



EACES Newsletter

No. 91 – March 2021

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1 Official news

1.1 Message from the president

Dear EACES members,

it’s been quite a while since the publication of the last EACES newsletter. My apologies to all of you who missed it – although I haven’t received any complaints about it.

The current pandemic massively affects our lives – and quite often also our livelihoods – since a bit over a year by now. An international association

such as EACES that is designed to bring people together from all over the planet may almost sound like a strange idea after a year of travel bans, lockdowns and video-conferencing. It was the first time in the 30-year history of EACES that our Biannual Conference scheduled to take place in Naples in September 2020 had to be cancelled. And our plans to simply postpone it for one year came to an end a couple of weeks ago, when we had to realize that it’s very unlikely that international travel “as we know it” will be possible by fall 2021.

However, the EACES Executive/Advisory Board unanimously decided not to cancel the conference once again but to move it online. Therefore, the most important news in this newsletter is the call for papers for the

16th EACES Conference

scheduled to be held online via Zoom from 13-17 September 2021.

By now, we all know from more experience than we would have ever asked for that online conferences are far from being a perfect substitute for meeting and talking to colleagues and friends in person. The only thing worse than an online meeting is no meeting at all, however. Therefore, I look forward to see you at least online at the first online EACES conference later this year. I am grateful to Ksenia Gatskova, Hartmut Lehmann and Francesco Pastore who volunteered to share with me the burden of organizing this event.

Special thanks go to Francesco Pastore for holding up his offer to host – in the traditional sense – an EACES conference. We hope that by September 2022, the pandemic will be over and that we can meet then in person at the 17th EACES in Naples. This will also bring us back to our well-established rhythm of having a biannual conference in every even-numbered year.

The cancellation of the 2020 conference also implied that there was no 2020 EACES doctoral award. We now ask for applications for a 2021 award – see the call below – and will again have one in 2022. Please note that all dissertations from 2018-2019 are eligible for the 2021 award; the 2022 award will then be given to work completed in 2020-2021.

The incumbent EACES executive board members collectively extended their usual 2-year term of office that started right after the elections at our last General Assembly in September 2018 in Warsaw. During the online conference this year, we will also have a General Assembly with the

usual elections. Please note the call for nominations in section 1.5 of this newsletter.

Via our website, I already informed the EACES members that our former president and colleague Domenico Mario Nuti passed away shortly before Christmas 2020. I am very grateful to Milica Uvalic and Saul Estrin for their obituary that reflects on the oeuvre and personality of this great scientist. You find it in the last section of this newsletter.

Let me wish all of you a productive and happy time – despite all the restrictions associated with the corona pandemic. Take care and stay healthy!

Jürgen Jerger, EACES President

1.2 Membership fees 2020/21

In the past, EACES membership fees have been usually paid along with the conference fees and for a 2-year period. This is quite efficient – as long as there is a biannual conference.

Due to the cancellation of the 2020 conference, only very few members paid their 2020/21 membership fee, however. I would like to ask you to pay this fee along with the (very much reduced) conference fee for the 2021 online conference. Alternatively, you can also pay it separately either via bank transfer (preferred) or Credit Card/Paypal.

For details, please visit our website at http://www.eaces.eu/membership_and_conference_fees. Thank you!

1.3 Call for papers: 16th EACES Conference

The 16th Conference of EACES will be held online via Zoom as a virtual conference

from 13-17 September 2021

due to the still ongoing pandemic.

As in previous EACES conferences, we will have both invited keynote lectures and sessions that consist of submitted single papers or a series of 3-5 jointly submitted and related papers that form a complete session. Furthermore, we can provide for sessions in which new books or some other form of outcome from a larger research project in Comparative Economics can be presented.

Unlike in previous “offline” EACES conferences, we will spread the presentations over 5 days in order to avoid rather tiring all-day video sessions. We will also try to schedule slots taking into account the “time zone problem”. With participants from all over the globe, there will be no perfect solution, but we will take into consideration the local time zone of speakers.

The scientific committee invites submissions of single papers and organized panels (3-5 papers) from all fields related to comparative economics and cognate disciplines, including work on socio-economic, sociological, historical, and political topics.

The deadline for submissions is **30 June 2021**.

For the full text of the call and the link to the submission/registration platform, please visit eacesconference.eu or eaces.eu.

1.4 Call for applications: The EACES Doctoral Award 2021

We invite proposals for the EACES Award 2021 for the best doctoral dissertation in the field of comparative economics.

The award will be given to the work that in the opinion of the jury has the greatest potential to impact the field of comparative economic studies in the future. Both theoretical and empirical contributions are appropriate. They may investigate any area covered by the research sponsored by EACES including comparative analysis of different economic systems and institutions and their evolution.

