

Brands of Economics and the Trojan Horse of Pluralism*

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ABSTRACT This paper examines the current status and prospects of heterodox approaches to economics in relation to the problem of marketing ideas to groups of potential users who see the world in very different ways. It draws lessons from the changing status of behavioural economics and highlights the marketing problems that arise between heterodox economists whose perspectives overlap only partially. Its principal message is that the best hope for heterodox economics may lie in taking a less openly combative approach than hitherto when trying to win over mainstream economists and instead using strategies of stealth based on the empirical advantages of pluralistic applied research methods.

1. Introduction

Heterodox economists mostly take a rather negative view of marketing as a discipline and profession, seeing it as providing tools that can be used to generate unnecessary wants that are wasteful of resources and make consumers socially competitive and anxious (for example, see Sheehan, 2010). Although the tools of marketing are indeed often used to manipulate consumer behaviour for private profit (Hanson & Kysar, 1999), marketing can also be used to advance socially beneficial causes. Politicians understand the power of good marketing but heterodox economists rarely seem to reflect upon their plight from a marketing standpoint. In this paper we offer such a reflection.

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The marketing challenges that heterodox economists face take three main forms:

1. Getting other kinds of heterodox economists interested in using elements of their own particular heterodox approach.
2. Getting mainstream economists to listen to and take up heterodox ideas.
3. Getting third party groups such as university managers and grant-awarding bodies to allocate resources in ways that will permit heterodox economics teaching and research.

The second is probably the biggest challenge and success here depends in part upon success with the other two. If heterodox economists face an impossible task with the second challenge, the third becomes particularly significant. While we think the second challenge is very tough, for the reasons set out by Lee (2012) elsewhere in this Symposium and in Earl (2010), we do not regard it as an impossible task that implies we should simply concentrate on the first and third challenges.

The paper is structured as follows. In Section 2, we examine the importance of brands in the functioning of the market for ideas. In Section 3, as a case study, we consider the significance of brand management in the success of behavioural economics in the past two decades. Section 4 demonstrates how perceptions of different brands of economics can be elicited and relationships between the brands then mapped, revealing what a thoroughly heterodox approach might entail. Section 5 shows how strategies involving stealth can be used to get heterodox material into the curriculum. Section 6 then focuses on the stealth potential of pluralistic applied

economics. Section 7 considers the case for creating a unified brand from the disparate heterodox approaches, while Section 8 offers some concluding comments.

2. The Significance of Brands of Economics and How They are Positioned

Marketing matters in economics, as in business and politics, because customers have limited attention, as do those in whose social circles they seek to move. A library represents a far more demanding challenge to academics shopping for ideas than a supermarket presents to those shopping for groceries. Capturing attention for economic research involves much more than one's choice of keywords or title or making sure that one publishes in journals included in databases such as ECONLIT. Economists whose lists of references show they keep the wrong kind of company and who show ignorance of the codes of conduct of particular scholarly groups will be denied admission to such circles, just as they would be denied admission to a classy nightclub if they presented with scruffy colleagues and wearing the wrong kind of clothing.

Attempts by economists to position themselves and their work in particular ways may affect and be affected by how they and the kind of work they do are branded in the minds of their audiences. A brand is an information-economizing device that allows people to make very rapid assessments of what to expect if they purchase or give attention to a particular product. Such expectations may be about how they will be viewed by others who see them using the brand, and about the kinds of interactions it will permit them to make with particular groups or individuals. By associating ourselves with particular brands, we get branded too: we get known as being particular kinds of economists because of the societies in which we participate and the company we keep when we publish. Those who know us by our brand

shorthand will be able to predict both our choices of areas of economic problems to analyse and how we go about analysing them. Likewise, we use our brand shorthand to summarize what kind of economics we practice to people who do not know us but who might hire us or be interested in publishing our work.

