

European Economics at a Crossroads

edited by J. Barkley Rosser, Jr., Richard P.F. Holt, David Colander
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reviewed by Moises Sidiropoulos*

The book by J. Barkley Rosser, Richard Holt and David Colander, titled “European Economics at a Crossroads” (Edward Elgar Publishing, 2010) focuses on European economists and economics, and more specifically on the relationship between European economics and US economics. As Europe moves toward an integrated academic system and European economics is changing, this book discusses that change, along with the changes that are happening simultaneously within the discipline of economics.

While the authors agree that European economics needs to go through major changes in the coming decade, they argue that by building on Europe’s strengths, rather than trying to follow a US example, Europe will be more likely to become the global leader in economics in the coming decades rather than a second-rate copy of the US. In this context, the authors argue that modern economics can no longer usefully be described as ‘neoclassical’, but is much better described as complexity economics. The complexity approach embraces rather than assumes away the complexities of social interaction.

The pressure to move to English and imitate US standards and practices, partly driven by Europeans attending US universities and returning to Europe, has both weakened these hierarchies and moved much of Europe to imitate US economics in many ways. The authors argue that by trying to judge themselves by US-centric measures and to copy US universities, European economists are undermining some of the strengths of the older system – strengths on which they should be building. They argue that despite all the problems with previous European academic structures, those structures allowed for more diversity than there exists in US universities, and thus were often ahead of US universities in exploring new cutting-edge approaches.

The book begins with two chapters spelling out the authors’ view of the changes in economics and European economics. This is followed by 11 interviews with a diverse

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set of innovative European economists from a range of European countries. There are interviews with Alan Kirman, Ernst Fehr, Cars Hommes, Mauro Gallegati and Laura Gardini, Tonu Puu, Soren Johansen and Katarina Juselius, Geoffrey Hodgson, Joan Martinez Alier, and Robert Boyer. These are followed by two reflective discussions on the other interviews and broader issues with Janos Kornai and Reinhard Selten.

In the interviews these European economists reflect on the ongoing changes in economics generally and in European economics specifically. The interviews demonstrate how the economics profession is moving away from traditional neoclassical economics into a dynamic set of new methods and approaches (incorporating work in behavioral economics, experimental economics, evolutionary game theory and ecological approaches, complexity and nonlinear dynamics, methodological analysis, and agent-based modelling) that the authors classify as complexity economics.

This book describes developments in European PhD programmes in economics and how these changes relate to the cutting edge research of European economists. This fascinating and easy-to-read book will prove a stimulating and thought-provoking read for those with an interest in economics, European education, and the nature of academic disciplines generally.