To be eligible for the EACES award 2021, the doctoral dissertation must have been accepted for the degree of PhD (or equivalent in continental Europe) between January 2018 and December 2019. (There will be a call for an EACES award 2022 when dissertations that have been finalized in 2020 are eligible.) The deadline for submissions is **30 June 2021**. Applications should be sent by e-mail to the address given below and include

- a CV in English;
- an abstract in English of 3-5 pages (1.5-spaced, incl. exhibits);
- the full text of the dissertation.

Furthermore, applicants must arrange for a

- nomination letter by one of the supervisors/examiners of the thesis.

The nomination letter has to specify when and where the dissertation has been accepted and must be sent directly from the supervisor/examiner. It should also contain a substantial evaluation of the research.

Applications and nomination letters have to be sent via e-mail as pdf document(s) to the chair of the selection committee, Jürgen Jerger, e-mail: j.jerger@ur.de

For the full call see eaces.eu/eaces-award.

1.5 Call for nominations: Elections

During the conference in September 2021 we will also have a General Assembly. A formal invitation will follow in due course. An important task of the General Assembly is the election of the 13 members of the Executive Board (EB). It consists of the Managing Board (president, vice-president, secretary, treasurer) plus nine additional EB members.

According to the EACES statute, nominations can be made by the EB or by any individual member, seconded by another member. Nomination of candidates have to include a short CV and must be made at least one month before the meeting of the General Assembly by notification to the secretary.

2 Other workshops and conferences

2.1 Conference: The European Union's contention in the reshaping global economy

The University of Szeged announces its 4th conference in collaboration with EACES on the above general topic to be held as an online conference on 20-21 May 2021.

See <https://eaces.eu/events/events> for more information, including a link to the conference website.

2.2 Summer Academy: The economics of populism: Drivers and consequences

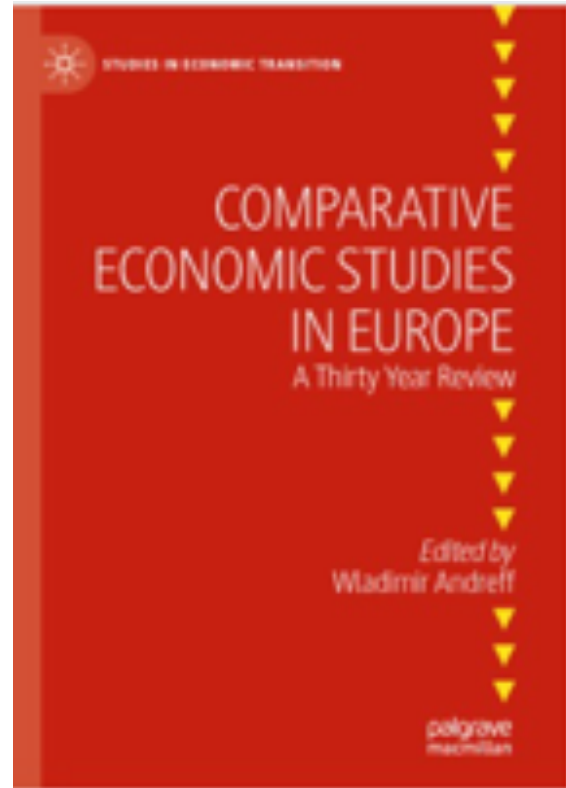
The Leibniz Institute for East and Southeast European Studies (IOS Regensburg) in cooperation with the Akademie für Politische Bildung Tutzing and EACES announces its 13th Joint Summer Academy on the topic given above and scheduled for 5-7 July 2021.

See <https://eaces.eu/events/events> for more information, including a link to the conference website.

3 New book: Comparative Economic Studies in Europe

Please note the publication of the following book, edited by Wladimir Andreff:

Comparative Economic Studies in Europe. A Thirty Year Review. Studies in Economic Transition, Palgrave Macmillan 2021; see <https://doi.org/10.1007/978-3-030-48295-4>



The book was written in honour of our honorary member Horst Brezinski and explores a wide and diverse range of topics related to comparative economic studies. Both Wladimir Andreff and most of the contributing authors are former presidents (including the incumbent) of the European Association for Comparative Economic Studies.

There was an online presentation of the book on 9 December 2020.

4 Obituary: In memoriam of Mario Nuti

by Saul Estrin and Milica Uvalic

Domenico Mario Nuti, a founding member of EACES, has been one of its most prominent scholars and intellectuals for over forty years. Elected a member of the first Executive Committee of EACES at its founding conference

in Verona in September 1990, he continued to be closely involved in various activities of our Association. Mario was elected EACES President in 2001-2002 and thereafter remained a member of its Advisory Board.

