



THE INSTITUTE OF ECONOMICS, RUSSIAN ACADEMY OF SCIENCES

The polycrisis: a methodological challenge for economics and possible response

The 35th Annual EAEPE Conference 2023
“Power and Empowerment in times of multiple crisis”
13-15 September 2023, Leeds, UK

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EAEPE 2023, September 15

Challenge and motivation

- If in a “global polycrisis” (*Lawrence, Janzwood, Homer-Dixon, 2022*) all the causes of such a crisis, as well as their consequences, are deeply interconnected, how we can understand and investigate such a complex phenomena as **a polycrisis?**



<https://www.networkworld.com/article/3205146/what-companies-need-to-know-about-interconnection-to-succeed-at-digital-business.html>



ROADMAP

1. Interconnectedness of socio-economic processes as a methodological challenge for economics.
2. Three main research alternatives to answer the challenge:
 - 2.1. Pluralism;
 - 2.2. Strengthening of interdisciplinary interactions;
 - 2.3. Synthesis.
3. Some comparative remarks on these perspectives in the English- and Russian-language economic discourses.
4. Conclusion.



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1. Interconnectedness of socio-economic processes as a methodological challenge for economics



Too complicated!

- A polycrisis means that **the various crises** faced by the countries of the world have intertwined into one.
- Therefore, the study of a modern polycrisis within the framework of **one discipline and one concept**, no matter how advanced they are, **is problematic**.
- In other words, a global polycrisis, which needs to be studied, is **a real challenge** for modern social sciences. This also applies to economics.



Research methodological alternatives

- Complexity economics. Maybe?
- Our subject is to consider other possible methodological responses to this challenge in economics including:
 - pluralism;
 - strengthening of interdisciplinary interactions;
 - attempts at a new, primarily interdisciplinary, synthesis.



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<https://crazy-mining.org/stati/3-puti-razvitija-bitkoina-btc/>



2.1.Pluralism



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Pluralism: Pros and Cons

- Despite **the inherent problems** of pluralism noted in the literature (*Hodgson, Mäki, McCloskey, 1992; Pluralism in Economics..., 1997; Sent, 2006; Garnett, Olsen, Starr, 2009; Guerrien, Jallais, 2009; Dobusch, Kapeller, 2012; Bachmann, 2017; Becker, 2017; Gräbner, 2017; Gräbner, Strunk, 2020; Larue, 2022*), pluralism is considered **as one of the promising directions**, which cover and explore the multidimensional phenomena (like a polycrisis) from different points of view.
- «Why economics needs pluralism» (*Guerrien and Jallais, 2009*)?



Pro № 1

- Proponents of pluralism in economics (*Dow, 2004; Sent, 2006; Garnett et al., 2009; van Bouwel, 2009; Dobusch and Kapeller, 2012; Gräbner, 2017; Gräbner, Strunk, 2020, etc.*) welcome it for the fact that it can be the “**ideal idea selection machine**” and creates the conditions for the functioning of the “intellectual free market” (*Hodgson et al, 1992*).
- Therefore, pluralism corresponds to the thesis of evolutionary theory that increased diversity and selective pressure promote better overall outcomes.



Pro № 2

- The fundamental complexity of reality makes it impossible to identify the “correct” research program” (*Gräbner, Strunk, 2020, p. 319*) and means it is impossible to explain it within the framework of any one theory, even the best one.
- Only a **“blooming bouquet” of theories**, concepts and approaches will allow us to obtain knowledge that is collectively adequate to the multiplicity of economic phenomena and processes.
- Therefore, economics as a form of reflection is assumed to be pluralistic in nature (*Coyle, 2010; Bachmann, 2017; Becker, 2017*).



Pro № 3

- Scientific theorising is also characterised by “fundamental epistemological uncertainty.”
- It is due to *the subjectivisation* of economic discourse. This means that the features of designing the object of research, the choice of methods and tasks are associated with the features of the worldview, **social interests, ideology** and other known factors.
- Pluralism helps to question different agendas in order **to avoid their “subjective intellectual anchoring”** (*Heckman et al, 2017*).



