



University of Hertfordshire

# **Centre for Research in Institutional Economics (CRIE)**

## **1999-2003 REPORT**

### **Summary**

This report outlines the development and achievements of CRIE from 1999 to 2003. It reviews its international workshops and publications, and notes in particular its international visibility and the large increase in its research students since 2001.

- The number of PhD students at CRIE has increased from two in early 2001 to twelve at the present time.
- The annual International Workshops in Institutional Economics have been extremely successful, attracting leading researchers from five continents, and being rated among the most productive research events of this type in the world.
- Researchers in CRIE continue to produce academic publications, including books, and articles in leading academic journals.
- External assessments of CRIE by leading scholars in the area are extremely positive, and show that CRIE is having a substantial impact on the international research community. CRIE is regarded as one of the leading research centres in institutional economics in the world.
- There is the prospect of an international journal being located within CRIE.

CRIE was foreshadowed by the first International Workshop in 1999 and came into being at UH in 2000. It publishes both theoretical and applied work in institutional economics. Within the strategic plan of UH Business School, CRIE is one of the three main centres for business research. Since 2001 it has made enormous strides in its development, despite the loss of some key staff, such as Professor Anthony Dnes.

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# 1. The history and development of CRIE

An interest in institutional economics existed within the University of Hertfordshire Business School even before the appointment of Professor Anthony Dnes in 1997 and Professor Geoffrey Hodgson in 1999.

The first International Workshop in Institutional Economics was organised at the University of Hertfordshire in September 1999. The Centre for Research in Institutional Economics (CRIE) emerged in 2000. It was one of the three main research centres in the Business School submission for the Research Assessment Exercise in 2001.

CRIE is an interdisciplinary research centre. It carries out both theoretical and applied work. It is formed to promote research in the traditions of both the 'old' (Veblen, Commons, Mitchell, Myrdal etc.) and the 'new' institutional economics (Coase, North, Williamson, Aoki etc.). Both these traditions stress that (formal and informal) institutions are the stuff of socio-economic life, and that an understanding how they work is a precondition for effective socio-economic theory and policy, at the national and corporate levels.

On 30 April 2001, CRIE held a very successful debate at the Fielder Centre, between Professor Alex Callinicos from the University of York and Professor Hodgson. 55 people attended, including some who came especially from France, Sweden and the USA.

Since 2001 – and despite the loss of Dr Armando Barrientos, Dr Stephanie Barrientos, Professor Anthony Dnes, and some other staff attached to the centre – CRIE has grown significantly in strength, particularly with the increasing prominence and success of its International Workshops, a large rise in its research students, and the continuing production and publication of high-quality academic research.

Within the strategic plan of the Business School, CRIE is one of the three UH centres for business research.

Every year since 1999, CRIE has organised International Workshops in Institutional Economics in Hertfordshire. The achievements of these workshops are summarised in the following section. In addition, CRIE has a regularly seminar series, with internal and external speakers. These seminars often involve papers presented by PhD students.

At the present time, the most active and internationally prominent researchers associated with CRIE are Jane Hardy, Geoffrey Hodgson and Ya Ping Yin. Additional Business School staff associated with CRIE include Frank Currie, Hulya Dagdeviren and Dorothea Noble. The recent publications of the most active researchers are listed in section 3.

A major and highly positive development since 2001 has been the expansion of the number of research students associated with CRIE. The number of PhD students has increased from two in early 2001 to twelve at the present time. Three of these have UH research studentships. Two have scholarships from the Brazilian national research council. The remainder are self-funded. Two are part-time. Another (externally funded) full-time PhD student is due to arrive in September 2003.

Four of the twelve CRIE PhD students are British. This UK presence is particularly gratifying in the light of a recent Royal Economic Society (2000) report that revealed that top UK economics departments – such as the London School of Economics and Nuffield College Oxford – have recruited no PhD students whatsoever from the UK in recent years. Some feedback from CRIE research students is cited in section 6.

With this substantial number of research students, and a core of research active staff, CRIE represents an important research community within the University of Hertfordshire. It has helped to enhance the research reputation of the university in a national and global context.