In marketing their ideas or labour services, economists choose which stimuli to send out to their intended audiences. But although these stimuli may provide *opportunities* for them to be seen as they hope to be seen, how they will *actually* be seen depends on the set of templates that their audiences use for forming perceptions and the connotations that they attach to particular templates (Hayek, 1952; Kelly, 1955). Though a marketer may be trying to create a particular brand image, it is actually the audience who ultimately does the branding by deciding how to construe the signals they pick up, both from the marketer's campaign and from other sources. If the incoming stimuli do not constitute a pattern that matches the onlookers' templates for 'economics', then these onlookers will be unable to classify it as economics. If the set of stimuli fit no single template perfectly, but fit several templates to some degree, it may be categorized as a hybrid form. Therefore, if mainstream economists use templates so restrictive as to enable them only to see their kind of economics as 'economics', they will see heterodox economics as something other than economics, such as political science or sociology. By contrast, other economists, with less restrictive templates and a wider range of templates to call upon may be able to recognize not merely 'heterodox economics' but also constituent brands, such as 'Post Keynesian economics'.

When economists seek to position their work to make it acceptable to particular audiences they can try to do so not merely via the signals they try to send—such as the keywords and title they supply, the analytical contents they include, the

work they cite as influencing it and the company they keep as their co-authors or name in their acknowledgments—but also by providing templates for their audiences to use when categorizing it. The latter will need to fit templates that their audience already possess and essentially constitute invitations to see their work in a particular way. Such invitations can be made via the title, introduction and conclusion to the work and/or in the covering letter when they submit it to be considered for publication. How they attempt to position their work may make all the difference: it is one thing to offer a work as, say, ‘a radically different way of approaching the subject that offers a new core of ideas to replace an existing way of thinking that the work shows to be deeply flawed’, and another to invite the intended audience to see it as, in effect, ‘a means of enhancing the predictive capacity of an existing approach by making only minor adjustments to its normal practices’. While the former may be intended, it may be much wiser to dress it up as the latter to give it a chance of being accepted, with its real implications only gradually becoming apparent.

Heterodox economists may thus need to position their work differently to different target audiences. It may be fine to criticize the mainstream approach when marketing heterodox contribution to other heterodox economists and funding bodies not dominated by mainstream economists, but completely wrongheaded if one is trying to invite mainstream economists to change their ways. To seduce the mainstream, heterodox economists should not use an explicitly combative ‘battering ram’ approach; rather they should employ a Trojan horse strategy, offering something that mainstream economists will be likely to find acceptable but which they will not see as opening the door to the eventual abandonment of their present approach.

3. Branding and Positioning Lessons from Behavioural Economics

The changing status of ‘behavioural economics’ in the past two decades provides a telling case study of what can be achieved by careful positioning and brand management and of the opportunities that can be lost if these issues are mishandled. At first sight, it may appear that what Sent (2004) has labelled ‘new behavioural economics’ has been accepted purely because it does not violate the hard core of the mainstream research program, unlike the earlier approach for which Herbert Simon was awarded the 1978 Alfred Nobel Memorial Prize in Economic Science. Instead of following Simon by emphasizing the challenges of complex decision-making environments and advocating a view of choice based upon aspiration levels, decision rules and satisficing, new behavioural economics focuses largely on using mainstream tools, modified by incorporating empirically-grounded ‘heuristics and biases’ to deal with behavioural anomalies that mainstream economists otherwise found hard to admit (Sent, 2004; Berg & Gigerenzer, 2010; Earl, 2010). However, if Simon and his colleagues had played their hand differently, today’s economists might be at least be operating in a pluralistic manner and embracing their approach as a legitimate way of addressing economic puzzles, especially in contexts involving complexity and uncertainty.

‘Old behavioural economics’ has languished despite having started off in the top-tier journals in the mid-1950s and despite the release in 1992 of a new edition of the seminal book by Cyert & March (1963) on the behavioural theory of the firm (which registers over 10,000 citations on Google Scholar—the vast majority not in economics). Herbert Simon and his colleagues got the old behavioural economics started with contributions in a style that was at least as formal as contemporary constrained optimization models. Simon also was well networked with leading

economists of the time and these connections proved useful en route to his success with the Nobel award: he writes that his election in 1976 as a Distinguished Fellow of the American Economic Association (despite never having been a member) came after Kenneth Arrow ‘had educated the younger economists on the selection committee on who I was and on my standing as a Fellow of the Econometric Society’ (Simon, 1991, pp. 321–322). By this stage, however, Simon had long since realized that a satisficing-based approach to economics was not being taken up, and had concentrated his research on cognitive psychology and computing science.