Mario Nuti has made numerous scientific contributions to the field of comparative economic studies during his long and active presence in EACES. Among the memorable speeches to be recalled is the Honorary Lecture "Alternative targets, paths and speed in post-socialist transition" on occasion of the 10th EACES conference at the Higher School of Economics in Moscow in August 2008. At the last EACES biannual conference he attended, in Warsaw in September 2018, Mario gave a Keynote Lecture on "The Rise, Fall and Future of Socialism" partly based on his 90-pages essay (Nuti, 2018a), illustrating how the Soviet-type system was incapable of adapting to the challenges raised by its own successes. The system was therefore eventually brought down by its inefficiency, instability, internal and external imbalances, shortages, and a crushing debt, along with the loss of popular support.

Mario was a major theoretical and policy figure in economics; perhaps the last of the major UK post-Keynesians in a line of significant Cambridge economists that included Nicholas Kaldor and Joan Robinson. His was a powerful intellectual voice for a more radical theoretical and policy framework (see more in Estrin, Kolodko and Uvalic, 2007).

We focus on four main areas of Mario's contributions: (1) the Soviet centrally planned economies and their post-socialist transition to market economies; (2) his life-long concern about the right balance between markets and government intervention; (3) employee participation in enterprise decisions and results; and (4) economic integration processes in Europe and the global economy.

(1) Mario sought to categorise the various models of socialism, from Soviet planning through market socialism of Hungary to the self-managing socialism of Tito's Yugoslavia. He believed that the collapse of the Soviet Union and its empire did not necessarily invalidate the socialist model: it merely highlighted the failings of one (unattractive) variant of it. As explained in his 2018 essay, Soviet socialism suffered greatly from an original sin: the belief that economic laws would not operate at all in the socialist economy (Rosa Luxemburg, Bukharin, Hilferding and other leftist thinkers) (Nuti, 2018a). He utterly rejected Fukuyama's view therefore that the fall of the Berlin Wall in 1989 spelt "the end of history". This point is fundamental because, if socialism has failed, leaving no valid alternative to capitalism, intellectuals are left with no systemic way to frame an economic agenda about how to build a better world. Mario's work also gives us a basis to think about new models of the socialist economy, not tarred with the authoritarian brush of the Soviet Union and China.

As a leading connoisseur of socialist economic systems, Mario made major contributions to many theoretical and policy areas of the transition to market economy after 1989. In the absence of blueprints, his innovative ideas on how to implement radical reforms of the socialist economy were valuable in defining the main objectives, speed, and sequencing of economic reforms; desirable macroeconomic stabilization and exchange rate policies; advantages and disadvantages of different privatization methods. During the next two decades, Mario contributed to many other specific issues of the transition and, was among the first to emphasize its deep flaws, especially after the strong impact of the global financial and economic crisis in 2008. These flaws in his view included the high social costs of transition; what he saw as the disastrous consequences of hyper-liberal policies for growth and development; and the neglect of

the role of the state in creating and supporting institutions in a market economy.

(2) Mario used economic theory to question the interpretation of general equilibrium models as reaching equilibrium automatically. To quote, “I believe the neoclassical picture of the capitalist economy is fantasy because markets are both incomplete (where are the future markets for manufactured goods, or the contingent commodity markets?) and, most importantly, sequential. Hence resource allocation is ruled by price (and quantity) expectations as much as by actual spot prices, and therefore from [the] Arrow-Debreu [model] we instantly fall into a Keynesian world of expectations – whether self-fulfilling or false – of underemployment equilibria and economic fluctuations” (Nuti, 1992). This analysis of the market economic system led him, like Keynes before him, to question the appropriateness of a non-interventionist policy stance, from the “free market” policies of Reagan and Thatcher in the 1980s through to seeking to balance budgets in a recession, so-called “austerity” policies, after 2008. However, his academic opposition to such policies was not based on their deleterious consequences (though he was very concerned about rising inequality), but rather because the economic theories upon which such policies were based were incorrect.

Mario was also extremely influential in some of the leading post-Soviet economies of Eastern Europe, notably Poland. While the Washington Consensus ruled in Russia and the Balkans, Mario as the European Commission’s Economic Advisor to Poland worked with Finance Minister Kolodko to ameliorate the previous austerity policies which were acting to turn the post-transition downturn into a deep recession, in favour of a more interventionist approach. At the same time, as an advisor on transition to the European Commission’s DG-II, Mario was important in guiding the central east European economies to early membership of the EU.

Thus, Mario not only was an effective researcher into the role of government in redressing macroeconomic and exchange rate failures of the free market, but he was rare in establishing the empirical validity of his arguments in the “laboratory” conditions of economic transition in Eastern Europe. It is unfortunate that he has passed away as governments everywhere embrace his more interventionist macroeconomic stance, though perhaps with only a passing understanding of why that is the right thing to do in this COVID crisis.