Evaluations of CRIE by prominent members of the international research community are cited in section 7. Some of these leading researchers assess the international standing of CRIE in the following terms:

- “The Centre for Research in Institutional Economics represents one of few places in the world where serious scholarship is undertaken on institutional economics.” (Bromley, USA)
- “It is no exaggeration to say that some of the work that is emerging from CRIE defines cutting-edge research.” (Foss, Denmark)
- “If I was asked to name three institutions with a recognised reputation in institutional economics I would name Stanford University, Copenhagen Business School and the University of Hertfordshire.” (Kay, UK)
- “In the area of economics, and institutional economics on particular, CRIE has put the University of Hertfordshire on the world map.” (Mäki, The Netherlands)
- CRIE “is one of the top three centers of research into institutionalist theory, evolutionary economics and applied work in Europe.” (Mirowski, USA)
- “The Centre for Research in Institutional Economics at the University of Hertfordshire is one of the leading institutions for the research on economic institutions and has had a remarkable impact on the international academic community.” (Pagano, Italy)
- “In spite of its relatively small size, there is no doubt that the Centre for Research in Institutional Economics at the University of Hertfordshire has a considerable impact on ongoing international discussions in institutional economics.” (Vromen, The Netherlands)
- “The Centre for Research in Institutional Economics (CRIE) at the University of Hertfordshire has become the leading centre in Europe for research into institutional economics.” (Witt, Germany)

The full assessments are quoted in section 7.

CRIE has gained a strong international reputation, and is in the forefront of developing the theoretical underpinnings of institutional economics. In addition, the centre has been engaged in range of projects and research that are empirically based; in particular relating to the firm, regional development, privatisation in developing countries and the transformation of post communist economies. Through such research the centre is contributing to policy debates at local, national and international levels.

## 2. CRIE International Workshops in Institutional Economics

The CRIE International Workshops are designed to provide in-depth discussion of cutting-edge issues in institutional economics, in a forum that permits the attention to detail and definition that is often lacking in larger, conference-style events. The workshops have developed in the following manner:

**1999. Venue and timing:** UH Hertford campus, September.

**Speakers:** Victoria Chick (University College London), Geoffrey Harcourt (University of Cambridge), Tony Lawson (University of Cambridge) and Ugo Pagano (University of Sienna).

**Participation:** 35 people, including several from outside the UK and one from Australia.

**2000. Venue and timing:** UH Hertford campus, September.

**Speakers:** Victoria Chick (University College, London), Alexander Lascaux (Russian Academy of Sciences), Tony Lawson (University of Cambridge), Nathalie Lazaric (University of Technology at Compiègne), Edward Lorenz (Centre for Employment Studies, Noisy-le-Grand), Bart Nooteboom (Erasmus University, Rotterdam).

**Participation:** 34 people attended, principally graduate students and university teachers, from the following countries: Korea, Mexico, Russia, Sweden, Holland, France, Austria, Estonia, Spain and the UK.

**2001. Venue and timing:** UH Hertford campus, September.

**Theme:** ‘Understanding Economic Institutions: Theory, Methodology and Illustrations’

**Speakers:** Daniel Bromley (University of Wisconsin-Madison, USA), Piet Keizer (Maastricht University, Netherlands), Lyazid Kichou (University of Picardy, France), Matthias Klaes (Keele University), Roger Koppl (Fairleigh Dickinson University, USA), Tony Lawson (University of Cambridge), Thomas Marmefelt (University of Södertörn, Sweden), Philip Mirowski (University of Notre Dame, USA), Klaus Nielsen (Roskilde University, Denmark), Susumu Ono (Ritsumeikan University, Japan), Christian Palloix (University of Picardy, France), Keiran Sharpe (Oxford University), and Damien Talbot (University of Metz, France).

**Visit:** The workshop included a visit to Haileybury School, near Hertford. This is the former East India College, where Thomas Robert Malthus and Richard Jones were professors.

**Participation:** 35 people from USA, Mexico, Brazil, Japan, Russia, Sweden, Holland, France, Denmark, Austria and the UK.

**2002. Venue and timing:** Offley Place, Great Offley, Hertfordshire, June.

**Theme:** ‘How Do Institutions Evolve?’

**Speakers:** Robert Aunger (University of Cambridge, UK), Markus Becker (University of Southern Denmark), Geoffrey Hodgson (University of Hertfordshire), David Hull (Northwestern University, USA), Jack Vromen (Erasmus University, Netherlands), Thorbjørn Knudsen (University of Southern Denmark), and Nathalie Lazaric (LATAPSES, Nice, France).

**Participation:** 35 people from the USA, Mexico, Russia, Japan, Singapore, Israel, France, Sweden, Estonia, Italy, Holland, and the UK.

