

22nd Annual Conference of the Association for Heterodox Economics

The World Transformed: The Contributions of Heterodox Economics Globally

July 2nd-July 31st, 2020

PROGRAMME

ONLINE CONFERENCE (ZOOM PLATFORM)



Academic Officers

Ariane Agunsoye (Goldsmiths, University of London)

Thoralf Dassler (University of Westminster)

Danielle Guizzo (University of the West of England)

Ingrid H. Kvangraven (University of York)

Thomas Lambert (University of Louisville)

YSI Organisers

Ian Almeida

Nicolás Dvoskin

Surbhi Kesar

Keynotes

Dora Barrancos is a Professor at the University of Buenos Aires and director of Social Sciences and Humanities at the Argentinian National Scientific and Technical Research Council (CONICET). Barrancos' research areas include history, gender and sexualities.

Rama Salla Dieng is Lecturer in African Studies and International Development at the University of Edinburgh. Her main research interests are in Agrarian Political Economy, Food and Capitalism in Africa, Gender and Development, and Economic Policy-making in Africa.

Sheila Dow is Emeritus Professor of Economics at the University of Stirling, Scotland Her main academic focus is on raising methodological awareness in the fields of macroeconomics, money and banking, and the history of economic thought.

Jason Hickel is Senior Lecturer in Anthropology at Goldsmiths, University of London. His present research focuses on global inequality, political economy, post-development and ecological economics.

Chantal Naidoo is programme director with the European Climate Foundation in South Africa. She holds a PhD from the Science Policy Research Unit (SPRU) at the University of Sussex. Her research relates to the role of financial systems in sustainability transition processes, national development banks, financing strategies for climate action and rethinking finance theories for sustainability.

Julia Steinberger is Professor of Social Ecology & Ecological Economics at the University of Leeds. Her research examines the connections between resource use (energy and materials, greenhouse gas emissions) and societal performance (economic activity and human wellbeing).

Ndongo Samba Sylla is Research and Programme manager at the West Africa office of the Rosa Luxemburg Foundation in Dakar, Senegal. He recently published the book "The Invisible Weapon of Franco-African Imperialism, with Fanny Pigeaud.

YSI-Sponsored Keynotes

Prabhat Patnaik is Professor Emeritus at the Centre for Economic Studies and Planning, Jawaharlal Nehru University. He has written extensively on macroeconomics and political economy. His most recent book is *A Theory of Imperialism* (2016) with Utsa Patnaik.

Eiman O. Zein-Elabdin is Professor of Economics at Franklin & Marshall College. She has written extensively on postcolonial thought, economic development, the political economy of Africa, gender and economics, and institutional economics. Her most recent book is *Economics, Culture and Development* (2016).

Week 1

Friday 3rd July

2pm-3pm (BST)

Opening Plenary: Covid-19, Capitalism and the environment

Julia Steinberger (University of Leeds)

Chantal Naidoo (University of Sussex)

Jason Hickel (Goldsmiths, University of London)

3pm-3.30pm (BST): Break

3.30pm-5pm (BST)

Session 1: Heterodox Perspectives on Covid-19

Medha A. S. (Center for Economic and Social Studies, Hyderabad, India): *Heterodox economic policy outlook: a proven boon at the time of a global pandemic*

Vijayamba R. (Indian Statistical Institute, Bengaluru, India) and Prajwal N. (Institute for Social and Economic Change, Bengaluru, India): *An Assessment of the Urban Female Informal Workers during Covid-19 – Evidences from Bengaluru, India*

Patrick Mellacher (Graz Schumpeter Centre, Austria): *Inequality in the COVID-19 Pandemic and the Containment Measures: An Agent-based Exploration*

Alicia Girón (UNAM, Mexico): *Financial Governance in a Multipolar World: Before and After COVID-1*

Week 2

Thursday 9th July

1pm-2.30pm (BST)

Panel 1: Sraffa and Marx

Scott Carter (University of Tulsa, US)

Andrew Trigg (Open University, UK)

Andrés Lazzarini (Goldsmiths, University of London, UK)

Luiza Nassif-Pires (Levy Economics Institute, Bard College, US)

2.30pm-3pm (BST): Break

3pm-4.30pm (BST)

Session 2: Applications of Marxian Theory

Thomas E. Lambert (University of Louisville, US): *Game of Thrones, Game of Class Struggle, or Other Games? Revisiting the Demise of Feudalism*

Bruce Cronin (University of Greenwich, UK): *Estimates of Firm-level Production Prices and Value in the UK – Sectoral Effects*

Toni Prug (Independent Researcher) and Paško Bilić (Croatia and Institute for Development and International Relations, Croatia): *Social and economic form determination of monopoly digital platforms*

Friday 10th July

2pm-3pm (BST)

Plenary: Heterodox Economics Globally

Rama Salla Dieng (University of Edinburgh)

Ndongo Samba Sylla (West Africa office of the Rosa Luxemburg Foundation, Senegal)

Dora Barrancos (University of Buenos Aires and CONICET, Argentina)

3pm-3.30pm (BST): Break

3.30pm-5pm (BST)

YSI Session 1: Pluralism and Global South Perspectives in Economics

Maísa Goulart (University of Campinas, Brazil): *More Pluralism: considerations about the Post-Autistic Economics Movement relevance*

Barkin Cihanli (Levy Economics Institute, Bard College, USA): *The Holistic Approach: Institutions, Investment and Finance and the Unemployment in the Financial Instability Hypothesis*

Leandro Bona (Universidad Nacional de La Plata and CONICET, Argentina): *De-coloniality and pluralism for Introductory Economics. An experience from Argentina*

Week 3

Thursday 16th July

2.30pm-3.30pm (BST)

Session 3: Heterodox Critiques of Neoliberalism

Jannis Hussain (University of Oxford, UK): *Funding for future? The environmental impact of IMF conditionality; the Fund's neoclassical approach*

Katharina Jung (University of Oxford, UK): *Unfulfilled promises – meritocracy and entrepreneurship in Kampala*

Farwa Sial (University of Manchester, UK): *The Evolving Role of the Corporation: Insights from conglomeration and firm diversification in developing countries*

3.30pm-4pm (BST): Break

4pm-5.30pm (BST)

Book Launch: Contemporary Issues in Heterodox Economics

Sheila Dow (University of Stirling, UK and University of Victoria, Canada)

Arturo Hermann (ISTAT, Italy)

Friday 17th July

1.30pm-3pm (BST)

Session 4: History of Economics

Nicolás Águila (The New School for Social Research, US): *Assessing the debate on the commodity character of Marx's theory of money and its contemporary validity*

Karen Helveg Petersen (Independent Researcher): *The Money View and Marx's Theory of Money and Credit*

Juan E. Santarcángelo (Universidad Nacional de Quilmes, and CONICET, Argentina): *Marxian theories and economic development: roots, boom, setbacks and contributions to development*

3pm-3.30pm (BST): Break

3.30pm-5pm (BST)

Session 5: Teaching Heterodox Economics

Michelle Groenewald (North West University, South Africa) and Ioana Negru (Lucian Blaga University, Romania): *Informing economic pluralism through postcolonial theory, in an African context*

Juan David Parra (Universidad del Norte, Colombia): *Qualitative economics and the opportunity to push for heterodoxy in the classroom*

Andrew Mearman (University of Leeds, UK), Danielle Guizzo (University of the West of England, UK) and Sebastian Berger (University of the West of England, UK): *Do heterodox economists teach differently? A contrastive evaluation of interview data*

John Komlos (University of Munich, Germany): *Half a Paradigm Shift in the JEL is Quite a Game Changer for Econ 101*

Week 4

Thursday 23rd July

1pm-2.30pm (BST)

Panel 2: Central Banking in Contemporary Capitalism

Nathan Marcus (Ben Gurion University, Israel)

Pavlos Roufos (University of Kassel, Germany)

Ulas Sener (University of Potsdam, Germany)

Nina Eichacker (University of Rhode Island, US)

Benjamin Braun (Max Planck Institute for the Study of Societies and Maximilian Dusterhöft (Dresden University of Technology))

2.30pm-3pm (BST): Break

3.30pm-5pm (BST)

Session 6: Macroeconomics and Finance

Devika Dutt (University of Massachusetts Amherst, US): *Exorbitant Privilege or Ultimate Responsibility? Access to the International Lender of Last Resort*

Davide Villani (University of Greenwich, UK): *Revisiting the External Financial Dependence index in light of the rise of Corporate Net Lending: What do we really measure?*

Monika Meireles (UNAM, Mexico): *Financial regionalization, new foreign banking and trans-Latin banks*

Friday 24th July

2pm-3pm (BST)

Plenary: Health Policy and Economics During Pandemics

Smita Srinivas (Open University UK and Technological Change Lab).