Towards the end of his life, Simon acknowledged that his intentions had been misunderstood:

[F]ew of the economists, even those who find my approach most congenial, seem at all aware that the psychological research and computer modeling I have been doing (for 45 years!) is not unrelated to the tasks of building an economics for the real world, but is a simple continuation (‘by other means,’ as Clausewitz said of war) of what I had been doing since the beginnings of *Administrative Behavior*: trying to provide a theoretical and empirical foundation for human decision making. As a consequence of this oversight, the view still prevails that bounded rationality is a critical, not constructive, approach that has little positive to say about how decisions are actually made and problems actually solved. (Herbert Simon, in an email to Peter Earl, 9 February 2000)

Simon had also unwittingly let a major marketing opportunity slip away when debating with Milton Friedman in 1963 over the latter’s contention that the pressure of competition ensures that only those who do maximize profits survive: he seemed unaware that Friedman had misrepresented Alchian’s (1950) argument—which was actually that survival only requires sufficient fitness relative to the opposition and which was therefore entirely consistent with a satisficing analysis (see Kay, 1995). As

Simon commented when this was brought to his attention, ‘It is difficult enough to beat Milton in debate without handicapping oneself by muffing a strong point’ (email to Earl, 18 February 2000).

By the late 1970s, when Simon once again became visible in economics, the subject had changed and the Nobel citation made it plain for all to see that his work rejected the assumption of the omniscient profit-maximizing entrepreneur and was therefore at odds with the constrained optimization template of the new generation of economists. Worse still, in his later publications in economics Simon was not only arguing against optimization but also doing it via words rather than with heavily mathematical papers.

In the 1980s, despite—or perhaps because of—Simon’s Nobel award having publicized the nature of his contribution, it was not easy to achieve status by doing behavioural economics of a kind that did not fit the conventional template. Richard Thaler is now probably the most influential and heavily cited of all the new behavioural economists. However, even though he was being less radical than Simon in his theoretical stance, he found it difficult to win acceptance for his early work in which he exposed the empirical shortcomings of mainstream consumer theory and tried to show how Prospect Theory could provide a better way of making sense of consumer choices. His struggles were outlined in a *New York Times* article by Roger Lowenstein (2001), who noted that:

Thaler’s first paper on anomalies was rejected by the leading economic journals. But in 1980, a new publication, *The Journal of Economic Behaviour and Organization*, was desperate for copy, and Thaler’s ‘Toward a Positive Theory of Consumer Choice’ saw the light of day. ‘I didn’t have any data,’ he admits. ‘It was stuff that was just true.’

Thaler's (1980) paper first began to achieve influence via psychologists, not mainstream economists (though it was included in the collection edited by Earl, 1988). According to Google Scholar, it is now his second most heavily cited work. Top place goes, however, to the De Bondt & Thaler (1985) paper on stock market over-reaction, in the *Journal of Finance*, while third-placed is Thaler's (1985) paper on mental accounting, which appeared in *Marketing Science*. In other words, success came particularly by offering his ideas to audiences with a practical real-world interest: 'behavioural finance' was an astute field for him to kick-start because, if his arguments were right, huge amounts of money could be made by applying them. His subsequent work for economic journals used experiments in place of anecdotes and sometimes he wrote jointly with the psychologist Daniel Kahneman, whose experimentally-grounded Prospect Theory he had used and which had been published in *Econometrica* (Kahneman & Tversky, 1979). While this strategy helped win interest from mainstream economists, Thaler was also able to reach a much wider audience via his skilful use of everyday examples and anecdotes.