Con Nº 1

- The idea that a “free intellectual market” is possible, which is the condition and possibility of pluralism in the economy, **has been questioned** (*Akerlof, 2020; Gräbner, Strunk, 2020*).
- ‘Freedom’ is hampered by:
 - the accumulation and monopolisation of academic power in favor of certain research programs and journals;
 - structural barriers to alternative approaches entering mainstream economic discourse and its lack of inclusiveness;
 - a monistic university curriculum that reproduces these aspects.



Con Nº 2

- Pluralism and multiplicity of research programmes can lead to a decrease in the quality of research.
- “Opening the field” to pluralism to the extreme can lead science to anarchism, in which quality standards will be lost.
- Therefore, supporting greater pluralism and the associated decrease of quality standards **may hinder the development of economics** as a science (*Colander, 2014; Gintis and Helbing, 2015*).



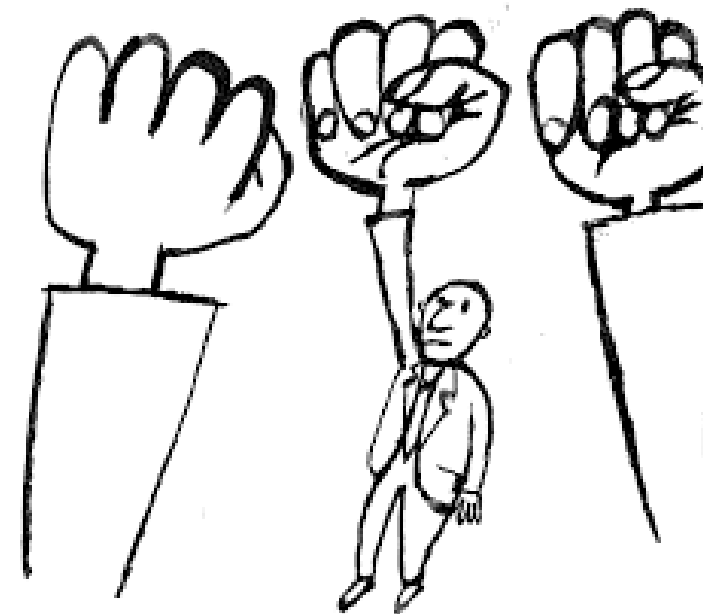
Con Nº 3

- The greater the diversity of research programmes, the more difficult it is to ensure effective communication between different scientists. Thomas Kuhn interpreted pluralism as many people **"talking past each other."**
- Therefore, in the development of pluralism, finding an epistemological compromise between diversity and consensus is not a trivial task.
- Pluralism is an ideal in which economists of different persuasions accept theories and methods with mutually accepted arguments, which requires *assessing* norms of communication (Larue, 2022).



“Pluralism in Economics: A Public Good or a Public Bad?” (P. Dalen, 2003)

- Will pluralism in economics help us better understand and explain a polycrisis? Perhaps it will contribute to the study of more phenomena related to it but, apparently, it will be difficult to
 - 1) understand the general causes of the crisis,
 - 2) give policy recommendations
 - 3) predict further development.



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2.2. Strengthening of interdisciplinary interactions



From restrictivness to interdisciplinary interactions

- For many years economics was considered **one of the most closed social disciplines** (*Hausman, 1992, Pieters, Baumgartner, 2002; Fourcade et al, 2015*). This was expressed in the low level of citation of the works of economists in the works of other sciences and, also, the low level of citation by economists of works from the social sciences.
- **The openness of economics** to interdisciplinary interactions began with active work with psychologists during the “cognitive revolution” of the **1960s**, which led to the emergence of “behavioural economics”.



Interdisciplinary interactions through the creation of new disciplines

- The growing trend of interdisciplinary interactions in economics is expressed in the creation of "**joint**" **sciences** with economics for more in-depth answers to questions posed by practice.
- Among them are neuroeconomics, econophysics, social economics, complexity economics, etc.



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Increase in interaction between economics and other social disciplines

- “Pure” economists are also becoming **more open to contacts and interactions** with colleagues from related disciplines. The latest bibliometric studies have recorded an increase in interaction between economics and other social disciplines (*Angrist et al, 2020; Truc et al, 2020*).
- It is a kind of “**soft**” **interdisciplinary convergence**, in which there is a co-tuning of the general conceptual framework, as well as an exchange of models and methods of analysis.
- However, despite this exchange, the disciplines do not become integrated with each other and retain their **independence**.