Roberto Simonetti (Open University) and Maureen Mackintosh (Open University)

3pm-3.30pm (BST)

Break

3.30pm-5pm (BST)

Session 7: Challenges Financing of Health and Social Policy

Ana Paula Guidolin, Grazielle Custódio David and Pedro Linhares Rossi: *The financing of healthcare in Brazil: underfunding and austerity policies*

Geoff Crocker: *Basic Income and Sovereign Money – A Heterodox Economic Paradigm*

Robin Latimer (Independent Researcher): *Coronavirus - Changing the Money System*

5pm-5.30pm (BST)

AHE 2020 Awards Ceremony

Week 5

Thursday 30th July

3pm-4.30pm (BST)

Session 8: Racism, Sexism and Development

Cristina Fróes de Borja Reis, Regimeire Oliveira Maciel, Fernanda Graziella Cardoso (Federal University of ABC, Brazil): *The economic development of Latin America and its main problems: a feminist perspective*

Peter Doyle (Independent Scholar): *The Price of a Slave - The Implications of Slavery for Economics, and of Economics for Reparations*

Surbhi Kesar (Azim Premji University, India): *Economic dualism, precarity, and exclusion: Employment transitions and economic transformation in India*

4.30pm-5pm (BST): **Break**

5pm-6.30pm (BST)

Panel 3: Anti-Colonial and Post-Colonial Development

Max Ajl (Humanities and Social Change International Foundation, and Tunisian Observatory

for Food Sovereignty and the Environment)

Ibrahim Shikaki (Trinity College)

Divya Sharma (University of Sussex, UK)

Friday 31st July

1.30pm-3pm (BST)

YSI Plenary: Heterodox Economics – Perspectives from the Global South

Prabhat Patnaik (Jawaharlal Nehru University)

Eiman O. Zein-Elabdin (Franklin & Marshall College)

3pm-3.30pm (BST)

Break

3.30pm-5pm (BST)

Session 9: Covid-19 and the Global South

Salimah Valiani (Independent Researcher): *Understanding COVID-19 as sequel and potential in Africa*

Nithya Joseph, G. Venkatasubramanian, Isabelle Guérin, Nithya Natarajan, Fiorella Picchioni.

Vincent Guermond, and Milford Bateman: *Credit where credit is due? Interrogating the gendered dimensions of credit as 'climate resilience' in the Covid-19 crisis in India*

Sonia C. López Cerón (Pontificia Universidad Javeriana, Bogotá, Colombia): *Understanding the impact of Covid-19 on the economy of lower-income Bogotá families: Insights from the stratified emergentist Polanyian perspective*

530pm – onwards (BST)

Annual General Meeting of the Association for Heterodox Economics

Please note that you need to be a paid member to attend the AGM. If you need to pay your membership please go to <https://www.hetecon.net/membership/>

Abstracts

Friday 3rd July 3.30pm-5pm (BST)

Session 1: Heterodox Perspectives on Covid-19

Medha A. S.

Heterodox economic policy outlook: a proven boon at the time of a global pandemic

The socio-economic scenario caused by the global pandemic Covid-19 has shown that there was an undeniable fault in the way we were carrying out our economy. In this critical situation, a paradigm shift that is less capitalistic and more humane in nature is inevitable, that would be capable to redefine the fundamental way of looking at the world. The new paradigm needs to prioritize the 'flourishment' of human society as a whole than on visioning remarkable growth in National Income. In this light, the paper tries to analyse how a poverty eradication program of one of Indian state, Kerala which was relatively successful in flattening the covid-19 curve, called 'Kudumbasree' (The name Kudumbashree in Malayalam language means 'prosperity of the family'), has an influential hand in helping the state in the face of the Covid-19 fight. Likewise the paper tries to prove how states and countries which have moved in a more heterodox way of development rather than concentrating only on the accumulative process are way safer than their counterparts in the face of this pandemic. Kerala which saw India's first reported case was successful in treating it without any community spread. After hundred days of its first case, the state now has a special COVID hospital, 1251 community Kitchens and 3676 destitute persons rehabilitated as the state is going through a complete lock down. We have seen that at the time of a health emergency, only if a state's policies were strong enough in retrospect to tackle an emergency can succeed in it. As a matter of fact, Kerala saw its policies that focused on improvements of primary health, poverty eradication programmes, welfare programmes become an added strength during the fight against the Pandemic. Kerala's biggest poverty eradication program 'Kudumbasree', played a very significant role in helping the state through several measures such as mask-sanitizer production, community kitchen services and more. This study tries to analyse the activities of 'Kudumbasree' and how programmes like Kudumbasree can be a global model. The paper tries to understand the importance of localisation and how a heterodox development path would lead to greater good for human society.

Vijayamba R .and Prajwal N.

An Assessment of the Urban Female Informal Workers during Covid-19 – Evidences from Bengaluru, India

The COVID - 19 pandemic has deeply affected the earnings and employment of the urban poor in India. The severe lockdown restrictions without adequate support have hit the livelihoods of these people. The State announced a fiscal stimulus of Rs 1.7 lakh crore during April 2020 and Rs 20 lakh core during May 2020 for the economy during the pandemic. During such a crisis, the women bear the burden of providing food security to the households. This study aims to understand the reach of the food and financial security to the urban female informal workers. The study critically looks into the various aspects of livelihood crisis faced by them due to inadequate food and financial security. The different categories of urban female informal workers include the garment workers, construction workers and domestic helpers. We have used a purposive sampling method and interviewed urban female informal workers using qualitative methods in Bengaluru, Karnataka. The paper also makes use of the latest Periodic Labour Force Survey (PLFS) data of 2017-18 to understand the structure of urban female employment and socio-economic characteristics of urban female informal workers. The findings of the study reveal that the food and financial stimulus offered by the State is highly inadequate for the urban informal female workforce. Most of them can avail food grains through the public distribution system. Yet, there are issues of incomplete coverage of groceries and inaccessibility of it to migrant construction workers living in the city. There is scarce coverage of financial security during the pandemic, and almost all the workers in the study have resorted to different informal sources of lending. Poor urban women often lack any source of capital (land, house) to rely on during a crisis. The study argues for the need for a gendered and urban specific policy during this time. We support the need for a universal public distribution system and an urban employment guarantee program to tide over this crisis.

Patrick Mellacher

Inequality in the COVID-19 Pandemic and the Containment Measures: An Agent-based Exploration

I develop an integrated economic-epidemiological agent-based model to explore the heterogeneous impact of the COVID-19 pandemic on different groups and classes of people. The theoretical model is characterized by the presence of a variety of different agents (children, pensioners, blue collar workers, white collar workers, service workers, medical staff, teachers, capitalists) who differ in their epidemiological and economic characteristics, are connected in a social network and act according to boundedly rational rules. In the epidemiological part of the model, agents may become infected at home, at work, at the hospital, while visiting their friends or engaging in leisure activities. In order to honor the infamous role of the leisure industry in the spread of the disease, the economic part of the

model features an explicitly modeled leisure industry. I study, how the disease and various (actually used or potential) containment policies shape inequality in four interconnected dimensions: 1. The economic dimension: Some workers are able to work from home (in this model white collar workers), but others aren't. Closing down parts of the economy thus has heterogeneous effects on the ability of the agents to obtain income. Economic policies that aim to mitigate these effects may not help everybody who is affected (equally), e.g. subsidies to the leisure industry may not be used to pay wages, but only profits. 2. Care work: Closing schools and retirement homes may help to reduce the spread of the infection, but these policies drastically increase the care work that is done in the families (and there, mostly by women). This has a feedback effect on the economic dimension, since families that need to take care of children or pensioners then have to reduce their working time, which decreases their income. 3. The medical dimension: Pensioners are at far greater risk to die from the virus and their protection thus seems to be of utmost importance. Workers who are not able to work from home, but still need to work, are exposed to greater infection risks, so their death toll may also be higher. 4. Leisure: In this model, agents make plans on how to spend their leisure in each period, but the plans may fail due to matching failures, economic reasons (i.e. due to the lack of money to visit a commercial leisure facility) or due to restrictions. Restrictions or unequal economic impacts Although some of these questions can be (and in fact are) studied empirically, the variety in policy response is not very large. Furthermore, the interactions presented are complex and can thus not be analytically in a straightforward way. This merits an agent-based investigation, which allows to run and explore policy simulations under varying parameters, such as the shape of social networks, the household composition etc. in a highly flexible way.

Alicia Girón

Financial Governance in a Multipolar World: Before and After COVID-19

In this chapter, financial governance is defined as the self-regulated space where the participation of institutional investors and economic agents generate profits under an endogenous pattern determined by central banks through interest rate management. Under the assumption that the profits generated respond to a pattern of behavior characterized by zero interest rates, increasing money-credit creation and stable growth rates, the foundations of financial instability will deepen and the fragility of financial circuits will be evident before any adverse fact. The objective of this work is to demonstrate the enormous corporate and sovereign debt that countries reached in the framework of the economic policies implemented by central banks to maintain interest rates close to zero during the period of the Great Recession. By the end of the second decade, the fragility and instability in financial markets and the asymmetry between financial assets and GDP manifested a speculative bubble in financial indicators announcing a financial and economic crisis. COVID-19 arrived at a bad time and triggered the crisis and the uncertainty in the future at the beginning of the

decade of the twenties. In the face of an uncertain future, beyond setting the forecasts for the immediate future, it is notable that the debt burden of countries and non-financial corporations will not be solved in the medium and long term. At the same time, the public deficits will be greater every time before the direct stimuli that the governments are giving to bear the future of the Great Depression. Commodity prices and the movement of capital flows between emerging countries plus inflation will be a burden for governments that have been affected by the fracture of globalization. In the workplace, technology will revolutionize many face-to-face activities and renewable energies will be present to establish a green economy. Austerity policies will have to be set aside and the care economy of life will have to be the axis for the development of a new social contract.