The importance of writing in the accepted style of one's target audience and keeping within the right circles was also well understood by Matthew Rabin, another star of the new behavioural economics. Though his citation rate and public profile are not yet quite in Thaler's league, his rise was much more meteoric. His strategy was quite deliberate, as was evident around 2000–1 when Peter Earl and Simon Kemp, who had just become editors of the *Journal of Economic Psychology*, wrote to both Rabin and Thaler to invite them to join the *Journal's* editorial board. Both were advised that their duties would be minimal but that they could serve a major role simply by joining the board and thereby endorsing the journal. Thaler accepted but Rabin declined, saying that to succeed in his mission to get psychology taken

seriously by economics in general it was vital he restricted his work to the mainstream. In other words, if he associated himself with a non-core journal, he risked having his contributions to core journals taken less seriously. Though the journal's new editors were at the time disappointed, Rabin's strategy may well have helped the *Journal of Economic Psychology* in the ensuing decade: as his impact within mainstream economics increased, so did the journal's impact factor.

It remains to be seen whether, having helped win a place for psychology within economics by positioning the new behavioural economics on the fringes of the existing mainstream, contributors such as Thaler and Rabin start building further heterodox ideas into their work and make it look more like what Simon had attempted to promote.

4. Complementarities between Brands of Economics

If Trojan horse strategies are to be used to promote the agenda of heterodox economics, or if a stronger heterodox economics battering ram is to be constructed, it is necessary to appreciate what the various brands of economics signify to the target audiences. Depending on their reading, their training and the circles within which they move, economists will differ in the dimensions in which they see rival research programs and how they see them in terms of dimensions they have in common with their peers. They may even be completely oblivious of some brands of economics.

Repertory grid technique, developed by Kelly (1955) and often used in market research, could help reveal ways in which different economists see the rival brands of economics. This would entail asking economists to list the economics research programs with which they are familiar and then compare and contrast them, taking three at a time, in all possible combinations. In doing this, they would reveal the

dichotomous dimensions in which they see them (in Kelly's terms, their 'repertoires of constructs') and how they locate them on these axes. Data thus elicited could then be presented as a matrix (or 'repertory grid') with the rows showing the economist's construct axes and the columns representing the brands of economics. As an example, in Table 1, we have tried to represent our own (combined) view of major rival brands of economics.

[INSERT TABLE 1 NEAR HERE]

The repertoire of construct axes in Table 1 includes both axioms and rules for how to proceed when doing economics. Constructing the table was not straightforward. For example:

- We had great difficulty seeing much difference between 'old behavioural' and 'evolutionary' economics. With 'new' behavioural economists having purloined the term 'behavioural economics' to describe what they do, the time may well have come simply to reclassify work in the 'old' behavioural mode as part of evolutionary economics—except when there are good Trojan horse reasons for not doing so, or for presenting evolutionary economics as an arm of behavioural economics (see Section 5 below).
- The 'constrained optimization'/'satisficing' and 'global rationality'/'bounded rationality' axes were problematic for many of the research programs. For example, while 'global rationality' versus 'bounded rationality' may clearly separate, respectively, mainstream economics and old behavioural economics, new behavioural economics mostly does not put bounded rationality, seen as

Table 1: The Authors' Repertory Grid for Economics Research Programs/Brands of Economics

ME = Mainstream Economics; NBE = New Behavioural Economics; OBE = Old Behavioural Economics; S-E = Socio-Economics; NIE = New Institutional Economics; OIE = Old Institutional Economics; AE = Austrian Economics; EE = Evolutionary Economics; PKE = Post Keynesian Economics; RPE = Radical Political Economy; FE = Feminist Economics

O = Orthodox position; H = Heterodox position; O/H Commonly use either position; O>H = Normally takes orthodox position but sometimes takes heterodox position; O<H = Normally takes heterodox position but sometimes takes orthodox position; ? = Unclear to us/not an issue that we have seen being raised explicitly