The 2002 workshop was probably the most successful so far. CRIE received substantial unsolicited positive feedback, such as the following:

Professor David Hull, Northwestern University, USA:

*“The conference was the best I have attended in many a day.”*

Professor Barbara Harriss-White, University of Oxford:

*“That was an excellent workshop, the impact of which will simmer onwards through the summer. Thank you very much for allowing me to be in this loop.”*

Stephen Parsons, Director, Countryside Development Unit, Harper Adams University College:

*“Once again, I should like to commend the organisation and conduct of the workshop: in terms of international participation, positive attitude, individual engagement and productive outcomes, the last two years’ events have been unparalleled.”*

Anthony Kasozi, Ashridge College:

*“A brief note to thank you for arranging the workshop this past week. I found it engaging, stimulating and thought provoking ... Indeed I found it raising quite a few questions and insights, to which many of us in business could pay attention.”*

Dr John van Wyhe, Senior Research Fellow, University Scholars Programme, National University of Singapore:

*“Thank you for organizing such an interesting and successful workshop.”*

Dr Richard Carter, Freelance Business Consultant:

*“Just a quick note both to thank you for last week’s workshop and to congratulate you on pulling together such a brilliant collection of contributors. I know, from conversations with other delegates, that I am not alone in thinking that it was an incredibly high quality and hugely enjoyable workshop.”*

**2003. Venue and timing:** Offley Place, Great Offley, Hertfordshire, June.

**Theme:** ‘Explaining the Firm: Transaction Costs or Capabilities?’

Speakers: Richard Carter (London), Giovanni Dosi (University of Pisa), Nicolai Foss (Copenhagen Business School), Geoff Hodgson (University of Hertfordshire), Thorbjørn Knudsen (University of Southern Denmark), Claude Ménard (University of Paris), Bart Nooteboom (Erasmus University Rotterdam).

**Participation:** 50 people, from several countries, have booked for this conference and it has reached its maximum capacity.

The workshops are financed principally by attendance fees. UH Business School has underwritten each event financially, and each workshop has made a small surplus. A grant application to the British Academy for financial support for the 2003 workshop was unsuccessful, despite the highest possible evaluation by a nominated referee. Fortunately, however, a small grant of £1000 for the 2003 workshop was obtained from the Cambridge Political Economy Society Trust.

Overall, the CRIE international workshops have grown steadily in stature, prestige, importance and impact.

### 3. Publications associated with CRIE

Major publications appearing since January 1999, including some accepted for publication but not yet produced, are listed below.

#### Books - sole author

- Hodgson, Geoffrey M. (1999) *Economics and Utopia: Why the Learning Economy is Not the End of History* (London and New York: Routledge).
- Hodgson, Geoffrey M. (1999) *Evolution and Institutions: On Evolutionary Economics and the Evolution of Economics* (Cheltenham: Edward Elgar).
- Hodgson, Geoffrey M. (2001) *How Economics Forgot History: The Problem of Historical Specificity in Social Science* (London and New York: Routledge).
- Hodgson, Geoffrey M. (2004) *The Evolution of Institutional Economics: Agency, Structure and Darwinism in American Institutionalism* (London and New York: Routledge) forthcoming.

#### Books - edited collections

- Hodgson, Geoffrey M., Itoh, M. and Yokokawa, N. (eds) (2001) *Capitalism in Evolution: Global Contentions – East and West* (Cheltenham Edward Elgar).
- Hodgson, Geoffrey M. (ed.) (2002) *A Modern Reader in Institutional and Evolutionary Economics: Key Concepts* (Cheltenham Edward Elgar).
- Hodgson, Geoffrey M. (ed.) (2003) *Recent Developments in Institutional Economics*, International Library of Critical Writings in Economics (Cheltenham: Edward Elgar) forthcoming.

#### Selected articles in refereed academic journals

- Gillespie, G., McGregor, P. G., Swales, J. K. and Yin, Ya Ping (2001) 'The Displacement and Multiplier Effects of Regional Selective Assistance: A Computable General Equilibrium Analysis', *Journal of Regional Studies*, **35**(2), pp. 125 - 139.
- Hardy, J. (2000) 'East-West integration, inequalities and value chains: rethinking the core-periphery', *Labour Focus in Eastern Europe*, **67**.
- Dunford, M., Hardy, Jane, Hudson, R., Rainnie, A., Sadler, D. and Smith, A. (2002) 'Networks of value, commodities and regions: reworking divisions of labour in macro-regional economies', *Progress in Human Geography*, **26**(1).
- Hodgson, Geoffrey M. and Rothman, Harry (1999) 'The Editors and Authors of Economics Journals: A Case of Institutional Oligopoly?', *Economic Journal*, **109**(2), February, pp. F165-86.
- Hodgson, Geoffrey M. (2000) 'The Marketing of Wisdom: Resource-Advantage Theory', *Journal of Macromarketing*, **20**(1), June, pp. 68-72.
- Hodgson, Geoffrey M. (2000) 'What is the Essence of Institutional Economics?', *Journal of Economic Issues*, **34**(2), June, pp. 317-29.
- Hodgson, Geoffrey M. (2001) 'Darwin, Veblen and the Problem of Causality in Economics', *History and Philosophy of the Life Sciences*, **23**, pp. 383-422.
- Hodgson, Geoffrey M. (2002) 'The Legal Nature of the Firm and the Myth of the Firm-Market Hybrid', *International Journal of the Economics of Business*, **9**(1), February, pp. 37-60.
- Hodgson, Geoffrey M. (2002) 'The Evolution of Institutions: An Agenda for Future Theoretical Research', *Constitutional Political Economy*, **13**(2), June, pp. 111-27.