Thursday July 9th

3.00 pm-4.30 pm: Applications of Marxian Theory

Thomas E. Lambert

Game of Thrones, Game of Class Struggle, or Other Games? Revisiting the Demise of Feudalism

In 1947, the Marxist economist Maurice Dobb published a book that attempted to outline and explain how the feudalistic economic system of medieval times gave way to capitalism. Dobb's *Studies in the Development of Capitalism* (1947) started a debate among economists and historians over the following decades that has continued until this day. One of his most prominent and earliest critics was Paul M. Sweezy who, although he commended Dobb on raising the question of why feudalism gave way to capitalism, disagreed with Dobb's conclusions on why the transition from feudalism to capitalism occurred. In general, Dobb thought that feudalism went into decline and was replaced by capitalism because of endogenous causes rooted in the class struggles between serfs and noblemen. Sweezy and others, on the other hand, thought that the factors which led to the decline of feudalism and rise of capitalism were exogenous, and these factors included the development and growth of international trade, production for markets and money, the growth and importance of cities, and the need for European monarchies to unite their kingdoms and to finance their wars and overseas empires. Other economists and historians, both mainstream and Marxian, also joined the debate, and a long list of articles and books have been generated on the "transition debate" since the late 1940s. In doing research for this paper, no statistical work on the Dobb-Sweezy debate and its competing hypotheses was found, and so this paper attempts to do some preliminary empirical testing of these hypotheses using data from England and Britain from the middle ages up to the late nineteenth century. The findings of this paper are informative in trying to better understand the transition and provide some food for thought on how capitalism may change in the future.

Bruce Cronin

Estimates of Firm-level Production Prices and Value in the UK – Sectoral Effects

Methodological advances in the last two decades, focusing on the distinction between productive and unproductive activity, have provided the means to distinguish market prices and classical conceptions of value. An increasing range of estimates of classical value categories have been developed at national and global levels. Recently there have been attempts to derive subnational estimates of this type, at regional or sectoral levels. In work underpinning this present paper, I extended this approach to the level of the firm, drawing on the working assumption in Smith and Marx that the rate of surplus value tended to equalise across firms. However, sectoral estimates of classical value categories suggest there are persistent differences in rates of surplus value at industry level. This paper, then addresses

the challenge of deriving firm level estimates of value categories, accounting for sectoral differences in rates of surplus value and profit. The analysis proceeds in four steps. First, UK national accounts are reinterpreted within classical value categories and estimates are drawn for these categories in aggregate. Second, estimates are made of the distribution of aggregate value among industries and compared to the total market production prices and margin in each industry. Third, the major individual firms within each industry are identified classical value categories for each is estimated by alternative means i) distribution of value in proportion to their share of industry output in market prices; ii) derivation of value in proportion to their share of market margin and production prices. Fourth, the market production prices and margins of each firm are compared to the firm-level value estimates.

Toni Prug and Paško Bilić

Social and economic form determination of monopoly digital platforms

Google, Amazon, Facebook, Apple, and Microsoft (GAFAM) held a collective annual revenue of 899 \$billion in 2019. If they were a national economy, they would be ranked on the 18 th spot among countries ordered by GDP by the World Bank in 2018. In March 2020 they held a 4.9 \$trillion market capitalisation occupying top spots of all publicly traded companies, spots previously reserved for banks and oil companies. Reports, debates and calls for challenging and regulating monopolies in markets ranging from web search, social networking, cloud computing, app distribution, online advertising, and online retail are common in business and daily press, regulatory and policy debates. Outrage over socially damaging practices is now found across the public sphere. In order to change and regulate any kind of production its character has to be well understood. Deriving our insights from New Readings of Marx literature, we conceptualise the full production and valorisation cycle of advertising funded digital platforms Google and Facebook, accounting for the specific social and economic character of the production, its inputs and outputs. Our approach is methodologically grounded in grasping elements of production, circulation and consumption through the notions of social forms and economic determination of form. In our understanding, the central products of advertising based digital platforms have a peculiar social and economic form. We can say they are valueless (Teixeira/Rotta), since no monetary exchange takes place in return for consumption of Google's web search, Gmail, Google Maps, Google Drive or Facebook's social networking services, communication apps, and other outputs. However, a different type of exchange takes place in the background. Digital platforms obtain consumer preferences by gathering and processing data on their on-line behaviour. Data enables targeted advertising, whose aim is to lead a consumer to purchase a commodity, finally enabling exchange value to be realised and surplus value to be extracted. There is little new there, decades before the Internet free of charge radio and TV stations rested on the same principle of valorisation of its production through advertising. The situation is more complex with digital platforms on the input side. Public funding has played a key role in the last few

decades for the development of computing and networking. Furthermore, a vast portion of software that runs Internet websites utilised as means of production on digital platforms does not take a form of commodity. Instead, it is released under a set of licences, which either legally ban the commodity form (Free Software Copyleft strict types of licences) or which make it optional under specific circumstances (Open Source permissive licences). Variety of inputs and outputs found in the production of digital platforms that do not fit Marx's categories, along with their monopoly tendencies, has been a challenge for Marxist scholars. We argue that by grasping and applying Marx's methodology of social and economic determination of form, a set of categories consistent with his overall approach can be developed in order to account for such contemporary phenomena.

Thursday July 16th 1.00-2.30 pm: Heterodox Critiques of Neoliberalism

Katharina Jung

Unfulfilled promises – meritocracy and entrepreneurship in Kampala

This paper explores (tech-)entrepreneurship, which seems to be the latest cure for 'development deficits' around the world. Spotlighted actors of this trend in Africa are mostly young 'empowered' black men or women, representing a post-racial worldview, in which non-white people are no longer seen as in need of help, but as hard-working and talented agents. However, contrary to claims of emancipation, entrepreneurship is often promoted and financed by European or American institutions and inspired by the success models of white Silicon Valley entrepreneurs. On the grand scheme of things, it neither reduces power imbalances nor inequalities. The paper answers the question, why actors in the 'entrepreneurship ecosystem' buy into the idea of entrepreneurship, despite its contradictions and unfulfilled promises. The research site of this case study is Kampala, the capital of Uganda, which describes itself proudly as the most entrepreneurial country in the world. Data was collected via participant observation (through mini-internships) and in semi-structured interviews during two months of fieldwork in Kampala, an environment, where entrepreneurship seems to be ubiquitous. Throughout the data collection and analysis, meritocracy emerged as a useful analytical framework to critique entrepreneurship. Entrepreneurship promises that people, notwithstanding their current circumstances, have the chance to rise in a hierarchically structured global society. This promise motivates all kinds of strata in the world-economy, from privileged white do-gooders to the most marginalized street vendors, to work hard and aspire to perform and bring about change in a capitalist logic. Deconstructing the illusion and normative construct of meritocracy and bringing to the fore material, exchange and power relations dismantles, how the current idea of entrepreneurship feeds into the accumulation needs of dominant capital.

Jannis Hussain

Funding for future? The environmental impact of IMF conditionality and possible links to the Fund's neoclassical environmental approach

While IMF programs are often criticized for being unsustainable by researchers and civil society groups, there is little systematic evidence as to how they impact the environment in recipient countries. In this paper, I ask two interrelated questions: First, how does the IMF's particular worldview influence the way in which it approaches environmental issues in its programming? Secondly, how do IMF programs affect environmental outcomes in recipient countries? In order to answer the first question, I draw on constructivist theories of International Organizations to establish that the IMF's organizational culture likely leads the Fund to approach environmental issues through a neoclassical economic framework. I substantiate these claims with an analysis of key documents, showing that the Fund focuses on market failures as main cause for environmental degradation. I then draw on recently published data on IMF conditionality to establish the impact of IMF-mandated policy reforms on environmental outcomes, using an instrumental variable approach to correct for endogeneity. I find that conditionality aimed at restructuring borrowing countries' economies through privatization and liberalization increases deforestation and carbon emissions, which stands in direct contradiction to the IMF's theoretical assumptions about the environmental benefits of free markets. Drawing together these two findings, I contend that the limited neoclassical framework through which the Fund approaches environmental issues contributes to the degradation brought about by the design of its programs.

Farwa Sial

The Evolving Role of the Corporation: Some Insights from Conglomeration and Firm Diversification in developing Countries

From its Chandlerian origins to its contemporary and complex role as a financialised entity, the theory of the firm has been a concept in flux. The financialised firm in developed countries is often characterised through the domination of shareholder buybacks and a dissonance in the productive sphere. Engaging with old and new literature on the theory of the firm and its contemporary characteristics in developed countries, this article looks at the origins, structures and role of Diversified Business Groups (DBGs) and conglomerates in developing countries. Using country case studies from different regions I focus on the role of liberalisation in enabling the rise and fall of DBGs/Conglomerates in developing countries. In doing so I also draw on insights from Veblen and Tae-Hee-Jo's institutional focus on firm expansion. A key assertion is that the without contextualising for political economy, the 'black-box' understanding of the theory of the firm continues to limit the study of contemporary corporations.