Orthodox Pole	Heterodox Pole	ME	NBE	OBE	S-E	NIE	OIE	AE	EE	PKE	RPE	FE
Constrained optimization	Satisficing	O	O	H	H	O>H	O/H	O	H	O/H	?	?
Deterministic 'single exit' models and single-line forecasts	Open-ended 'multi-exit' models focusing on bounded ranges of possibilities	O	O	H	H	O>H	H	H	H	H	H	?
Reversible choices and timeless equilibrium states	Historical path-dependent processes	O	O/H	H	H	H	H	O/H	H	H	H	H
A set of propositions not expressed mathematically do not constitute a model	Mathematical tools are not prerequisites for economic analysis	O	O	H	H	H	H	H	H	H	H	H
Global rationality	Bounded rationality	O	O>H	H	H	O/H	O/H	O/H	H	O<H	?	?
Agents obey axioms of normative rational choice	Choices are predictably twisted by heuristics and biases	O	H	H	H	O>H	?	O	H	O/H	?	?
Preference-based choices	Rule-based choices	O	O	H	H	O/H	O<H	O	H	O/H	?	?
Everything has its price	The axiom of continuity does not always apply	O	O	H	H	O	?	H	H	H	?	?
People are greedy, devious and selfish	Choice has a moral dimension	O	O>H	H	H	O	?	O	?	H	?	?
Uncertainty can always be reduced to risk or lottery equivalence	Some choices involve non-probabilistic uncertainty and potential for surprise, and may be crucial for the decision maker	O	O	H	?	H	?	H	H	H	?	?
Base models on representative agents	Take account of different world-views and ways of forming expectations	O	O	H	H	?	H	H	H	H	H	H
One-size-fits-all view of choice	Decisions are made differently in different contexts	O	H	H	H	H	H	O	H	H	?	H

data, ideally based on observed behavior

introspection may have a useful role to play in economic analysis

arising from computational limits on information processing and problem analysis, at the centre of its work. (The index to the reader edited by Camerer, Lowenstein & Rabin (2004) only lists the term as occurring on three of its 700+ pages.) However, there are some axiomatic models of decision making under bounded rationality (e.g., Lipman, 1999) while information processing limitations seem linked to the origins of heuristics and biases. Post Keynesians present similar challenges. Although they often seem to do their work without much of a focus on choice-theoretic foundations of any kind, they sometimes portray uncertainty as being dealt with via the use of simple rules. It is rare for them to explore problems that can be caused by decision-makers having too much information to process rather than being short of information they would like to have. Post Keynesians mostly seem also to be reluctant to give up the idea that corporations are maximizing something. We can, however, see signs of Post Keynesians starting to use the heuristics and biases literature, as with Fontana & Gerrard (2004) and Harvey (2009).

- The spirit of the Austrian approach shares much with mainstream thinking, with entrepreneurs somehow being presumed eventually to achieve the coordination that general equilibrium economists try to conjure up instantaneously via the fiction of the Walrasian auctioneer. Although Austrians do not analyse the economy in terms of equilibrium states they do see it heading towards equilibrium. Although they allow for bounded rationality in the sense that even entrepreneurs have limited attentive capacities (in Austrian terms, ‘alertness’), it is hard to find them recognizing bounded rationality in the way that old behavioural economists do, with all the questions this might raise about the quality of

consumer decision-making and potential to succumb to attempts at market manipulation.

Table 1 is not to be seen as a statement of how we believe economists in general should see these approaches to economics; it is simply our attempt to encapsulate how we currently see them. Our focus on the issue of how choices are made is very different from what Lee (2012) focuses upon when trying to encapsulate his vision of heterodox economics elsewhere in this Symposium. It also shows how patchy our knowledge of economics is: while we feel pretty confident about the nature of some brands of economics, we have only vague impressions of how modern radical political economists or feminist economists operate, and we also know that our knowledge of old institutional economics falls a long way short of our knowledge of old behavioural economics. Our fellow heterodox economists would display different areas of uncertainty and ignorance if they went through a similar exercise. We suspect most mainstream economists would reveal themselves to have a comprehensive lack of insight into most of the heterodox approaches. This is something that heterodox economists would normally view as a problem but, for those plotting Trojan horse strategies, such ignorance is actually an opportunity.

While the gaps in our knowledge that Table 1 reveals are embarrassing, we think the table serves two useful roles. The first is that it is likely to provoke readers to reflect on where they differ in the constructs they use to see the rival brands or how they rate them. The second comes from how we have set out the constructs in terms of what we see as their mainstream and heterodox poles. In doing so, we are pointing towards some dimensions of what might be the essence of a thoroughly heterodox approach to economics.