Strengthening of interdisciplinary interactions to investigate a polycrisis

- The soft interdisciplinary convergence in economics allows economists to work together with colleagues from other disciplines and share programmes and results.
- It can be assumed that such **interdisciplinary interactions can enrich the knowledge of economists** in study of a polycrisis.



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Productivity of interaction between economists and sociologists

- Contacts between economists and sociologists **occupy a special place** (*Ross, 2014*; see also *Ross, D. 2022. Economics is converging with sociology but not with psychology. Journal of Economic Methodology, 1-22*).
- The most promising interactions are **between institutional economists and institutional sociologists**. They recognise the *embeddedness* effect (*Polanyi, 1977; Granovetter, 1985*), i.e. the embeddedness of economic institutions in a broader system of non-economic relations and institutions - from religious to political, which presupposes their joint study.



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2.3.Synthesis



Definition of synthesis



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- We not consider synthesis which, like analysis, is a well-known necessary aspect of scientific research.
- We talk about synthesis in economic theory, or **theoretical synthesis** as a form of integration of alternative/complementary approaches or concepts from different researchers or groups of researchers, opening up a new scientific direction and creating a **broader conceptual basis** for the cooperation of previously competing theories.



Intradisciplinary synthesis in economics

- **The neoclassical synthesis** of the 1940s–1960s and the **new neoclassical synthesis** of the 1990s are examples of intradisciplinary synthesis in economic theory. They mark important milestones in the orthodox economic mainstream.
- Their achievements are the implementation of ideas that were relevant at that time into neoclassical theory to create “new theories for a changing world.”
- Each of them was provoked by requests from practice and were the result of a wide exchange of scientific ideas on the **development of orthodoxy** and its methodological program.



Synthesis in heterodox economics?

- Compared to the orthodox economics formed during the neoclassical revolution of the 1870s, modern **heterodox economics is a much younger and less structured** area in theoretical economics (*Heterodox Economics...*, 2022).
- So, it does not yet present a synthesis comparable in scale and recognition to either the neoclassical or the new neoclassical synthesis.
- However, there are some attempts at such synthesis and **institutional synthesis** is one of them (see in detail: *Kirdina-Chandler, 2021, 2023*, in Russian).



Institutional synthesis

- Unlike synthesis in neoclassical orthodoxy, **institutional synthesis is interdisciplinary**, or multidisciplinary. There is an attempt to integrate different disciplines into one research programme.
- Another feature of such synthesis is that during the integration of concepts, as a rule there is parity interaction, or “equal cooperation” of the disciplines involved in the synthesis **on the platform of meta-methodology**, which allows the formation of a common language of scientific communication for different disciplines.



Institutional synthesis in Russian heterodoxy

- In Russian economic discourse, institutional synthesis is presented in **the theory of the evolution of institutional systems** (*Kleiner, 2004*, in Russian), in **the concept of general social analysis** (*Polterovich, 2011, 2013*, in Russian), and in **the theory of institutional X-Y matrices** (*Kirdina, 2014*, in Russian; *Kirdina-Chandler, 2017*).
- Russian developments in the field of institutional synthesis combine interdisciplinary nature and parity interaction of economics and other social and humanitarian disciplines.



3. Some comparative remarks of the English- and Russian-language economic discourses



**The share of works on *pluralism* in economic theory
in the total number of works on *economic theory*,
English and Russian, Google Scholar data, 2018-2022, %**

