

AHE 2009 annual conference Coordinator's Report

Alan Freeman

1. *The problem of pluralist decision-making*

The coordinator's job is to coordinate. This means what it says on the tin: my job is to get people to work together. The problem is that, in a nutshell, people that disagree with each other find difficulty in working together. I'm going to dedicate most of this report to this problem which I'll call, 'the problem of pluralist decision-making'.

Most people, used to the top-down structures of our profession, assume this problem can be solved by some kind of boss. They think the coordinator is a powerful being like a department chair or a president. Therefore, they assume that if they want something done, they can ask the coordinator, who will either do it, or get it done

It doesn't work like that. It might be a good idea if it did, but it doesn't. The coordinator has a day job and no resources. The AHE is a voluntary body made up of people who have joined it more or less because they don't like being told what to do. It's not likely, therefore, that any of them will do anything just because the coordinator says so. There are two ways to get something done by the AHE:

- (1) do it yourself
- (2) persuade someone else to do it

A second mistake is to think the AHE can 'decide' something by some kind of vote. Actually, it doesn't work like that either. Suppose, for example, the AHE is evenly divided between the two proposals 'A' and 'B'. Voting really just divides us neatly into the fifty people who want to do 'A' and the fifty who want to do 'B'. Since we are heterodox and pluralist, what will in fact happen is that fifty people will do A while the other fifty will do B.¹

The only real matter on which the AHE really 'take decisions' is on how to spend its money, which is important, but doesn't solve the other problems.

Unusual strategies are required to cope with this. First of all, *persuading and discussing* become important. Second, *respect* becomes important. And third, *pluralistic proposals* become important. All in all, the method required is known as 'consensus' decision-making and is quite well-established and tested (Google it if you don't believe me)

Let's take an example: the decision to work with the PKSG to establish a 'stream' or theme for Post-Keynesian papers. There were a lot of concerns about this. On the one hand, there were concerns that such a stream would separate the AHE on a 'school of thought' basis, reducing the prospect for engagement between PK ideas and non-PK ideas. On the other hand, the PKSG rightly needed to secure some integrity for, and

¹ Actually one person will do A, one will do B, and 98 will stand and watch. In different rooms.

some control over, what was being discussed in their stream, because otherwise, it simply wouldn't be attractive to their members, who wouldn't come.

We could have taken a quick vote on the original PKSG proposal. As coordinator, I held out against this. I suggested that instead we hold a quite prolonged discussion and find out what the preoccupations of each side really were, and see whether we could work out an arrangement that would satisfy both. Mutual respect was vital to this – each side needed to understand the concerns of the other side. Discussion was vital – each side needed to spell out its problems, so that the others could understand them. And a pluralistic solution was required – the PKSG retained control over their sessions, and issued a 'subcall' but we provided for systematic interaction between the PKSG stream organisers and the programme committee, with a two-way interchange of participants.

This was an experiment, based on my experience in the World Social Forum and in Wikipedia where such 'consensus' methods of reaching decisions are commonplace. I think the balance sheet is positive – though I think we should discuss it.

Am I claiming that consensus, pluralistic decision-making is perfect, or better? Not really. There is immense dissatisfaction within Wikipedia, to the extent that one of the founders, Larry Sangler, set up a completely different venture called Citizendium. Within the WSF there are perpetual arguments about procedure. There are many cases where action is needed and judgment must be exercised, but consensus decision-making takes so long that, effectively, it becomes an obstruction. It's not perfect.

I would claim, it is *appropriate* – because our *objective* is pluralism. That's what unites us. We are not united by a common view on economic theory or policy but by a belief that something is fundamentally wrong with economics because it prioritises conformity over the search for truth. We're not doing that. Therefore, we have to organise appropriately: so as to

- (1) create spaces where difference not only exists but is positively encouraged
- (2) ensure that different ideas engage with each other

This is a difficult act to manage. It makes it particularly difficult to act together. I think there are at least four issues on which I think we can benefit from acting together, and so we need to reach a consensus. Therefore, we need to have a discussion. I am not proposing we go straight to a vote on these questions and indeed, for the same reasons as with the PKSG stream, I would recommend that we *don't* go to a vote, except to vote to have a discussion. These problems are:

- (1) Action for pluralism – responding to QAA and RAE and pressuring for reform
- (2) Agreeing on 'standards of quality' in pluralist economics
- (3) Reaching the public – website, publicity, press strategy, and so on.
- (4) Structuring our discussions –conferences, workshops, colloquia and other initiatives

Action for pluralism

The context in which we meet is an unparalleled economic crisis that has provoked two contradictory things:

- (1) an unparalleled loss of public confidence in economics profession,
- (2) an unparalleled defensiveness among our mainstream colleagues

Separately from this report, I hope to circulate, and will post to our website, a large and comprehensive list of declarations of discontent with the output of economics, most of them kindly prepared by Wolfram Elsner of the University of Bremen.