From our perspective, *no single existing brand of economics has a fully heterodox profile*. This is clearly problematic for those (particularly students) who want to see the world in dualistic terms, as it raises the question of whether ‘heterodox economics’ is simply any economics that does not fully conform to the practices of ‘mainstream economics’. However, the various points of overlap with mainstream economics also present opportunities for infiltrating mainstream territory. Each provides some common ground for starting a dialogue aimed at getting mainstream economists to change their thinking at other points. An alternative approach that seems completely different from the norm may be impossible to sell to mainstream economists as an ‘economic’ approach even if it addresses a problem whose existence they are willing to admit.

5. Strategies of Stealth

Heterodox economists will need to use stealth to undermine current practices in economics. Theoretical analysis that is openly combative will not get past mainstream journal editor and referees. Nor will mainstream majorities approve openly subversive new courses. Rather than engaging in open combat heterodox economists should exploit the ignorance of the mainstream that arises from its narrow reading and limited ability to monitor what happens in classrooms. When heterodox economists present their work or proposals to their mainstream peers, they should act as if the latter are familiar with the territory rather than emphasizing radical departures. When teaching heterodox economics, they should simply call it ‘economics’ but at the same time they should alert their students to be on the lookout for other kinds of economists who seem rather less interested in the real world and more interested in playing with mathematics. Taught thus, the students may not merely have a strong background on

how to do real-world economics but also the confidence to challenge their more ‘autistic’ professors, unaware that it is the latter that dominate.

As an example, consider how to get old behavioural economics and evolutionary economics ideas into the curriculum. Mainstream faculty members will be aware of new behavioural economics but they will actually see it as ‘behavioural economics’ because they are unaware of old behavioural economics. Given this, the heterodox economist should simply suggest introducing a course (or volunteering to teach an existing course) in behavioural economics without mentioning the old/new issue at all—and then mostly teach old behavioural economics and related material from evolutionary economics, though taking care to include some coverage of what mainstream colleagues would have been expecting to drive pretty much the whole course, namely, the implications of heuristics and biases.

As a second example of a strategy of stealth, consider the core ideas of the price mechanism, the law of demand, and price elasticity of demand. Economists probably agree that profits and losses play a role in promoting changes in the mix of production and that elasticity of demand can be measured and differs between markets. However, in contrast to mainstream supply and demand stories, a heterodox perspective would not simply assume that markets achieve equilibrium states. Rather, it might:

- (a) Explore the coordination problems involved in achieving structural change and the role of so-called imperfections in facilitating orderly market entry or exit (via Richardson, 1960/1990);
- (b) Recognize the institutional nature of markets as devices for facilitating transactions (via Hodgson, 1988); and

- (c) Offer a theoretical analysis, grounded in psychology, of why there are ‘inelastic’ responses to price changes in some cases and ‘elastic’ responses in others (via Earl, 1986).

In other words, where mainstream economists presume a particular end result and provide tools for measurement without any underlying theory beyond the mathematics of marginal revenue functions, the heterodox approach would reveal the informational challenges that market transactions entail, showing the kinds of situations in which markets will be likely or unlikely to function efficiently, as well as offering a theory of responsiveness to changing incentives. All of this can probably be done without any need for new course rubrics, though possibly at the cost of short-changing the coverage of some material cherished by mainstream colleagues. Such costs are probably quite easy for subversive economists to impose on their colleagues given the amount of redundancy in a typical ‘principles of economics’ sequence that tries to drum the methods of constrained optimization into students by telling the same story with increasingly sophisticated mathematics over successive courses.

6. The Trojan Horse of Applied Pluralistic Economics

It is difficult to imagine theoretical work that does not fit the mainstream template getting into the most prestigious journals in the immediate future. Attempts to find a way in by offering a pluralistic theoretical analysis of a particular problem area and discussing the relative merits of rival approaches would founder due to the problem of length: the mathematics required to spin out a couple of paragraphs of intuition of the usual kind into a ‘rigorous’ paper usually leaves no room for any alternative. The best one can hope for is the kind of ‘fiddling at the edges’ work that the new behavioural

economists do, which gradually enables the field to be opened up by taking mainstream research and reworking it with additional twists that bring it into closer conformity with the real world. This way of opening the discipline up will be slow and heterodox economists will not be able to drive it if they are not prepared or able to play the ‘formal model’ game. For the moment, then, heterodox theory will most likely have to stay outside of the top-tier journals.