Friday July 17th 1.30-3.00 pm: History of Economics

Karen Helveg Petersen

The Money View and Marx's Theory of Money and Credit

The paper aims to present a coherent modern Marxist monetary theory by tracing the conceptual and historical developments of the money, credit, capital and banking nexus. The power to issue money is a contested theme in current economic and political debate. Reform proposals such as Modern Monetary Money and Positive Money will give even more power to the central bank acting in concert with the 'state' to issue money for fiscal and economic policy purposes. On the contrary, the traditional role of the central bank is rather to be first among equals - private corporate banks – and accommodate market liquidity through interest-rate signals, while also managing government debt and balances. For obvious reasons Karl Marx did not develop an up-to-date theory of the monetary system. Nonetheless, Part V of Capital Vol III gives valuable, albeit raw and incomplete, material on which to build a coherent theory of the interrelations of money and credit and the centralisation of the banking system around one key bank. He got inspiration from the events following the Bank Act of 1844, which had codified the dominance of the Bank of England by granting it quasi-monopoly of banknote issue, but only corresponding to its gold and other reserves. In normal times commercial banks handled their settlements through a complicated web of credit and money market dealers and clearing houses. In the crises of 1847, 1857 and 1866, however, when demand for banknotes surged, suspension of the Act became necessary. The paper explores the compatibility of The Money View, formulated by Perry Mehrling in *The New Lombard Street* (2011), with Marx's thinking. Mehrling deals with the banking system at large, central banks, commercial banks and financial markets from the perspective of their hierarchical interdependency. In this he refers directly to Walter Bagehot's framing of the central bank as 'lender of last resort' in *Lombard Street* (1873). The Money View stresses the power of balance sheets in analyzing the key role of liquidity, whose modalities vary from high-powered central bank money to short-term private credit. In view of the dollar replacing the pound sterling as world money, Mehrling redefines the modern role of the central bank, with the Fed at the pinnacle, as 'dealer of last resort' and market facilitator of the international monetary and financial system. Mutatis mutandis this in many ways unlocks Marx's writings. Quantitative easing following the 2008 financial crash has led to unprecedented growth in central bank balances, stocking government and (increasingly questionable) private securities on the asset side. QE is again on the agenda, which raises the question: Can the integrated international financial and, at a deeper level, capitalist system continue to paper over its inner fault lines and contradictions or will these increasingly crack open?

Juan E. Santarcángelo

Marxian theories and economic development: roots, boom, setbacks and contributions to development

Economic development as a discipline began to be studied systematically in the 1950s when the world began its reconstruction process after the war Second World War. Although there were many different explanations throughout history about the causes of backwardness and underdevelopment, the most realistic and sophisticated approaches were based on the classical political economy, and in particular on Marx. Such are the cases of Imperialism, Dependency theory, or Unequal exchange; all theories that have in common the key role of profits in combination with specific forms of exploitation and disputes of power between countries. The rise of neoliberalism during the 1970s not only generated a social, political and economic transformation around the globe; but also, it produced the gradual abandonment of these approaches from the core of the debates regarding economic development. The purpose of this paper is to account for the transformation that economic development theory experienced from its origins to the present; and to determine the current validity of Marxian development theories in order to understand the current challenges that developing countries have.

Nicolás Águila

Assessing the debate on the commodity character of Marx's theory of money and its contemporary validity

The fall of Bretton Woods triggered a series of controversies regarding the character of Marx's theory of money and its validity to conceptualize the current monetary and financial system. The debate faced three different positions. First, one group of authors emphasized the commodity character of Marx's monetary theory. Second, others claimed that in Marx's thinking money is determined by its social functions and not by the physical commodity which supports it, and consider gold to be a historical contingency in the role of money, but not a theoretical or practical necessity. Third, some authors attempted to bridge the gap between the previous two, by arguing that money must be in essence a commodity, gold by historical reasons, but that it can be replaced in the performance of some of its functions by 'symbols of value'. The three positions led to different conclusions in terms of the continuing validity of Marx's insights to conceptualize the monetary forms of the current era of 'fiat money' and 'flexible exchange rates'. They range from the argument that the theoretical importance of Marx's theory has been somewhat diminished or eliminated altogether since gold was replaced by intrinsically valueless state-issued paper to its continuing relevance without any changes; and from proposals to make some additions without a fundamental change to the core of the theory, to the need to systematically develop the determinations present in Marx's account instead of patching them. This article will question whether those readings

have a solid basis on Marx's writings, with emphasis on Capital. However, the objective is not to conduct an exercise of plain exegesis but rather to assess to what extent –if any- Capital can aid us to answer the questions of our time. Because of this, the article will also evaluate the merits of the different positions to provide an understanding of the contemporary international monetary system and the new monetary forms that come with it.

Friday July 17th 3.30-5.00 pm: Teaching Heterodox Economics

Michelle Groenewald and Ioana Negru

Informing economic pluralism through postcolonial theory, in an African context

African economies have historically been portrayed by economists as underdeveloped, considered inferior by 'cultural modernism' and been continually assessed through a Eurocentric understanding of how development should proceed. So too, within the economics discipline, the idea of culture has been approached with little acknowledgement of the complexity that such a concept encompasses. Arguably, because of a lack of engagement with the concept of culture by economists, this has meant that Africa has been unable to contend with what development entails, on its own terms. Within postcolonialism, culture is viewed as the central analytical category (Zein-Elabdin, 2009). However, within the discipline of economics there has been little engagement with postcolonial theory; arguably one of the reasons why the concept of culture has been so narrowly approached by economists. In acknowledging the complexity of the culture-economic nexus, this paper argues that a plurality of economic thought is needed in order to begin to engage more meaningfully with economic phenomena in an African context. The beginnings of contending with the complexity of the cultural- economic nexus, is to allow for economic pluralism to be informed by postcolonial theory. This is because economic pluralism calls for a tolerance of different economic schools of thought. This allows for a space where a plurality of economic thought can start to grapple with the complexity of culture, thereby recognizing African economic development on its own terms. In contemplating into the future, a more nuanced understanding of African economies, this paper argues that postcolonial theory can inform economic pluralism, in order to better understand the cultural-economic nexus. We contend that this is of particular importance in light of recent calls from economics students, to provide greater pluralism in the teaching of economic theories and a wider plurality of educational methods. So too, the importance of this work, is highlighted in the broader context of pushing back against the homogenization and Americanization of economics education.

Juan David Parra

Qualitative economics and the opportunity to push for heterodoxy in the classroom

Scholars like Ha Hon-Chang see in heterodox thinking an opportunity for having more relevant economic policy discussion, vis-à-vis real-world events (and not only reduced to orthodox wishful thinking about how the world ought to be). It results hence vital to continue reflecting on how to integrate the study of heterodox economic theories in the curriculum of universities, in a way that effectively motivates students to explore alternatives to mainstream policy rationales and prescriptions. In this article, I contend that, under specific circumstances, the teaching of qualitative methods to economists represents a fruitful platform to convey students the benefits of pluralism in the building of their own understanding of society. I draw on my own experience in designing and teaching a master's level methods course to economists to elaborate on this last point. Revising previous academic work in the topic, one first challenge I phased in that endeavour was the reluctance often expressed by professionals with previous exposure to intensive quantitative training towards the rigor or scientific status of soft methods. Their limited willingness to dive in the literature of qualitative research -which, I do believe, is sometimes unnecessarily dense and overwhelmingly unstructured- entailed also a risk for the participants of the seminar of getting lost in translation during the semester. Here one must add questions on how much heterodox learning is enough, given the political context under which faculties of economics usually operate (e.g. the pressures they face to meet certain standards or to provide training that is considered useful for the job market) and the considerable size in extension that heterodox literature can represent. I hence argue that the explicit endorsements of principles from a critical realist-based philosophy (e.g. the building of research designs aligned with the logic of abduction and retroduction) assisted me throughout the different modules and activities of the course (which included working in a research design based on the dissertation topic of each student and doing some fieldwork and data analysis) in thinking on how to address many of the dilemmas expounded above. Specifically, the sound argument behind the methodology of building and refining middle-range theories (MRT) opens the scope for conversations between researchers and practitioners from different disciplines given the clarity this way of framing problems provides to the importance of searching for alternative explanations. For example, the seminar does not deal explicitly with heterodox economic theories but provides tools for young scholars to design and conduct realist interviews with key informants. It is in this contrast between, for instance, the assumptions of orthodox economy theory (presented as candidate MRT), and the experiences that they start identifying in the field, where a spontaneous interest for alternative theoretical frameworks starts to emerge. While I do not report systematic findings from implementing my strategy, anecdotes from my interaction with two cohorts of students allow me to advance on the framing of this last hypothesis.

Andrew Mearman, Danielle Guizzo and Sebastian Berger

Do heterodox economists teach differently? A contrastive evaluation of interview data

This paper explores whether there is a heterodox economic approach to teaching. It draws on data from interviews with sixteen leading heterodox economists, which we analyse according to the principles of thematic analysis. We seek to clarify whether elements of a heterodox approach exist, and whether they differ from mainstream approaches to teaching. We find considerable variety of approaches rooted in a more fundamental unity regarding the educational goals of our interviewees. Further, we find evidence which suggests heterodox economists share some elements with mainstream counterparts, namely on pedagogical practice, the influence of teachers, and little explicit knowledge of educational philosophy. However, we reveal different heterodox educational goals when compared to mainstream peers, clustered around a concern for greater open-mindedness. Also, some of our respondents showed a commitment to pluralism in teaching, although manifest in different ways. Notably, our interviewees' pluralism in teaching may not match their approach to pluralism in economics more widely; however, non-mainstream economics must be included for most. Lastly, our interviews suggest that heterodox pedagogy is a reaction against and struggle within a uniquely hierarchical discipline, pointing to the sociology of the economics profession as a shaping factor.

John Komlos

Half a Paradigm Shift in the JEL is Quite a Game Changer for Econ 101

Bowles and Carlin make a very strong case for updating and modernizing the curriculum of Econ 101 by integrating new ideas into the mainstream canon. In their view, the popular textbooks in use are essentially anachronistic and instead they advocate the use of the new CORE textbook, *The Economy*, to which they contributed. I agree but suggest additional concepts to introduce to students at the beginning level so that they receive balanced insights into the working of the economic system and of the challenges that lie ahead.