- Hodgson, Geoffrey M. (2002) 'Darwinism in Economics: From Analogy to Ontology', *Journal of Evolutionary Economics*, **12**(2), June, pp. 259-81.
- Hodgson, Geoffrey M. (2003) 'Darwinism and Institutional Economics', *Journal of Economic Issues*, **37**(1), March, pp. 85-97.
- Hodgson, Geoffrey M. (2003) 'The Hidden Persuaders: Institutions and Individuals in Economic Theory', *Cambridge Journal of Economics*, **27**(2), March, pp. 159-75.
- Hodgson, Geoffrey M. (2003) 'The Mystery of the Routine: The Darwinian Destiny of An Evolutionary Theory of Economic Change', *Revue Économique*, **54**(2), Mars, pp. 355-84.
- Hodgson, Geoffrey M. (2003) 'Some Claims Made for Critical Realism in Economics: Two Case Studies', *Journal of Economic Methodology* (forthcoming).
- Hodgson, Geoffrey M. (2003) 'Capitalism, Complexity, and Inequality', *Journal of Economic Issues* (forthcoming).
- Hodgson, Geoffrey M. (2003) 'John R. Commons and the Foundations of Institutional Economics', *Journal of Economic Issues* (forthcoming).
- Hodgson, Geoffrey M. (2004) 'Hayekian Evolution Reconsidered', *Cambridge Journal of Economics* (forthcoming).
- Hodgson, Geoffrey M. (forthcoming) 'Reclaiming Habit for Institutional Economics', *Journal of Economic Psychology* (forthcoming).
- Hodgson, Geoffrey M. and Knudsen, Thorbjørn (forthcoming) 'The Complex Evolution of a Simple Traffic Convention: The Functions and Implications of Habit', *Journal of Economic Behavior and Organization* (forthcoming).

### Articles in books

- Gillespie, G., McGregor, P. G., Swales, J. K. and Yin, Ya Ping (2001) 'A Regional Computable General Equilibrium Analysis of the Demand and "Efficiency Spillover" Effects of Foreign Direct Investment', in N Pain (ed.) (2001) *Inward Investment, Technological Change and Growth: The Impact of Multinational Corporations on the UK Economy* (London: Palgrave).
- Gillespie, G., McGregor, P. G., Swales, J. K. and Yin, Ya Ping (2002) 'The Regional Impact of Foreign Direct Investment: Structure and Behaviour in an Ownership-Disaggregated Computable General Equilibrium Model', in G J D Hewings, M Sonis and D Boyce (eds) (2002) *Trade, Networks and Hierarchies: Modeling Regional and Interregional Economies* (New York: Springer).
- Gillespie, G., McGregor, P. G., Swales, J. K. and Yin, Ya Ping (2002) 'A Computable General Equilibrium Approach to the Ex Post Evaluation of Regional Development Agency Policies', in B Johansson, C Karlsson and R Stough (eds.) (2002) *Regional Policies and Comparative Advantage* (Cheltenham: Edward Elgar).
- Hardy, Jane and Rainnie, A. (1999) 'Closer to the World? The Restructuring of Polish Enterprises', in M. Upchurch (ed) (1999) *The State and the Regulation of Labour* (London: Cassell Mansell), pp.143-167.
- Hardy, Jane and Stenning, A. (2002) 'Out With the Old, in With the New? The Changing Experience of Work for Polish Women', in Rainnie, A. Smith, A. and Swain, A. (eds), *Work, Employment and Transition: Restructuring Livelihoods in Post-Communism* (London: Routledge), pp. 98-116.
- Hardy, Jane and Smith, A. (2002) 'Governing regions, governing transition: firms, institutions and regional change in East-Central Europe' in A. Wood and D. Valler (eds.), *Placing Institutions: Theorising the Governance of Local Economies* (London: Pearson).