The big chance for heterodox economics lies in applied work where theories meet facts rather than simply being ‘proved’ mathematically for a stylized context. Here, pluralism has enormous Trojan horse potential. The pluralist applied economist can present as a well-read researcher with no particular theoretical axe to grind, who is merely interested in finding out how a particular part of the economic system works. Alternative theoretical possibilities can be advanced along with their implications for which variables are necessary, their expected signs and the relationships between them. After that, it is up to the data to show which view fits the facts in the context in question. In some contexts there will be complementarities between alternative theoretical approaches, so that rather than predicting opposing signs for a given variable they permit additional variables to be incorporated into models and improvements in explanatory power. So long as the results are robust in a statistical sense, they will be hard for economists to deny even if their perspectives would not have led them to consider adding such variables.

An exemplar of this approach to empirical work is provided in Peng’s (2009) study of housing renovation choices. Not only were rival perspectives on ‘do-it-yourself’ (DIY) versus ‘outsourcing’ decisions tested, but in analysing the ‘to renovate or not’ decision, standard models based on ‘economic’ variables and models that add psychological variables were both presented. The value of adding the

psychological variables was striking in the case of decisions to renovate or not, and for DIY versus outsourcing, but weak when the approach was extended to the case of cost over-runs and over-capitalization (on the latter, see also Peng, 2011). In addition to working with multiple theoretical perspectives, this study was also pluralistic in its openness to alternative statistical methods, employing both logistic regression and cluster analysis techniques.

By being presented in a non-combative manner, pluralistic research that uses ideas from heterodox approaches and outperforms monist orthodox research strategies may become increasingly acceptable and visible in well-ranked journals. Applied economists of more orthodox backgrounds will have an incentive to follow suit as a result of seeing papers in their field that have used this method. From reading such papers, they will know where to go to source alternative perspectives.

7. Towards a Unified ‘Heterodox Economics’ Brand?

To ensure that such strategies end up producing something coherent and synergistic, heterodox economists need to coordinate their actions. They would be wise to construct an overarching unified research program in whose direction they will try, from different starting points, to steer mainstream economics. For this to be possible, most of them will have to become much more widely read and eclectic than hitherto. They will have to focus on the complementarities between heterodox approaches and be prepared to learn from unfamiliar heterodox brands rather than simply ignoring them or burying the differences between them.

The key for doing this may lie in the Schumpeter Prize-winning book by Potts (2000). He argues that at the most basic level of analysis what makes *all* the varieties of heterodox economics different from mainstream economics is how they see the

relationships between the elements that constitute the economic system. In their various ways, heterodox economists all view the economy as a complex system that has a definite architecture because its elements are not connected to every other element. By contrast, the mainstream view attempts to make economics like Newtonian physics by treating the economic system as a mathematical ‘field’ in which every element is directly connected, to some degree, with every other element. The ‘field’ approach underpins the general equilibrium vision, the continuity of preference orderings and production functions and the principle of gross substitution that lie at the heart of mainstream economics. It accounts for the general lack of interest that mainstream economists show in structural relationships—whether between ideas or people, within organizations and markets, or within the input-output matrix that maps how commodities are used to produce other commodities—and in how such relationship change through time (see further, Earl & Wakeley, 2010).

It will take a major investment by a team of heterodox economists from different backgrounds to synthesize the key ideas of the various heterodox brands into a single coherent perspective. Making the most of complementarities requires not just wide reading but also a subtle appreciation of alternative research programs. Moreover, the benefits of investing in such a synthesis are unlikely to be achieved if heterodox economists from diverse camps insist on taking their habitual ideological stances rather than adopting the more pragmatic position of seeing what they can agree upon about the nature of the economic problem and the human condition and then seeing where this leads for economic policy.