Thursday July 23rd 3.30-5.00 pm: Macroeconomics and Finance

Devika Dutt

Exorbitant Privilege or Ultimate Responsibility? Access to the International Lender of Last Resort

The Global Financial Safety Net is crucial insofar as it can provide emergency liquidity to countries that require it like an international lender of last resort and help stabilize the global economy. This was apparent during the global financial crisis starting 2007 and is becoming increasingly apparent in the response to the economic policy response to the Covid-19 pandemic. However, some parts of the Global Financial Safety Net are more effective than others. Access to central bank swap lines, and swap lines from the Federal Reserve in particular, is particularly important. There is some evidence for this, as other aspects of the global financial safety net, such as accumulation of foreign exchange reserves, are rendered less important with access to central bank swap lines: countries that have access to swap lines

from the Federal Reserve, hold fewer reserves. Given that the US Dollar is the global reserve currency, the Federal Reserve has become the de facto international lender of last resort in the global economy. However, very few countries have historically had access to swap lines from the Federal Reserve. This begs the question: what determines access to emergency financial assistance from the United States, either in the form of a central bank swap line or emergency loan arrangement from the Exchange Stabilization Fund of the U.S. Treasury? Do these institutions provide emergency liquidity to the countries that have strong linkages with the U.S. economy, countries that exhibit “good” policy behavior, countries that can help the U.S. further its foreign policy objectives, or some combination thereof? Does the extension of swap lines depend on the composition of the houses of Congress in the United States or other domestic macroeconomic conditions? This paper explores this question by using historically instances of the extension of swap lines from the Federal Reserve to estimate the factors that determine access to it.

Monika Meireles

Financial regionalization, new foreign banking and trans-Latin banks

This research aims to analyze the changes that have been taking place in the landscape of the banking sector in Latin America, with emphasis on the analysis of the origin of the commercial bank capital that operates there, the profitability obtained and the growing market power of a new type of foreign banking. The central hypothesis infers that the reactivation of cross-border financial flows through South-South investment does not only imply other foreign credit channels but ends up reinforcing new banking foreignization patterns that demand constant updating of the regulatory framework to avoid future financial instability and economic crisis. The paper is divided as follow: 1) brief context, where we discuss the main changings that have took place in the banking sector recently; 2) some theoretical reference for a better understanding of how to analyze the new role of emerging economies banks in the international banking system and regional financial integration; 3) a basic descriptive statistical framework to discuss the connection of Brazil/Mexico/China looking at the cross border loans from trans-Latin and Chinese banks in the region; and, 4) some final thoughts on financial regionalization.

Davide Villani

Revisiting the External Financial Dependence index in light of the rise of Corporate Net Lending: What do we really measure?

This paper revisits the External Financial Dependence (EFD) index elaborated by Rajan and Zingales (1998) in light of the emergence of corporate net lending. The industry EFD index was calculated for American listed companies in the 1980s and since then these estimations have been employed in a wide range of studies. According to the original elaboration, the EFD index is meant to measure the need of a certain industry of external sources of finance in

order to cover their expenditure in fixed capital. The fundamental idea behind this formulation is that the EFD index is meant to reflect technological features of the industries, as some industries are considered to be more reliant on external finance than other. This index lies on two central assumptions, namely that the level of industry EFD is steady in time and across countries. These assumptions are crucial for a consistent bulk of literature. In fact, numerous studies use the values of the EFD index calculated by Rajan and Zingales for American firms in the 1980s as a good universal proxy of the industry EFD. Despite the wide use of the EFD and the increasing availability of data, there have been only limited attempts (Hsu et al., 2014; Kroszner et al., 2007; Raddatz, 2006) to recalculate the index in order to evaluate to what extent these two assumptions find empirical validity. This paper fills this gap, by extending the calculation of the EFD index to G7 countries and embracing a period that runs from 1980 to 2015. The results emerging from these calculations indicate that there are grounded reasons to believe that the assumption of stability of the index needs to be revised. Moreover, the paper maintains that the EFD index bears important analogies with that of corporate net lending. As it has been documented in the literature (Brufman et al., 2013; Dao and Maggi, 2018; Saibene, 2017; Villani, 2019) , corporate net lending has increased considerably in the last decades. In terms of formulation, both corporate net lending and the EFD index relate a measure of liquidity of the firm (savings) with physical investment. Despite this similarity, the scopes of the two indicators (net lending and EFD index) and the related literature departs from radically different perspectives. While the level of net lending is not constant in time and it is widely accepted that it can change between countries, the assumptions behind the construction of the EFD index imply that industries' EFD values are stable in time and space. This paper investigates, from the theoretical and empirical perspective, the relation between the measure of net lending and the EFD index. It finds that the EFD and corporate net lending are very similar measure and that the EFD index can ultimately be considered a proxy of net lending. These results have important consequences for all the literature connected with the EFD index, as they undermine the standard interpretation of the EFD index as a measure able to grasp structural technological features of the industries.

Friday July 24th 3.30-5.00 pm: Challenges of Financing Health and Social Policy

Ana Paula Guidolin, Grazielle Custódio David and Pedro Linhares Rossi.

The financing of healthcare in Brazil: underfunding and austerity policies

This work seeks to analyze the effects of the economic crisis and austerity measures on the guarantee of health rights in Brazil. The main hypothesis is that austerity policies hinder the guarantee of the right to health, assuming its realization requires adequate and resilient funding towards the business cycle. However, the historical underfunding of the system which was deepened in the last years and the worsening of social indicators since 2015, that

deteriorate the health of the population, create a scenario of high demand for public health related services alongside the decrease of supply capacity of the system. Therefore, it is fundamental to understand the current state of the Brazilian public healthcare system so that appropriate strategies that guarantee health rights in Brazil can be developed, especially in times of economic and sanitary crises. Based on this scenario, four main objectives were set: (a) build theoretical connections between human rights and economics, which, in general, do not intersect; (b) analyze the evolution of the legal framework responsible for the establishment and financing of the Brazilian healthcare system (SUS) between 1988 and 2019; (c) highlight evidence in the literature about the relation between the crisis conjuncture, worsening of healthcare indicators and limited budget resources; (d) analyze the history of the budget execution between 2002 and 2019, putting in evidence the current legislation set by Constitutional Amendment 95/2016 – which frozen all public expenses for 20 years – and its impacts for the future of health financing in Brazil. The main results are: (a) mainstream economics view have a static perception of the public budget, disregarding its dynamics that consider the importance of both countercyclical policies and guarantee of social rights like the right to health; (b) in Brazil this view harms the sustainability of the healthcare system (SUS) that represents a big advance in the universalization of the right to health, all the legal norms involved in SUS financing were insufficient to reach its goals; (c) social deterioration, represented by unemployment and poverty, leads to more mental health problems, bigger exposure to risk factors and diseases, and diminishing on coverage rate of private health insurance; (d) between 2004 and 2014, the total amount invested in SUS increased an average of 6% per year approximately, but since then the total amount invested is frozen in real terms, which trends to continue due to Constitutional Amendment 95/2016. While Constitutional Amendment 95/2016 is in effect, SUS will continually lose its capacity of response dealing with structural and conjuncture trends. On the structural side, there is a demographic movement of populational ageing which changes its epidemiologic profile. On the conjuncture side, there are evidences about the worsening of population health due to economic crises. The understanding of the Brazilian healthcare system history and financing is essential to comprehend its reach and limits. In this way, this work can serve as a starting point for researches about how Brazil can deal with the coronavirus pandemic, taking into consideration that its healthcare system was already fragilized by austerity policies.

Robin Latimer

Coronavirus - Changing the Money System

The coronavirus pandemic has caused unprecedented government expenditure. It has crippled economies world-wide as normal economic activity has been suspended. In normal times this sort of expenditure and economic disruption would be unthinkable. How can it be afforded? It seems that governments are running up debts they will not be able to repay. The coronavirus pandemic will cause an economic recession and an overwhelming level of debt

which will require determined and innovative action by governments and central banks. This paper makes a moderate and practical proposal for a way forward. The Bank of England (or other Central Bank) should authorise occasional direct monetary financing of government expenditure. In other words, the Central Bank would use its authority to credit the government with a certain amount of newly created money and both permit and expect that the government should use this either to help to balance its general budget or for specific expenditures. For conventional monetary theory, this idea might appear unthinkable. But the monetary system changes far more than we realise. Changes usually occur as a result of practical necessity, rather than theory. The Napoleonic wars in 1795 and the World Wars of the twentieth century produced this sort of fundamental change. The coronavirus crisis, like the global financial crisis, will highlight the effect of an overwhelming level of debt. Even if governments manage to borrow the money needed for their extraordinary expenses, the overwhelming level of debt throughout society can create an unhealthy and stagnant economy. Lenders have no need to produce anything because they have a steady income. Borrowers have no incentive to produce anything because all their income goes to lenders. The income used to repay debt reduces the demand in the economy and leads to general economic stagnation. This proposal describes a practical step that is likely to be needed in this new, unexpected situation. The most effective way to relieve an overwhelming level of debt is through government creation of money. Many economists from Adam Smith to the present-day have accepted that moderate and appropriate state creation of money can help everyone. In the aftermath of the coronavirus, such an intervention, which might have seemed extraordinary in normal times, will be both possible and necessary. The proposal develops ideas from Modern Monetary Theory together with ideas that are less radical but similar from more conventionally accepted writers. However, unlike Modern Monetary Theory, this is an incremental change. An incremental change can start as a one-off intervention and needs minimum alteration to existing institutions. It is much more likely to be accepted than a major theoretical policy change. However, an initial incremental innovation may lead to larger scale changes in practice and theory. The paper looks beyond the immediate situation to suggest how a one-off intervention in response to an extraordinary situation could be developed to form the basis for a new method of monetary management giving the state its proper role in the money system.