- Hardy, Jane (2002) 'Cultural embeddedness, corporate strategy and foreign investment in Poland: a tale of two firms' in R. Hayter and R. Le Heron (eds.) (2002) *Knowledge, Industry and Environment: Institutions and Innovation in Territorial Perspective* (Aldershot: Ashgate), pp. 273-88.
- Hodgson, Geoffrey M. (1999) 'Post Keynesianism and Institutionalism: Another Look at the Link', in M. Setterfield (ed.) (1999) *Growth, Employment and Inflation: Essays in Honour of John Cornwall* (London: Macmillan), pp. 72-87.
- Hodgson, Geoffrey M. (2000) 'From Micro to Macro: The Concept of Emergence and the Role of Institutions', in Burlamaqui, Leonardo, Castro, Ana Célia and Chang, Ha-Joon (eds) (2000) *Institutions and the Role of the State* (Cheltenham: Edward Elgar), pp. 103-26.
- Hodgson, Geoffrey M. (2000) 'Socio-Economic Consequences of the Advance of Complexity and Knowledge', in Organisation for Economic Co-operation and Development (2000) *The Creative Society of the 21<sup>st</sup> Century*, OECD: Paris, pp. 89-112. (Also in German and French editions.)
- Hodgson, Geoffrey M. (2000) 'Shackle and Institutional Economics: Some Bridges and Barriers', in P. E. Earl and S. F. Frowen (eds) (2000) *Economics as an Art of Thought: Essays in Memory of G. L. S. Shackle* (London Routledge), pp. 51-75.
- Hodgson, Geoffrey M. (2001) 'From Veblen to Galbraith: What is the Essence of Institutional Economics?' in Michael Keaney (ed.) (2001) *Economist With a Public Purpose: Essays in Honour of John Kenneth Galbraith* (London and New York: Routledge), pp. 95-114.
- Hodgson, Geoffrey M. (2001) 'Frank Knight as an Institutional Economist', in Jeff E. Biddle, John B. Davis and Steven G. Medema (eds) (2001), *Economics Broadly Considered: Essays in Honor of Warren J. Samuels* (London and New York: Routledge), pp. 64-93.
- Hodgson, Geoffrey M. (2001) 'Is Social Evolution Lamarckian or Darwinian?' in Laurent, John and Nightingale, John (eds) (2001) *Darwinism and Evolutionary Economics* (Cheltenham: Edward Elgar), pp. 87-118.
- Hodgson, Geoffrey M. (2001) 'The Evolution of Capitalism from the Perspective of Institutional and Evolutionary Economics', in Hodgson, Geoffrey M., Itoh, Makoto and Yokokawa, Nobuharu (eds) (2001) *Capitalism in Evolution: Global Contentions – East and West* (Cheltenham: Edward Elgar), pp. 63-82.
- Hodgson, Geoffrey M. (2001) 'How Can Evolutionary Economics Evolve?', in Aruka, Y. (ed.) (2001) *Evolutionary Controversies in Economics: A New Transdisciplinary Approach* (Springer: Tokyo), pp. 23-40.
- Hodgson, Geoffrey M. (2002) 'General Theorising versus Historical Specificity: A Problem for Post-Keynesians', in Arestis, Philip, Desai, Meghnad and Dow, Sheila (eds) (2002) *Methodology, Microeconomics and Keynes: Essays in Honour of Victoria Chick, Volume Two* (London and New York: Routledge), pp. 51-61.
- Hodgson, Geoffrey M. (2002) 'Reconstitutive Downward Causation: Social Structure and the Development of Individual Agency' in Fullbrook, Edward (ed.) (2002) *Intersubjectivity in Economics: Agents and Structures* (London and New York: Routledge), pp. 159-180.
- Hodgson, Geoffrey M. (2002) 'Institutional Economics and the Problem of Historical Specificity' for Heino H. Nau (ed.) (2002) *The Historicity of Economics: Continuities and Discontinuities of Historical Thought in 19<sup>th</sup> and 20<sup>th</sup> Century Economics* (Berlin: Springer), pp. 92-125.
- Hodgson, Geoffrey M. (2002) 'Institutional Blindness in Modern Economics', in J. Rogers Hollingsworth, Karl H. Müller and Ellen Jane Hollingsworth (eds) (2002) *Advancing Socio-Economics: An Institutional Perspective* (Lanham, MD: Rowman and Littlefield), pp. 147-70.