This discontent is justified by genuinely scandalous involvements of professional economist in the failure of our financial institutions. The full story of Iceland's banks is yet to be told, but I would recommend every heterodox economist to carefully read Robert Wade's account in *Challenge*. Essentially, people are rightly asking how virtually an entire professional group, receiving considerable sums from the public purse, just did not see the crisis coming and indeed, farmed out as established doctrine policy advice which helped bring it about, and totally failed to protect the public from it.

Wide social strata are involved – not least the Queen of England. Economist of many view points concur – stretching from clearly pro-market economists such as Buiter to its strong critics such as Krugman and Stiglitz. Historians of thought of high standing have joined in – for example Colander and the signatories of the 'Dahlem declaration' who coined the phrase 'systemic failure' to describe what is wrong with economics. These are extremely strong words.

A large cohort of economic journalists from the Financial Times leftwards are subjecting, to considerable scrutiny, postulates which in most undergraduate courses (not to mention hirings, research awards, and journal reviews) are simply taken for granted. Dissent certainly includes politicians and funders. Everyone who has anything to do with public policy-making knows that the politicians are, quietly and for the most part privately, checking out the alternatives, and distancing themselves from the official recommendations of the profession.

The profession's reaction is a contrary one – it can basically be summed up as 'battening down the hatches'. With Fred Lee, I attended a remarkable conference in Bremen, with reports taken from across Europe and more widely, on the universal growth of benchmarking and assessment procedures and also the growing use of impact metrics. In every country we heard from, to a background of considerable public concern, these procedures were being used by mainstream orthodox leaders of the profession to override heterodoxy, close down heterodox departments, impose conformity in hiring and research and, essentially, shut the door on dissent.

We have experienced this here. After a couple of years knocking at the door we finally achieved a hearing with CHUDE, who to their credit proposed that the RES should hold a session on pluralism with our support. Our letter to the RES did not even receive a reply.

Cassandra's choice

The difficulty of responding is as follows: on the one hand, we need to reach out to the non-economic public (including particularly funders, politicians and decision-makers who make use of economics) and explain to them that something is wrong with our profession that will not put itself right.

That is why, for example, we accepted the proposal to guest-edit a special edition of IREE on pluralism in economics education and prepared a submission to it. We should extend thanks to Andy Denis for the sterling work he has done in organising an impressive workshop and preparing that special edition.

On the other hand, we need to influence our colleagues themselves, to try and persuade them to change their defensive posture and open up to different ways of proceeding. This task and the first task are hard ones to reconcile: our colleagues don't like the criticism they are hearing, and if we become the bearers of it, we are a useful target for the ire they would prefer to vent on the true source of their discomfort.

In a certain sense, all the strategic choices we face are, basically, how to deal with this problem. My own view is that our primary responsibility is to the public and that, therefore, we cannot avoid voicing and responding to its justified criticisms. At the same time, we have to find ways to do this that make it impossible for the profession to avoid confronting the issues.

The tension between the public and the professional domain, for me, sets the context for the other issues on which we should take decisions.

Quality in pluralism

Quality in heterodox economics arises for two reasons that shouldn't be confused. On the one hand, we are the target of the largely false accusation that 'pluralism means anything goes.' – that is, heterodoxy is of lower quality. I think this accusation is badly founded and simply answered as follows: the record of orthodoxy has been worse, because the answers they have come up with, were wrong. Compared with this, anything is an improvement, and this is why the voices now being listened to are precisely those 'low-quality heterodoxers' whose advice was previously ignored.

There is a second, very different question: what are our *own* standards of quality. Fred Lee, Edward Fullbrook, Andrew Kliman, and many others have done excellent work on this, and everybody should read, for example, the *Horizon* volume on the topic, Edward's book, and the excellent work which Fred and others are doing on the assessments of alternative metrics and the impact of current benchmarking procedures.