Geoff Crocker

Basic Income and Sovereign Money – A Heterodox Economic Paradigm, the alternative to economic crisis and austerity policy

This needs systems re-engineering. Conventional thinking is that 2008 crisis was caused by irresponsible banks and incapable governments. However tempting this explanation, a hypothesis of simultaneous universal malpractice has low credibility. The question arises as to whether the crisis was structural rather than behavioural. The prescribed remedies of the

current economic paradigm, ie tighter bank regulation, austerity policy, and quantitative easing have failed to resolve system dysfunctionality. Long term economic data for the UK from 1948 to 2016 shows an inexorable structural change between labour income and consumer expenditure. Whilst up to 1995, labour income exceeded consumer expenditure, it is now no longer sufficient to fund expenditure, which is increasingly funded by unearned income comprising pensions, welfare benefits, dividends and household debt. Household debt rose to £166bn in 2004, causing crisis. Technology driven productivity is a driver of this process. In the meantime, financial orthodoxy insisted on vain attempts to limit government deficit by the imposition of austerity policy. Structural analysis and a thought experiment also show that deficit expenditure is inevitable in advanced technology economies. The hypothesis is that empirically unavoidable deficit is a surrogate for sovereign money, ie debt-free government issued money up to the level of output GDP to prevent inflation. Modern monetary theory proposes debt incurring deficit spending to fund job guarantee programs. Other MMT interpretations seek to relocate money creation from commercial banks to central banks to avoid excess debt and return seigniorage to the state. But debt-free sovereign money funds basic income and restores public sector and local authority expenditure programs to truly end austerity. Social justice, administrative welfare efficiency, and the end of intrusive means testing are powerful arguments for UBI. But the argument from technology is equally, and more objectively, compelling. UBI also has important positive impact on human flourishing, and in mitigating ecological outcomes. UBI breaks the link between income adequacy and increased employment and output, and so reduces resource depletion and ecological pollution.

Thursday July 30th 3.00-4.30 pm: Racism, Sexism and Development

Surbhi Kesar

Economic dualism, precarity, and exclusion: Employment transitions and economic transformation in India

In much of the literature on economic development following Lewis (1954), a less developed economy is often characterized by the existence of dualism between a large 'traditional' / non-capitalist (henceforth, non-capitalist) sector that provides livelihood to a vast majority of the working population, and a relatively small 'modern' / capitalist / formal (henceforth, capitalist) sector. It is expected that with economic growth, these non-capitalist segments would either wither away or transition into capitalist segments, with the working population in the non-capitalist segments finding employment in the expanding capitalist segments at a higher remuneration. However, it has been argued in the literature that despite high growth experienced by the Indian economy for nearly three decades, this expectation has not borne out, and the non-capitalist segment has not withered away, thereby ensuring a continued persistence of economic dualism. In this paper, to explore the process of reproduction of

economic dualism in India with capitalist development, we investigate the employment transitions across various sectors in the economy, using an individual-level pan-Indian panel data over eighteen survey rounds covering a period of six years. We make the following arguments: (a) The economic structure can be broadly delineated into two parts – a relatively ‘stable’ core and an ‘unstable’ periphery. The core is a homogeneous segment, comprising larger capitalist enterprises with relatively secure employment relations. The periphery, on the other hand, is a heterogeneous (dual) segment, comprising smaller capitalist and non-capitalist enterprises, with relatively insecure employment relations. The occupants of the periphery usually remain in a state of flux, transitioning across the various sectors in the periphery, and, in the process, reproducing the non-capitalist segments; (b) Within the periphery, while a proportion of the population transitions along the lines of the ‘standard’ Lewisian path, a vast majority either ‘fails’ to transition along these lines and economically reproduce themselves by actively recreating the non-capitalist spaces, or traverse an ‘aberrant’ Lewisian path, wherein, despite transitioning towards the capitalist segment, they remain informally employed and have lower remuneration; (c) Within the periphery, the type of transition – expected or perverse, is, to a large extent, a function of the social identity and the broader social and cultural capital of the transitioning individuals. We find that while the non-capitalist segment in the Indian economy has continued to persist and the dual economic structure has continued to stay intact, these are not merely remnants of the past that fails to wither away. Rather, they are continuously reproduced in newer ways via these transitions. The analysis provides a fresh perspective on the process of reproduction of economic dualism with capitalist development, and raises questions about the teleological idea of capitalist transition that underlies much of the development discourse.

Cristina Fróes de Borja Reis, Regimeire Oliveira Maciel, Fernanda Graziella Cardoso
The economic development of Latin America and its main problems: a feminist perspective

In 1949, the Argentinian economist Raul Prebisch wrote "The economic development of Latin America and its main problems", the milestone of the Latin American structuralist theories known as the ECLAC (Economic Commission for Latin America) Manifesto. During the last seven decades the LA structuralism influenced different streams of thoughts on development worldwide, like the developmental, associate-dependence and world-system theories. Still nowadays, the structuralist interpretation for the international division of labor between center and periphery provide meaningful insights to comprehend and to tackle world inequalities both in positive and in normative terms. Our paper dares to make a parody of Prebisch's manifesto, sharing to some extent its theoretical foundations based on the "new-structuralist" theory. However, we go beyond: our re-reading of Latin American development breaks up with economicism and Eurocentrism, based on an epistemological approach that emphasizes gender and ethnic-racial relations. Apart from an excerpt about industrialization based on female work, the 1949 manifesto did not address inequalities between men and

women, or between white, black and indigenous people, as a “main problem” of the region. Unfortunately, this omission is present in practically all developmentalist thought, including most of today’s Latin American new-developmentalism. Our manifesto denounces how racial and gender inequalities are at the root of the socio- economic structure of the World System, mirroring the harmful relationship between patriarchy, racism and capitalism, which becomes even more perverse in the peripheral context. This paper constitutes, therefore, a feminist manifesto inspired by the Latin American Manifesto. We do not intend to refute it, but rather to re-signify it from a new perspective. In this spirit, like the original manifesto from Prebisch, this manifesto is divided into two parts. The first part is the intertext of ECLAC manifesto’s sections I to VI. And the second part detaches from Prebisch's economic discussions; instead, it recovers the historical social process of women’s fighting movements in Latin America in order to place the basis for a discussion on feminist policies in the world periphery.

Peter Doyle

The Price of a Slave - The Implications of Slavery for Economics, and of Economics for Reparations

The paper has three parts. The first introduces the basic economic facts of slavery, notably prices, quantities, and duration, as opposed to the more standard chronological/historical account. This introduces the intuition that it was an economic rather than a social or political phenomenon, and this is reinforced by consideration of many detailed facts about slavery which are hard to account for absent such an economic motivation. The second part of the paper then challenges the almost complete exclusion of this economic phenomenon from core modern microeconomics (including heterodox), and notes the striking inconsistency of this treatment compared to other economic phenomena, notably monopolies. This exclusion gives rise to the unchallenged assumption in all modern microeconomics (including heterodox) that Economic Agency is always and everywhere a given and indivisible. This is both theoretically and empirically completely unsatisfactory, as evident from observing that slavery can emerge as an equilibrium outcome from Arrow-Debreu. In a modelling sense, in order to prevent that outcome, additional assumptions have to be made which are completely inconsistent with the core assumptions underlying that model. Thus, on these consistency grounds, slavery belongs as a core possible outcome of classical economics, and indeed entirely heterodox assumptions are required (in a modelling sense) to prevent that. The consequences for microeconomics are discussed, including for the treatment of gender, Rodrik’s Trilemma, and for the profession’s summary of the core economic tasks of Government. The last section of the paper considers the implications of this recasting of core microeconomics for reparations for slavery in the United States now. It proposes that the economic case for such reparations is properly framed as an issue of inheritance and of credibility of governments’ commitment to its most fundamental economic task—to secure Universal Economic Agency. Using the information on prices and quantities, an estimate of

the total amount of reparations owed is proposed, and it is argued that this payment is both feasible and urgent, especially in the wake of COVID-19.

Friday July 31st 3.30-5.00 pm: COVID-19 and Global South

Sonia C. López Cerón

Understanding the impact of Covid-19 on the economy of lower-income Bogotá families: Insights from the stratified emergentist Polanyian perspective

The Covid-19 pandemic has been a historical moment where it is possible to observe causal mechanisms such as inequality (in income, wealth, land, education, gender relations, health service access and environmental conditions) operating more openly within particular economies. Market-led economies, supported by reciprocity and redistribution, struggle to find possibilities for the design and implementation of redistributive public policies to alleviate lack of income and ensure access to food, housing, education, health services and environmental equality. In the case of Latin America, and in particular Colombia, the pandemic does not appear to be challenging the institutionalised economy. I explore this observation with my interdisciplinary proposal: the stratified emergentist Polanyian perspective (López Cerón, 2020). This is a relational approach consisting of an understanding of a stratified reality where the institutionalization of the economy is an emergent arrangement, resulting from the interplay of causal mechanisms operating from the structural and cultural dimensions and agential mediation. This approach analyses the specific mechanisms which explain the possibility for adjustment or not (the morphogenesis or morphostasis) of the social system (Archer, 1995). I initially developed the stratified emergentist Polanyian perspective to resolve the difficulties that mainstream modern economics and heterodox economics have faced explaining the economy of the family², specifically their struggle with the interplay of the relation of structure and agency. I used the proposal to explain the economy of 80 lower and middle-income families in Bogotá, Colombia. I build on that work, using this middle range theory, to give insights into COVID19's impacts in the market-led economy of Bogotá. I present how, during the pandemic crisis, causal mechanisms such as inequalities and clientelism interact with one another and are activated by agency, contributing to the apparent persistence of the pre-pandemic institutionalization of the economy. I offer an initial analysis of the pandemic which can help to illuminate the public policy of crisis. A long-term analysis will be necessary and complementary.