## **4. A selection of work in progress associated with CRIE**

- Betti, G, Dourmashkin, N., Rossi, M. and Yin, Ya Ping. 'Measuring Consumer Indebtedness in the EU Member Countries', invited presentation at the Seminar on The role of credit bureaus in EU credit markets today, organised by European Credit Research Institute and the Centre for Economic Policy Studies, Brussels, 12 June 2002.
- Currie, Frank, Hardy, Jane and Ye, Zhen. 'Cultural and political embeddedness, foreign investment and locality in transforming economies: a comparison of China and Poland', conference of European Association of Evolutionary Political Economy, 8-11 November 2001, Siena, Italy.
- Hardy, Jane. 'Rebuilding local governance in post-communist economies: the case of Wroclaw, Poland', Regional Studies conference, 12<sup>th</sup>-15<sup>th</sup> April 2003, Pisa, Italy.
- Hardy, Jane, Sadler, D., Domanski, D. and Swain, A. 'Driving east: models, management and the changing division of labour in the East European automobile industry', Regional Studies conference, 12<sup>th</sup>-15<sup>th</sup> April 2003, Pisa, Italy.
- Hardy, Jane. 'Theorising transformation in Central and Eastern Europe: a radical institutionalist approach, PEKEA conference, 10-13 September 2002, Santiago, Chile.
- Hodgson, Geoffrey M. 'Without Opportunism, Governance Structures Could Still Be of Unequal Efficiency: Why an Explanatory Emphasis on Opportunism Can Mislead Management Strategy', submitted to an academic journal.
- Hodgson, Geoffrey M. 'The Enforcement of Contracts and Property Rights: Constitutive versus Epiphenomenal Conceptions of Law', submitted to an academic journal.
- Hodgson, Geoffrey M. and Knudsen, Thorbjørn, 'Firm-Specific Learning and the Nature of the Firm: Why Transaction Cost Theory May Provide an Incomplete Explanation', submitted to an academic journal.
- Hardy, Jane and Stenning, A. 'Working for juice, coffee and cheap cosmetics: women, work and the reform of the public sector in post-socialist Poland', Annual Meeting of the Association of American Geographers, 28 February - 3 March 2001, New York City.
- Learmonth, P.G. McGregor, J.K. Swales, K.R. Turner and Yin, Ya Ping. 'Modelling the Economic and Environmental Impacts of Population Policy in Jersey: a Multi-Period Computable General Equilibrium Analysis', paper presented at 5th Annual Conference on Global Economic Analysis, Taipei, 5-7 June 2002.
- Yin, Ya Ping. 'Skilled-Unskilled Wage/Employment Disparity - A CGE Simulation Analysis', paper presented at the International Conference on Policy Modelling, Brussels, 4 - 6 July 2002.

## **5. Research grants associated with CRIE**

An ESRC funded (£150,000) research project for 1999-2002 has been completed with the Universities of Durham and Sussex entitled 'One Europe or Many'.

A 9,700 euros grant was received in 2001 from the European Commission for research into the extent of consumer indebtedness in the EU.

A Nuffield Foundation funded (£5,000) research project for 1999-2001 on 'Gender and Restructuring Work in Central and Eastern Europe' has been completed with the University of Birmingham.

An ESRC grant (£10,000) was received for a workshop series on ‘Work and Employment in Central Europe’ (with the Universities of Durham, Sussex, Nottingham) in 1998.

The Cambridge Political Economy Society Trust awarded a small grant (£1000) to support the June 2003 CRIE International Workshop in Institutional Economics.

Dr Yin is currently working as a consultant for an international consortium led by Planistat that has won EC funding for a four-year study on the Sustainability Impact of the Trade Agreement Between Europe and Mercosur.

## **6. Some feedback from CRIE research students**

As noted above, the number of PhD students at CRIE has increased from two in early 2001 to twelve at the present time. A few of them were asked to comment on their experience at the university and at CRIE.

“The Centre for Research in Institutional Economics is a wonderfully stimulating and supportive environment for research students. From the outset I have enjoyed a very real sense of exploration and investigation in my work – a learning experience which has been facilitated and considerably enhanced by the encouragement and valuable guidance of my supervisor. The friendly team spirit at CRIE is a real bonus.”

**Denise Dollimore**, full-time PhD Student, UH studentship, enrolled in 2002.

“Facilities such as the LRC and a personal office for research students, are most welcome. I am happy with the supervision given; the lecturers have gently guided and nurtured my own thinking processes. The University has provided an adequate level of support generally and have provided a personal computer, printer, phone and memo-scriber. They were particularly helpful in funding my quite costly fieldtrips to Belgium and the Caribbean for which I am most grateful. The Business School encourages students to participate in seminars and meetings in several fields. The atmosphere is pleasurable and socially rewarding.”

**Jonathan Irons**, full-time PhD Student, UH studentship, enrolled in 2001.

“I have had an amazing research experience at CRIE-UH. When in trouble – and that is a constant – I can always find kind help next door. Although free to carve my own research way, my supervision team respond promptly if I call on them, or look for me if I don’t.”

**Huascar Pessali**, full-time PhD Student, externally funded, enrolled in 1999.

“I have found the research facilities excellent and my fellow researchers welcoming and friendly.”

**Grant Rabey**, full-time PhD Student, self-funded, enrolled in 2002.

“From the start, I have been interested in applying the approach of institutional economics in empirical research. For this reason, I especially enjoy the strong research atmosphere and excellent support at the CRIE. CRIE’s workshops and seminars are intellectually stimulating.