The key problem is this: it is that the mainstream does not distinguish between *influence and conformity* on the one hand, and *validity and good judgement* on the other. Criticism of the peer review system has rightly reached a pitch, because, certainly in economics, it essentially excludes external or objective criteria of validity. If 99 out of 100 economists all agree on the efficient markets hypothesis, as we now know, this unfortunately does not tell us anything at all about whether financial

markets actually work. If we are to counter this, we must identify both criteria and metrics which systematically mitigate against selection for conformity and in favour of external criteria. At the very least these means

- (1) objective, rule-governed, and transparent review procedures
- (2) metrics which award high scores to practices – such as pluralism – which offer guarantees against conformity-driven selection

I think we need a substantial discussion on this and hope it will unfold

Reaching the public

Heterodox economics punches way below its weight. Until we established our website two weeks ago, there was no way that an ordinary member of the public could even find out what was in our conference programme, let alone what issues were being discussed. Yet the interest in heterodox work is at a height. I would like to welcome at least three publishers who are with us at the conference and who are eagerly seeking manuscripts. Supply them!

One of the main difficulties we have is the ‘individual’ character of our responses. At the Bremen conference, an Austrian contributor referred to the ‘fatal citation syndrome’. If I remember right, it goes as follows:

- The mainstream order of citation is: heroes, buddies, allies
- The heterodox order of citation: opponents, allies, buddies

No wonder, then, that heterodox journals invariably ‘export’ citations to the orthodox journals. In one sense this is positive and we should seek metrics that reward it. The heterodox economist is engaging, the orthodox economist is merely repeating. But it is also necessary for the heterodox economists to cite, and engage, *each other*. We need sites, conferences, and journals where this happens. The heterodox economist needs to put *work into working with others*

The modern way to achieve this is the website. I hope it will develop to be a genuine portal for heterodox excellence, containing papers from our past conferences, links to heterodox activities, and above all a place where the public can find us. Thus the material that Wolfram Elsner provided should go on this website. I would encourage everybody who has written a paper to take a simple step: to write up a short, 100-word summary stating what the paper says in language that a journalist can understand, and explaining how it is relevant to the public. And so on

Similarly, we need to develop a good press strategy – we welcome Alan Shipman as our press officer – to talk to the journalists

Structuring our discussions

The AHE conference has probably reached the maximum size that it’s possible to attain without a bit of a structure. We have well over 300 members; we received a record 120 submissions to this conference. There are three different ways we can now extend and accommodate what we do

- (1) we can, and should, develop 'subthemes'. The PKSG theme has been a success, I think, and the Bordeaux team has proposed further subthemes. We need some discussion about how these will work. Subthemes actually provide one answer to the problem of quality assurance, since in putting together a theme, the theme's organisers will apply criteria of relevance and quality. But at the same time we need to ensure they do not become ghettos, as 'schools of thought' became in the past.
- (2) Subthemes also provide a means to reach out to thinkers not previously engaged with us. The excellent work of the Bordeaux team has put together a cutting-edge and provocative set of panels on sustainability. Ali Douai, Francois Combarnou, Jean-Phillippe Berrou and Eric Berr are all to be thanked as are Andrew Mearman and Paul Downward. Victoria Chick, Radhika Desai and Geoff Tily has set up an excellent set of panels on 'Marx, Keynes and the Crisis' and Radhika is particularly to be thanked for the work she has done in bringing Prabhat Patnaik to us.
- (3) special workshops are an excellent forum. The continued school on heterodox research methods – thanks again to Andrew Mearman and Paul Downward – has now run so many years I have forgotten when it began, and CPEST's support has been most welcome. Radhika Desai and Ann Pettifor are to be thanked for helping to set up Monday's colloquium

We can afford to be creative about further external activities. Personally, I would like to see Public meetings with AHE sponsorship such as Tuesday's session at the LSE and am hoping to organise a set of Autumn term meetings on the topic of 'The Economy of Tomorrow'

What is the approach of a pluralist organisation to such initiatives? In my view, unqualified support. The atmosphere should be one in which heterodox researchers and students, particularly newcomers, are positively encouraged to take initiatives – rather than one, as is the case in the mainstream, where one feels that there is some kind of 2-year approval process to pass through.

In all such initiatives, as well as the Bordeaux conference, I hope that the general approach we all take is not 'what problems can this cause' but 'what benefits can this bring?' In general, the answer will be 'many' and the response should therefore be 'how can we help'

Thanks go to many people – along with apologies to anyone I have omitted – beyond those already mentioned, in particular Julian Wells, our conference organiser, Vinca Bigo, the Treasurer, Ioana Negru, last year's organiser, Lisa Hall, the administrator, our two life-presidents Victoria Chick and Fred Lee, our committee, who have weathered the year with remarkable tolerance and constructiveness, and – last but certainly not least – you, our participants and members, the heterodox and pluralist community.

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