Nithya Joseph, G. Venkatasubramanian, Isabelle Guérin, Nithya Natarajan, Fiorella Picchioni, Vincent Guermond, and Milford Bateman

Credit where credit is due? Interrogating the gendered dimensions of credit as 'climate resilience' in the Covid-19 crisis in India

As the impacts of climatic and environmental change proliferate in rural parts of South India, small-scale credit provisioning by Microfinance Institutions (MFIs) is increasingly offered as both a form of coping in moments of crisis, and as a long-term strategy for climate 'resilience'. Credit is directed primarily at women who are conceptualised as more altruistic and responsible in bearing the afflictions of debt. Yet given women's double burden in undertaking both social reproduction work as well as income generating activities, the gendered dimensions of credit provisioning in the era of climate crisis require further unpacking. This is made more immediate with the rapid onset of Covid-19, and reports emerging from across the world around the increased harm faced by women through this crisis period. A recent survey on the impacts of the lockdown on self-employed women in 11 States in India reveals that 78% of respondents have reported borrowing in order to make ends meet (SEWABharat, 2020). These figures suggest urgent demand for liquidity necessary to maintain household livelihoods. What role does formal (including MFIs) and informal credit-taking play in this crisis? To what extent will credit be available to all? And what are the gendered dynamics of debt-taking and repayment? Using a feminist political economy perspective, this paper seeks to explore the confluence of crisis, credit and gender in South India, where a rapid lockdown of all productive activity has left working households unable to repay debts. Tamil Nadu comprises the highest MFI penetration of any state in India. Recently, the sector has seen increasing commercialisation with MFIs being globally-owned and primarily operated as quick return investments rather than long-term economic and social development projects. Drawing on data from telephone interviews with rural communities that traverse caste and class boundaries in three Tamil Nadu villages, our paper explores the impacts of the lockdown on everyday activities that shape rural livelihoods. These interviews are unique in that they are case-specific enquiries into respondents' lives based on an understanding of the particular income generating activities with which they are involved. Analysis of interview data is strengthened by an exploration of the historical and current policy context around MFIs regulations in Tamil Nadu, to better situate respondents' accounts. The paper builds on previous work in these villages to highlight the predominant use of regular credit for household reproduction, as opposed to small-scale entrepreneurialism. As MFIs have temporarily frozen demands for repayment, the paper explores: i) the articulation between uses of multiple forms of credit, income insecurity and household social reproduction; ii) respondents' concerns of the juggernaut of MFI repayment demands once the lockdown is lifted; and iii) how such insecurity is experienced and contributes to the way debt-taking engenders household reproduction across gender, caste and class lines. The paper ultimately calls for a rethinking of the role of MFI through this moment of crisis, highlighting the limits of a development strategy prefaced upon the depletion of women's wellbeing.

Salimah Valiani

Understanding COVID-19 as sequel and potential in Africa

Elaborating and exemplifying the methodology of world historical political economy, this paper will begin with an overview of public health achievements in post-Independence Africa of the 1960s and 70s. This will be followed by tracing the structural antecedents of the lack of pandemic preparedness in African health systems and the problématique of health care labour. It will be argued that the COVID-19 pandemic can be used to redirect this history and begin transforming economies in Africa, with decommodified universal health care as the major first step. The instance of South Africa will be used to illustrate the potential of decommodified universal health care. As the African country with the greatest health care capacity currently, the socialisation and decommodification of health care in South Africa will be shown to be key for building the capacity for decommodified universal health care throughout the continent.

Panels

Panel 1: Sraffa and Marx

This four-paper panel focuses on the interface of the two economic traditions associated with Sraffa and Marx. Although since the 1970s there has been much dispute between scholars working in these traditions, it has come to light from archival research that Sraffa was much more influenced by Marx than has been supposed. The four presenters suggested here are each influenced by Sraffa's ideas, but also seek to explore their relevance to developing Marxian economics as an alternative to economic orthodoxy. At the heart of all four papers is a focus on the role of economic surplus. Scott Carter uses detailed archival research to look at surplus value as considered by Sraffa; Andrew Trigg explores the role of surplus value in Sraffa's multisectoral foundations of effective demand, and both Luiza Nassif-Peres and Andrés Lazzarini explore how wages eat into profits on the wage-profit frontier (see Abstracts below).

Scott Carter (The University of Tulsa)

In 1940 Sraffa, as an Italian National (who retained his Italian Citizenship his entire life), spent three months interned on the Isle of Man. While there he (re)-read Volume I of Capital, in this case the English Aveling and Moore translation. In Sraffa's copy, which is heavily annotated (this volume is catalogued in Sraffa's vast library as Sraffa 3731), there appears a note card with the following fascinating metaphor: "The greater the degree of exploitation in a society as a whole, the greater is the distortion (i.e. the divergence between values and prices). As, the greater the amount of snow fallen, the greater is the distortion of the surface of a piece of broken ground (i.e. divergence between the surface of the snow and that of the ground underneath; since the snow collects in the cavities)" (Sraffa 3731). Sraffa clearly locates the very fact of price-value deviations to the existence of exploitation "in a society as a whole". Here he refers to capitalistic relations of production and distribution (what he would later call "production with a surplus"), and the source or cause of price-value deviations begins not

from different turnover-times nor unequal compositions of capital across industries; rather these deviations are simply the end result the objective context within which the mass of surplus value – what Sraffa here calls “snow” and would two years later in September 1942 (Sraffa Papers D3/12/17/2) would term the “pool of profits” – is equitably distributed according to a general rate of profit. Price-value deviations reckon the price-theoretic level of the actual objective structure of production (the “broken ground”) with the mass of surplus value or extracted unpaid labor (the “fallen snow”). The actual working of this process does require explicit consideration of the different turnover times (explored in Production of Commodities {PCMC} in Chapter 6 on the reduction to dated-labor) and unequal compositions of capital (explored in the first five chapters on the Standard commodity). The deviation of value from price in our reading is for Sraffa essentially a process of transfers of extracted unpaid labor between industries whose conditions of production and turnover times do indeed differ; i.e. that there is a dual process of extraction and distribution. This Marxian interpretation lends support to Sraffa as contributing to the exploitation theory of profits.

Andrew B. Trigg (The Open University)

A translation between Sraffa’s price system and Keynes’s theory of employment There has been widespread recognition that Sraffa’s theory of prices offers an alternative to the neoclassical foundations of Keynes’s theory of employment. But for some scholars of Keynes the key role of expectations in the modelling of aggregate supply and demand is a barrier to developing a bridging point between the two systems. The contribution of this paper is to carry out a direct translation between Sraffa and Keynes which incorporates expectations and in addition allows for disequilibrium outcomes. This is achieved by reconfiguring Sraffa’s price system under vertical integration and using Keynes’s wage unit. A set of new Z prices are introduced so that wage costs are just covered in the derivation of an aggregate supply schedule. By starting with Sraffa-based foundations, this translation offers insights into the role of surplus value in Keynes’s system. A Kahn-type macroeconomic employment multiplier is also derived which incorporates Marxian categories of embodied labour.

Andrés Lazzarini (Goldsmiths, University of London)

It is plausible to assume in general that increases in wages will generally stimulate labour-saving technical change? According to Paul Sameulson (1965), an affirmative answer to that question can be found not only in marginalist theory (Hicks, 1932), but also in Marx and the classical economists. A contemporary interpretation of Marx’s approach to technical change advanced by Foley and Michl (1999) and other authors (Marquetti, 2004; Basu, 2010) seems to go along with Sameulson’s view. The aim of this paper is to clarify some unclear aspects of this interpretation of the Marxian approach to technical change. After surveying some salient aspects of Ricardo’s and Marx’s approaches to technical change, we will discuss the key assumptions that are necessary to infer that technical change in Marx’s approach would

seemingly present a 'labour- saving' bias when wages rise. To this aim, we introduce and develop the wage-profit curves (as formulated by Sraffa), used during the Cambridge controversies.

Luiza Nassif-Pires (Levy Institute)

This paper focuses on a key concern of the Cambridge capital controversies: Sraffa's theoretical demonstration that competitive relative prices, and hence the money value of aggregate capital, can vary in complex ways as the wage share (profit rate) changes. We find that, on the contrary, individual prices are usually linear or mildly curved. We develop a formal measure of curvature, and find that average price curvature does not fall with matrix size as proposed in Brody's random matrix hypothesis. Since the average curves are near-linear, it follows that aggregates such as capital, wages, and net output will exhibit the same behavior. We believe this explains the widely observed near-linearity of the wage-profit curve.