	English	Russian
2018	19,2	8,5
2022	50,1	10,5

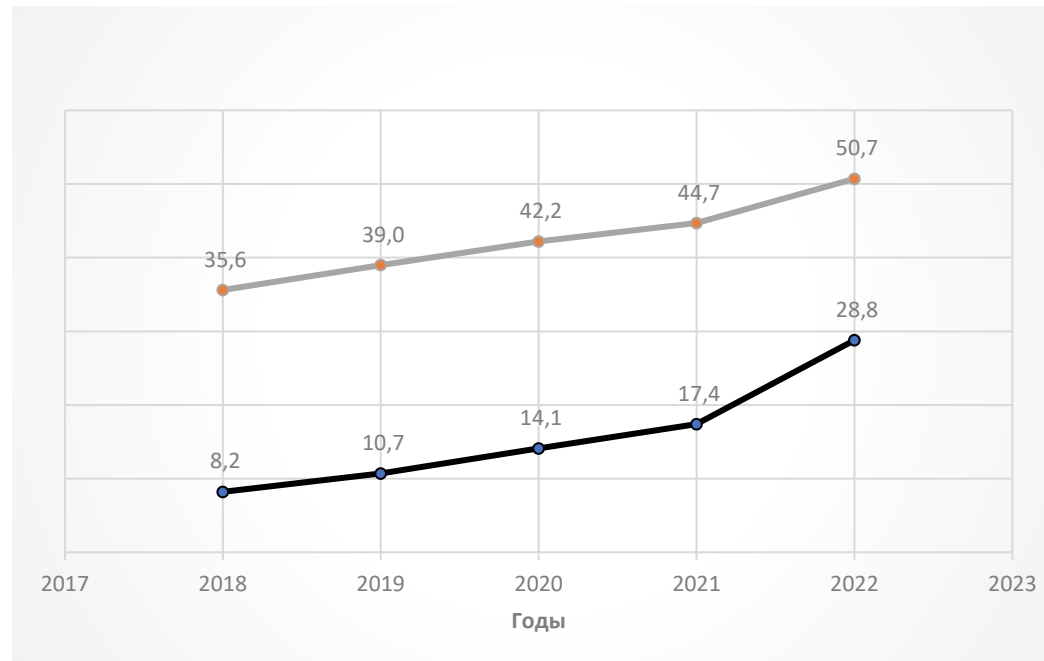


Pluralism is more popular in English-language discourse

- Over the past five years, *pluralism* has **become more popular** in works on economic theory in both Russian and English theoretical discourses in economics.
- So, in works on economic theory in the English-language segment, *pluralism* is mentioned in half of the works in 2022 (50.1%) – it is **2.6 times** higher than five years ago. This is also **5 times more often** than in works on economic theory published in Russian (10.5%).
- The increase in the popularity of *pluralism* in Russian-language discourse is also not so high - **1.2 times** over 5 years.



The share of works on *synthesis* in economic theory in the total number of works on economic theory, English (black) and Russian (grey), Google Scholar data, 2018-2022, %





Synthesis is also more and more popular

- There has been **growing interest in synthesis** in economic theory in both discourses of the scientific literature studied.
- The publications of **economists in Russian and English languages are united by a growing attention** to synthesis in economic theory. Over the past 5 years, the share of publications in economic theory where synthesis is mentioned has, in the English-language literature, increased from 8.2 to **28.8%**, and in the Russian-language literature, from 35.6 to **50.7%**.



Synthesis is more popular in Russian-language discourse

- For economists writing **in Russian** synthesis is almost **2 times more popular** than for English-speaking theorists.
- This is also evidenced by examples of the creation in Russia of *synthetic* sciences based on economics, e.g. “socioeconomics” (*Balatsky, 2022, in Russian*).
- English-speaking economists are less radical in this regard and see the prospects for the development of economics not so much in the creation of new *synthetic* interdisciplinary sciences, but in **an increase in interdisciplinary interactions** between economists and other sciences.



Why synthesis is more popular in Russian economic theory?

- The reasons for this can be associated with the characteristic features of the discourse of Russian economic science, the “hard core” of which includes, in particular, “a holistic panorama of society, the inclusiveness of the tasks of social development, the vision of the object of study, holism, universalism, synthesis of theories and social synthesis” (*Karamova, 2013, in Russian*).



<https://edubirdie.com/blog/how-to-write-a-conclusion>

4. Conclusion



- To study complex phenomena complex methodology is needed.
- Pluralism is most likely a preliminary stage to the construction of such a methodology.
- Strengthening interdisciplinary interactions is the next stage.
- It is expected that the result will be a methodology built on the basis of interdisciplinary synthesis in heterodox economic theory.
- I hope we'll see it soon.



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Thank you for your attention!

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