For example, Austrians could learn that they should not simply presume that market processes generate order spontaneously but that there is a serious problem of coordination. Likewise, radical political economists might continue to despise ‘fat

cat' executive remuneration packages and yet end up with both a stronger critique of modern 'managerialist' policies and a view of capitalism that includes a healthy respect for managers of large corporations who confront enormous challenges in the modern world of Schumpeterian creative destruction. William Lazonick's (1990, 1991) work shows just how powerful a view of industrial dynamics can be achieved by synthesizing the theoretical and historical perspectives of Chandler, Marshall, Marx and Schumpeter; it is unlikely to appeal fully to committed admirers of any one of these four but it certainly is a means of getting them to see areas where synergies are available and to separate out residual areas of differences.

It is easy to see opportunities being lost if heterodox economists who work on the firm do not emulate Lazonick's eclecticism. Much of what we might label as 'managerialism' when viewing the practices of corporations and government departments can be seen as the sort of policies one might design by applying notions of organizational slack and X-inefficiency (from old behavioural economics), and principal-agent problems and potential for opportunistic pursuit of sub-goals (from new institutional economics) in a neo-Darwinian manner. The use of managerialist policies to crank up workloads and create a 'divide and rule' environment of fear in organizations is hardly popular with economists on the left. However, radical political economists who integrate these lines of thinking with their own perspective can argue that managerialism is based on a misunderstanding of the significance of contractual incompleteness, much of which is there to preserve flexibility and avoid the costs of trying to anticipate contingencies that may never arise. Policies aimed at tightening up workplace procedures may thus be counterproductive. Moreover, to understand the origins of power, it may be useful to be familiar with economics that emphasizes the complexity of economic activities and the division of knowledge among participants.

If heterodox economists of different persuasions can feel more comfortable about the possibility of conversing amongst themselves, they can set in place the kinds of institutional frameworks that will make it harder for mainstream economists and the media to ignore them. They need their equivalent of the American Economic Association, its annual conference and its flagship journal, but have been dispersed among many small societies with their own annual conferences and journals. There will still be a place for the present heterodox journals but if there is a unifying flagship journal that is read and frequently cited by a wide range of heterodox economists it will have the biggest chance of taking on the ‘core’ mainstream journals on their own turf, that of impact factors and journal ranking tables. Ideally, heterodox economists need a flagship journal that not only manages to signal quality by the rigorousness of its refereeing processes but which is also a freely available online publication. With the founding of the World Economics Association in May 2011 and the inauguration of its open access and online *World Economics Journal*, it appears that the necessary institutional framework is at last being created.

An attempt to create a widely understood, integrated approach to heterodox economics from its current somewhat disparate set of dissident research programs only help in relation to the first and third marketing challenges outlined in the introduction to this paper. It is not something that will help make heterodox economics appeal to the mainstream. On the contrary, any sign that the opposition are grouping together in a unified force is likely to make the mainstream all the more defensive and resistant. Quite apart from inviting resistance, ‘heterodox economics’ is a brand name that would cease to make sense if it succeeded in usurping the current mainstream.

Heterodox economists need to brand their work in a way that suggests it is compatible with, not different from, the values of mainstream economists. They need an overarching brand name that mainstream economists cannot criticize without making mainstream work look unfit for funding. From this standpoint, Edward Fullbrook's 'Real-World Economics' seems a wise choice: *we* know what *we* mean by it, even if *they* do not know of our deeper subversive hopes for changing the practice of economics, and *they* will find it rather difficult to be openly hostile to economics presented under that banner: the implication of being hostile to it as a general label is that they are not actually interested in the real world, something they dare not allow to slip out to those who fund their work.

8. Concluding Comments

The stealthy Trojan horse approach to promoting ideas from heterodox economics to mainstream economists will take time to achieve results. This may alarm eager young heterodox economists but they should remain patient: such an approach not only has a better chance of success than the more confrontational strategies mistakenly adopted by many of their mentors over the past thirty years, it is also more likely to get them the jobs and tenure that are vital if anything is to be achieved in the long run. To succeed, heterodox economics will need to be pluralistic not merely in its economics but also in marketing, for different messages need to be given to different target audiences. Heterodox economists need to emphasize differences from the mainstream when they engage with each other and with non-economist stakeholders who control funding, but not when they seek to engage with the mainstream. This may mean that different heterodox economists will need to target different audiences: those who are

known to mainstream economists will find it more difficult to get away with subversive strategies than heterodox economists near the start of their careers.

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