Panel 2: Central Banking in Contemporary Capitalism

It is almost impossible to underestimate the role of central banks in contemporary global capitalism. The global financial crisis of 2007-2008 and the responses afforded by central banks, described by many as unorthodox, unconventional but also necessary, highlight their significance even further. In the last years, the need to re-think central banking in relation to the growing uncertainty of climate change has been at the forefront of relevant literature. The recent outbreak of the Covid-19 pandemic has only reaffirmed that "central banks are the first respondents of economic policy [...] holding the reins of the global economy" (Tooze). Central bank intervention in economic policy has operated, in the last decades, within a specific framework: central bank independence as the institutional set-up; price stability as the primary (if not only) target; interest rates as the operational tools. Though this framework is considered by many to be self-evident and indisputable, it is in reality the result of a long and conflictual historical process. What is the historical origin that determined this specific framework for central banking? How did central bank independence become the definitional set-up of global central banking? What are the implications of central bank independence in relation to democracy and economic policy making? How did this framework affect central bank intervention during the Global Financial Crisis (GFC)? Has central banking been 'politicized'? And what do these histories tell us about the predicaments faced today by central banks around the globe? The panel we are proposing aims to shed light to these crucial questions, to provide a historical and contemporary context, and to generate a much-needed critical discussion on the trajectory of central banking, its overall framework, and the consequences that such a policy structure has for the challenges we are facing today.

Nathan Marcus, Senior Lecturer, Department of General History, Ben Gurion University, Israel
'The Interwar Origins of Central Bank Independence':

This paper looks at the establishment of two new central banks in Europe during the interwar period. The Austrian National Bank was founded in 1922 and the Central Bank of Greece was established in 1927. Both institutions were created as part of an international loan sponsored by the League of Nations that provided financial support to bankrupted economies. Central Bank independence from government control was a fundamental principle demanded by the financial experts of the League in Geneva. However, it was naturally opposed by the national governments, who wished to keep some form of control over its monetary and credit policy. Analysing the protocols of negotiations held in Geneva and their consequent implementation in Vienna and Athens, this paper will try to tease out what bankers and financial experts understood central bank independence to be at the time, what purposes they thought it served and whether it actually did so.

Pavlos Roufos, PhD Candidate, Department of Politikwissenschaft, Universität Kassel, Germany

'Foster Parents of Central Bank Independence: Ordoliberal influence in the formation of the Bundesbank'

From its formal establishment in 1957, the Bundesbank has been synonymous with central bank independence and a strict price stability mandate. Given that such an institutional design has become tautological with central banking today, the question arises as to how one can account for its remarkably early adoption by the German central bank. To answer this query, this paper examines the historical period that led to the inauguration of the Bundesbank and focuses on the influence of the ordoliberal framework in determining the Bundesbank's institutional design and monetary targets. The suggestion that central bank independence is identical with the ordoliberal project is, in this context, critically assessed. But the opposing view, namely that central bank independence was rejected by ordoliberals, is also shown to be misleading.

Ulas Sener, Research and Teaching Assistant, Department of Economics, University of Potsdam, Germany

'Economic theories on central bank independence: From 'institutions interfere' to 'institutions matter''

The idea that monetary policy should be a depoliticized and rule-based technical duty of independent central banks is a strong proposition in mainstream economics. A lack of central bank independence (CBI) is believed to be the ultimate reason for a dysfunctional money order, which manifests itself in uncontrolled high inflation. Therefore, many scholars and politicians acknowledge CBI as the state of art in monetary policy. CBI is not a new topic in economic thought. It became an issue in 19th century in Britain, when the Bank of England gained the monopoly over the emission of paper money and became an increasingly powerful actor. With the rise of neoliberalism in 1970s, CBI became again a prominent subject within economics, promising to overcome the problem of stagflation by keeping politics out of

monetary policy. Today, mainstream economics explains and defends the post-political, and monetarist policy stance of CBI with a variety of theoretical concepts and models, such as the neutrality hypothesis of money and the quantity theory of money, as well as rational expectations, time-inconsistency and credibility. Nevertheless, independent central banks neither exclude governments or power groups from intervening into monetary policy nor do they depoliticize it, as it is claimed by its proponents. This critic has been vindicated by monetary policy developments after the global financial crisis in 2007-09. This paper examines central theoretical arguments and concepts that favor CBI and elaborates on their explanatory limits and contradictions from a critical heterodox perspective. It considers recent debates on re-politicization of monetary policy and highlights political economic motives behind the institutional strategy of CBI.

Nina Eichacker, Assistant Professor, Department of Economics, University of Rhode Island, US
'Liquidity, Assets, and Power in Monetary Policy for the European Core and Periphery, Before and After the Eurozone Crisis'

This paper examines the evolution of European countries' balance sheets before and after the Eurozone Crisis, specifically in relation to reserve accumulation, both Special Drawing Rights and Gold Reserves. In doing so, it considers asymmetries within European monetary and financial practices, and the implications for different liquidity provision standards in the context of endogenous money. After presenting some historical context regarding the creation of the European Central Bank and its interactions with the Eurosystem, the paper explores, in particular, how fears of contagion in the aftermath of the Eurozone Crisis may have affected European Union members' financial systems propensity to acquire foreign reserves and payment assets like TARGET2 funds. It also considers the implications of the European shadow banking system that prioritized the sale of sovereign bonds for repurchase agreements, and changing practices of including peripheral EMU economies' sovereign bonds in government bond bundles of general collateral. Throughout, the paper considers both the institutional causes of these changes, as well as the implications of these changes, for national financial systems and economies, as well as the Eurosystem at large.

Benjamin Braun (Max Planck Institute for the Study of Societies) & Maximilian Dusterhöft (Dresden University of Technology)

'Technocratic politics in hard times: A global experiment in central banking'

During the pre-2008 inflation targeting period, the literature on the limits of delegation was focused on the possibility of the government interfering with central bank independence for electoral purposes. Since the global financial crisis, large-scale asset purchases ('QE') have increased the distributive consequences of monetary policy. As a consequence, a broad range of social actors have directly challenged central bank legitimacy. Thus, the political constraints faced by central banks have changed – whereas in the past they had to navigate the limits of delegation, today they navigate the limits of unelected power. We test this politicization

hypothesis by measuring topic prevalence for a panel dataset of all public speeches by 20 central banks from 2000 through 2019. Politicization is operationalized as strategic silence – we expect QE central banks to speak less about controversial distributional topics than their non-QE peers. We exploit a quasi-experimental setting: While the effects of QE could be felt globally, only the five central banks with active QE programs could be held responsible. Using a difference-in-difference model, we find that QE central banks exhibit strategic silence on house prices, inequality, and the exchange rate. We control for institutional and economic factors at the speaker, central bank, and country level, and perform robustness checks for alternative word weightings. The results provide strong empirical support of the politicization hypothesis: Scrutinized for the distributional impact of their policies, central bankers – despite their insulation from direct electoral pressures – engage in strategic communication to safeguard their legitimacy.

Panel 3: Anti-Colonial and Post-Colonial Development

This panel treats post-colonial theories of development and underdevelopment. It shows how (post)colonial theory is needed to make sense of and to offer alternatives to regnant patterns of accumulation and dispossession. Throughout much of Latin America, Africa, and the Arab region – geographically, West Asia – dependency theory was a dominant mode of interpreting social realities in the 1970s and 1980s, while in South Asia, analogues of dependency theory rubbed shoulders from the 1950s-1980s with extensions of Gandhian economics into the realm of do-it-yourself or auto-centered development based on “traditional” knowledge and appropriate agricultures and technologies. This panel seeks to bring these theories of development and underdevelopment into dynamic and comparative conversation, by showing how specific tools were and are required to make sense of (post)-colonial social structures and oppression, and how in turn such specific tools, in grasping the specificity of such oppressions, could implicitly or explicitly point to exit routes from the trap of permanent colonial and post-colonial underdevelopment and ongoing primitive accumulation. The panel consists of three papers, each drawing on the historical experience of one country in the Third World: Tunisia, Palestine, and India.

Dr. Max Ajl, Humanities and Social Change International Foundation/Tunisian Observatory for Food Sovereignty and the Environment

For Tunisia, the paper considers the unlikely and unique fusion of dependency theory, notions of auto-centered development, and ideas for the flourishing of “traditional” agriculture which flourished during the halcyon moment of development thought, from the 1970s to the 1980s. It shows how such theories emerged from the concrete developmental impasses of ISI/EOI industrialization and investment in the smallholder-marginalizing “modernization” of agriculture, and how a theory of development fusing attention to macro-economics and micro-plots of smallholders offers a way to break inter- and intra-national value extraction.

Dr. Divya Sharma, University of Sussex

The paper on India examines visions of Gandhian agronomic and rural development that were debated and shaped in the anti-colonial nationalist movements and in the early decades after independence by postcolonial thinkers like J.C. Kumarappa and Radhakmal Mukherjee. The paper interrogates how these visions were articulated in relation to theorization of colonial underdevelopment particularly through deindustrialization, and how they conceived of the relationship between autarky at the village and regional level with the question of national development

Dr. Ibrahim Shikaki, Trinity College

For Palestine, the paper considers dependency analysis as the tool to understand Palestinian oppression under settler-colonial subjugation, drawing on the work of a range of Palestinian scholars, including Leila Farsakh, Adam Hanieh, Adel Samara., Elia Zureik, and Jamil Hilal to highlight continuities and discontinuities in transformations of the economy of the West Bank and the Gaza Strip over the last half-century.