My supervisors and mentor have been very constructive in providing critical comments. I also benefit from CRIE's outside linkage with international associations such as the European Association for Evolutionary Political Economy.”

**Zhen Ye**, full-time PhD Student, UH studentship, enrolled in 2000.

## **7. External evaluations of CRIE**

Several leading international researchers were invited to comment on the research contribution and international profile of CRIE.

“I have been delighted with the papers, book drafts, and articles you've sent me. They have helped me immensely in my own work, especially in giving my students an idea of the latest developments in evolutionary theory. ... I think you've been doing an excellent job in disseminating the fruits of your labors. Keep up the good work.”

**Howard Aldrich**, Kenan Professor and Chair, Department of Sociology, University of North Carolina, Chapel Hill, USA

“As an invited speaker, I found the experience of the CRIE International Workshop to be unusually valuable to me professionally. I was so enthralled by what I learned, and the people I met, that I signed up to attend the next one.”

“Professor Hodgson is widely acknowledged as one of the leading world theoreticians in evolutionary and institutional economics. ... His international reputation gives him the ability to draw leading academics to the CRIE International Workshops. ... The Centre for Research in Institutional Economics is thus a vital focal point for innovative research, and it brings considerable prestige to the University of Hertfordshire.”

**Dr. Robert Aunger**, Research Associate, Department of Anthropology, University College London; Consultant, London School of Hygiene and Tropical Medicine, UK

“CRIE has quickly established a reputation for its International Workshops on Institutional Economics, which have consistently proven to be much above average regarding content, participants, focus and depth, and productivity. ... The publications of members of CRIE have led to substantial breakthroughs in long-standing issues in institutional economics, such as the recent work by Hodgson and Knudsen on routines and habits.”

**Dr. Markus C. Becker**, Assistant Professor, Department of Marketing, University of Southern Denmark, Odense, Denmark

“The Centre for Research in Institutional Economics represents one of few places in the world where serious scholarship is undertaken on institutional economics. This focus is the more essential because contemporary economists – most notably Nobel Prizewinners Ronald Coase and Douglass North – have helped to revive an interest in the subject. ... Continuing this work in the foundations of institutional economics holds out a promise of reconciling disparate epistemological and conceptual approaches between the economics that was

dominant at the beginning of the 20<sup>th</sup> century, and that which is dominant at the beginning of the 21<sup>st</sup> century. ... The program at CRIE offers essential hope in that regard.”

**Daniel W. Bromley**, Anderson-Bascom Professor of Applied Economics, University of Wisconsin-Madison, USA

“I have known Prof. Hodgson for a very long time now and more recently I have encountered the work of Dr. Jane Hardy and Dr. Ya Ping Yin. Within CRIE they offer a rare combination of scientific skills, addressing several aspects of the ‘political economy’ of contemporary societies. Moreover Prof Hodgson is a leading international figure in the field of institutionalist and evolutionary economics and a sophisticated historian of economic thought. As a result, CRIE, is a little but increasingly visible player on the international scene, with a growing number of publications and an interesting PhD program. Hence I do wholeheartedly encourage it strengthening and expansion.”

**Giovanni Dosi**, Professor of Economics, Sant’Anna School of Advanced Studies, Pisa, Italy

“The Centre for Research in Institutional Economics has an ambitious and broad research agenda that combines insights from both ‘old’ and ‘new’ institutional economics in the exploration of issues such as the boundaries of the firm, the evolution of industries, and firm learning. For many research units this would be too ambitious an undertaking. However, I can confirm that the members of CRIE not only are able to meet the objectives of their research programme but are also able to make major impact on the development of institutional and evolutionary economics.”

“It is no exaggeration to say that some of the work that is emerging from CRIE defines cutting-edge research. It is generally recognized that the work of CRIE Director, Geoff Hodgson, has helped define the research frontier of evolutionary and ‘old’ institutional economics for a long time. But I also want to draw attention to recent work by CRIE researchers Jane Hardy and Ya Ping Yin that has been published in recognized journals such as *Journal of Economic Dynamics and Control*, *Regional Studies*, *Journal of Regional Science*, and *Economic Systems Research*. The work of CRIE researchers is widely acknowledged in both Europe and North America, not only among those who belong to the evolutionary and institutional economics communities, but also among economic geographers and mainstream economists.”

**Nicolai J. Foss**, Professor, Director of the LINK Program, Department of Industrial Economics and Strategy. Copenhagen Business School, Denmark

“I attended the CRIE International Workshop at the University of Hertfordshire in 2002. As an indication of how valuable I thought that this conference would be, I paid my own way, something I have not done in many years. ... I was not disappointed. Your conference tied with one other for most productive. The other I organized for the [USA] National Science Foundation in 1988. ... This research program is in the hands of the sort of young, enthusiastic and ambitious young workers that you invited.”