(3) Mario had a profound interest in alternative forms of enterprise that could assure workers participation in decision-making and in enterprise results, instead of the standard wage-employment contract. His work was inspired by the practice of workers’ cooperatives, profit-sharing and codetermination in western market economies as well as the self-management experience in Yugoslavia. He was also interested in the diffused experiences of employee ownership in many east European countries following the privatizations in the 1990s. Mario’s support of participatory forms of enterprise did not preclude his open criticism of some of the most influential models. His critical analysis of the claims and overclaims of Weitzman’s share economy (“Catch 22”), or his questioning of James Meade’s capital-labour partnership, due to the violation of the principle of equal pay for equal work, were Mario’s own attempts to devise more viable participatory solutions. His interest in economic democracy led him to initiate a major European Commission-financed project on the Promotion of Employee Participation in Profits and Enterprise Results that led to the publication of the first PEPPER Report in 1991.

With the start of transition in Eastern Europe, Mario raised his voice against simplistic generalizations regarding the negative implications of employee ownership. Given that privatizations had often led to employed workers

becoming significant shareholders of their firm, Mario formulated the conditions under which the expected adverse effects would be avoided (Nutti, 1995). Unique incentive problems were to be expected only if employees as shareholders had a lower share in company equity than in labour supply as workers. Mario also anticipated that enterprises in which insiders held a controlling interest would probably be institutionally unstable, as indeed happened: many employee-owned firms in the region did not survive or ended in the hands of outsiders.

(4) As an attentive observer of political and economic events in Italy, the European Union and the global economy, Mario was deeply concerned about the many challenges posed by integration and globalization. Globalization is incomplete, distorted and unfair, he observed in 2009, among other reasons because of the persistence of many forms of protectionism; because it favours the international mobility of capital rather than labour; and finances global imbalances instead of investment and growth in poor countries (Nutti, 2009). In his recent search for “realizable” utopias, he observed that the revival of demand for socialism derives from these multiple challenges, including globalisation, mass migrations, digitalisation, robotics and Artificial Intelligence, climate change, environmental pollution.

Additional challenges are faced regionally by the member states of the European Union and especially the Eurozone, given the disintegration trends resulting from their dysfunctional construction. Due to “seismic faults” in the European Union – including Brexit, austerity policies, tiny EU budget, premature introduction of the Euro, migrations, tax competition, tolerance of illiberal regimes, divergence of welfare policies – its institutions and policies are equivalent to “tectonic plates sliding over each other and colliding” (Nutti, 2018b). Mario particularly condemned the persistence of austerity policies, demonstrating that fiscal

consolidation can actually increase, instead of decreasing, public debt/GDP ratio. He believed there were remedies, in line with the original European design – such as a common asylum acceptance regime to reduce the migration crisis, or excluding public investment from the permitted public deficit, that would loosen austerity – but was aware that these remedies may “clash with the hyper-liberal design that has gradually perverted European policies, as well as with conflicts of interest between states, ideologies, welfare regimes, classes, bureaucracies, memories and expectations” (Nutti, 2018b).

Mario Nutti taught his students that no theoretical paradigm in economics should be accepted *a priori*, but its use should depend on the problem we are trying to solve. This was in line with his own approach, strongly influenced by some of his professors in Warsaw and Cambridge. He once wrote: “I am not fond of labels; like all aggregates they destroy information and are potentially misleading. If pressed, I would choose a handful of them. I would call myself a keynesian-kaleckian-kaldorian-robinsonian when modeling the macroeconomics of the capitalist economy; a “left-wing monetarist” ... when modelling the macroeconomics of the socialist economy; a consumer of Marxian techniques when studying the dynamics of economic institutions and systems, but ready to turn them against Marx-inspired systems with a vengeance; a neo-classical in microeconomics, convinced of the importance of prices and a strong supporter – though very critical – of markets as homeostatic mechanisms, indispensable no matter how crude or imperfect. What approach is best depends on the question you ask (Oskar Lange); you choose a model as you would choose a map, according to the nature of your journey (Joan Robinson)” (Dictionary of Dissenting Economists, Elgar Publishing, London 1991).

Mario has left behind much more than his valuable scientific contributions. He was an intellectual of a special kind, with a critical mind and great knowledge in many fields that extend far beyond economics. His contribution was not only in his writings and his lectures, fascinating though they are. Mario was at his most impressive in seminars, where he quickly cut through to the core of arguments to make deep and perceptive comments that led many presenters to rethink their assumptions, methods, and conclusions. Yet he always made his remarks politely, with charm and no small amount of humour. He remained consistent in his views until his very last days. We will all greatly miss the power of his intellect as well as his kindness and concern.

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