford 1998). Consequently, as far as most scholars are concerned, there existed no real theoretical challengers to neoclassical economics in the twentieth century. What is denied to exist, denied to having an intellectual and community history is what this book of essays is about: non-neoclassical-heterodox economics and its history as a community of non-neoclassical-heterodox economists.

Heresy, blasphemy, and heterodox economics

To write the history of non-neoclassical economics is to write about its theoretical ideas and applications, its social system of work, and its activities as a community of non-neoclassical economists. But, in relation to neoclassical economics, what is non-neoclassical economics, a non-neoclassical economist and, moreover, what is a community of non-neoclassical economists? To answer these “comparative” questions, let us take an unusual step and first consider the difference between heresy-heretic and blasphemy-blasphemer in the context of church and the state. A church is a body of religious arguments and ideas that are accepted by a community of believers who have the capability of imposing social penalties, such as shunning or ostracizing, upon members who have strayed from the approved path. While such penalties are unpleasant, they are not life-threatening or involve prison sentences. However, when the church becomes the state’s church, its “infallible” judgments and statements regarding spiritual matters are accepted and supported without question by the state. Therefore a symbiotic relationship emerges where dissenting religious views can be interpreted as an attack upon the state and a criticism of the state can be interpreted as an attack upon the church. Consequently, more severe penalties, such as death or prison terms, can be imposed on wayward members as well as on non-members on the grounds that their errant beliefs are treasonable not just to God but also to the state since they may lead to questioning its legitimacy, and undermine social morality, stability, and the natural order of society. So the entrance of the state into the arena of belief transforms differences of views and opinion with their social-personal implications into a matter of life, death, and imprisonment, thereby creating the issue of non-conformance and tolerance. The state, rejecting tolerance in terms of personal conscious and liberty, becomes the protector of particular religious views, shielding them and their votaries from criticism and ridicule by upholding and perhaps imposing spiritual and participatory conformity and when they fail by establishing that dissenting activities are illegal and hence subject to state-decreed legal penalties.

Heresy, as broadly understood, is partial intellectual deviation from a given body of ideas and arguments. More specifically, in the context of church and state, heresy is theological or doctrinal deviation from the religion of the state church. For example, in Anglican orthodoxy qua the Church of England in the sixteenth and seventeenth centuries, a heretic was an individual

who advocated particular theological or doctrinal deviations, such as denying the Trinity of the Father, the Son, and the Holy Spirit, rejecting the baptism of infants and children, or rejecting transubstantiation and even predestination, while still believing in God and other components of Christianity. The spiritual penalty for being an Arian, Socinian, or Anabaptist was excommunication and the secular penalty carried out by the state included imprisonment, death, and the public burning of written works. However, with the growth of religious tolerance—that is the growing perception that heretics such as Quakers, Baptists, Moravians, Catholics, Jews, and Unitarians were moral, peaceful citizens and therefore did not threaten the power of parliament, the sovereign or the established church—the acceptable religious community in Britain became diverse and the still heretical ideas vis-à-vis the church became viewed as erroneous or peculiar opinions to be tolerated and perhaps appreciated but not punished by the state. Yet in a diverse milieu of theological ideas and practices, it is possible for the religion of the established church to evolve over time so that one-time heretical ideas become accepted and heretics become fully accepted into the church's community.

In contrast to heresy, blasphemy entails the total rejection of a body of ideas and their replacement with ideas that are completely different. More specifically, in the context of church and state, blasphemy is the profaning and denying the truth and value of an established religion, its sacred beings, texts, and institutions to be replaced by their secular counterparts. In short blasphemy is treason against God. Consequently, a heretic is a believer who holds some dissenting views; while the blasphemer is a non-believer who explicitly, through reasoned arguments, wit, and ridicule, rejects the state religion and its sacred doctrines and institutions.⁴ Because the rejection of the state church is viewed by the state as seditious, that is, as inciting a breach in the public order and as attacking its sovereignty, the basis of its laws, and the social morality underlying its legitimacy especially with regard to the lower classes and impressionable societal groups, it has always established and maintained penalties for blasphemers. The penalties, derived from state legislation (since the church's spiritual penalty of excommunication is ineffective for an individual that already rejects it), are based on what the blasphemer has spoken and/or written. They are also based on the manner in which the blasphemous material is presented as interpreted by the devotee experiencing the material.⁵ With legal penalties at hand, such as death, imprisonment, fines, and loss of civil rights, the defenders of the faith have not fought shy of using the state's judicial system to endorse their religion and protect their deity. So, through its blasphemy laws, the state rejects tolerance for a segment of its citizens by denying the legal validity and implicitly and subtly denying the social acceptability of a particular form of discourse through restricting freedom of speech and engagement in knowledge. The result is that undesirable ideas and arguments are suppressed. Clearly, one litmus test of how far the state, church, and society embraces diversity and tolerates blasphemous ideas is the extent of its blasphemy laws

(or conversely its tolerance laws) relative to the civil rights of its citizens (Levy 1993; Lund 1995a; Nash 1999).

As with a church, there are mainstream, heretical, and blasphemous economists.⁶ In the twentieth century, mainstream economists have generally treated their heretical brethren with tolerance, partly because they ascribed to many of the same theoretical tools and models and accompanying discourse and partly because many theoretical advances in mainstream theory started out as heretical ideas.⁷ Thus often one-time heretical economists become, without selling-out, well-respected mainstream economists. Also, as with church and state, mainstream economists have attempted to suppress the economic ideas and arguments of blasphemous economists, whom they do not generally consider their brethren at all. The methods they used range from social penalties to penalties imposed by academic institutions and the state. The social penalties included shunning, ostracizing, and discrimination, especially when the blasphemous economist was a member of the same professional association. In the latter case, neoclassical economists used organizational power to prevent the hiring of blasphemous economists, to deny them tenure, or to directly get them fired for teaching blasphemous material. They also directly and/or indirectly used the power and the authority of the state to impose penalties, which included denying blasphemous economists government research funds, firing and blacklisting thus preventing blasphemous economists from practicing their trade, and legally sanctioning definitions/descriptions of economics and economic theory that again excluded blasphemous material, with the outcome that blasphemous economists were not allowed to teach their theory and ideas in university classrooms. Although there does not actually exist economic blasphemy laws, the intolerance of mainstream economists combined with power derived from state-embracing professional associations and the latter's incestuous relationship with state institutions which gives them access to their state-derived power, has in all but name produced them over the course of the twentieth century. So given the intolerant and hostile attitudes of mainstream economists, it is a wonder that blasphemous economists actually existed in sufficient numbers and long enough to produce a blasphemous economic theory and a community of blasphemous economists. But it happened.

Blasphemous economic theory is characterized on the one hand by its disregard and rejection of not some but *all* the theoretical tools and models and accompanying discourse as well as the methodology that constitutes neoclassical price theory; hence, blasphemous theory rejects and denies the truth and value of neoclassical theory, its sacred laws, methodology, and texts. On the other hand, its explanations of economic events utilize non-neoclassical theoretical tools and models and employ a non-neoclassical discourse and methodology. Thus blasphemous economics and its theory can take on many guises, but the one that is the central concern of this book is *heterodox economics*. That is heterodox economics refers to specific economic theories and community of economists that are in various ways an