**David L. Hull**, Emeritus Professor, Department of Philosophy, Northwestern University, USA

“If I was asked to name three institutions with a recognised reputation in institutional economics I would name Stanford University, Copenhagen Business School and the University of Hertfordshire. I would not be alone in this, and indeed the international quality of those academics who have been associated with Hertfordshire and its researchers (directly or indirectly, through workshops or edited publications) would testify to that. While much credit must go to Geoff Hodgson for having helped get CRIE to this stage, the external view of CRIE is that it has gone beyond individual contributions and personalities to reach the stage where it has established a major position in a significant new area of economic research, much of this attributable to the quality of its research output. I can say without reservation that the intellectual environment would be significantly poorer if CRIE did not exist.”

**Neil M. Kay**, Professor of Business Economics, Economics Department, University of Strathclyde, Glasgow, UK

“The Centre for Research in Institutional Economics of the University of Hertfordshire Business School, although only set up relatively recently, has already established itself as one of the key international centres in institutional economics. Being the only research group of its kind in the UK, its claim to international excellence continues to be underlined by the hosting of important annual workshops that have brought together leading institutional economists from around the world.”

**Dr. Matthias Klaes**, Lecturer, Department of Economics, University of Stirling, UK;  
Managing Editor, *Journal of Economic Methodology*

“It is no longer possible to work in certain broad areas of economics without coming to terms with the work of Geoff Hodgson. These areas include methodology, alternatives to neoclassical models of choice, expectations, and, of course, anything to do with economic institutions. I also congratulate your colleagues Jane Hardy and Ya Ping Yin. Hardy’s work shows that one cannot view the state as existing, somehow, outside the market process. Her way of endogenizing state action is a radical challenge to more standard models. Jane Hardy’s work is just one example of the sort of high-impact research coming out of CRIE.”

“I was very glad to have the opportunity to participate in the third International Workshop on Institutional Economics. The papers and discussion were unusually stimulating. The annual CRIE workshops bring together the world’s leading thinkers in Institutional and Evolutionary economics. By creating personal contacts among world-class scholars, the CRIE workshops have had a significant influence on economic scholarship.”

“I know that CRIE is a small group. This is surprising considering the sustained quantity of high-quality research you generate. CRIE is a real player on the international academic scene. Congratulations for an impressive scholarly achievement.”

**Roger Koppl**, Professor of Economics and Finance, Fairleigh Dickinson University,  
Madison, NJ, USA

“The three members of CRIE publish regularly and extensively in international peer-reviewed journals. ... Assessed on the basis of the important criterion of publication in peer-reviewed journals, CRIE has achieved a significant impact on research in the international academic community. ... Its international workshops have helped CRIE make a significant international presence and reputation within its chosen field of specialization. ... CRIE, within a relatively

short span of time and despite its small size, has succeeded in making a significant impact on research in the international academic community.”

**Dr. Thorbjørn Knudsen**, Associate Professor, Department of Marketing, University of Southern Denmark, Odense, Denmark

“The Centre for Research in Institutional Economics at the University of Hertfordshire is almost unique in providing a home for theorising in economics that is rigorous but also broad, critical and relevant. With the recent return to popularity of institutional economics, an achievement for which Geoff Hodgson’s contribution has been immense, such a centre is of great importance to us all. The various international workshops organised over the last few years have been of an especially high standard; indeed they have been inspiring. In the next few years I anticipate CRIE playing an increasingly central role in facilitating the reclaiming of economics as a more relevant discipline.”

**Dr. Tony Lawson**, Reader in Economics, University of Cambridge, UK

“I have appreciated the high quality of CRIE’s workshops, the importance given to debate among diverse contributors, and the openness of its scientific discussions. CRIE is producing excellent work in institutional economics, by promoting interdisciplinary research that asks crucial questions about institutions and their evolution. It is making a significant difference to the way in which we think about institutions in the real world.”

**Dr. Nathalie Lazaric**, CNRS researcher, LATAPSES, Sophia Antipolis, France

“In the area of economics, and institutional economics on particular, CRIE has put the University of Hertfordshire on the world map. Its series of well-organized workshops is highly recognized both in the UK and elsewhere. Its strong research team is led by Geoff Hodgson who is the internationally leading visionary in institutional and evolutionary economics, and the most prolific contributor to this growing body of literature.”

**Uskali Mäki**, Professor, Department of Philosophy, Academic Director, Erasmus Institute for Philosophy and Economics, Erasmus University of Rotterdam, The Netherlands

“I am familiar with the work of CRIE through its publication record and as an attendee at one of its workshops. It is one of the top three centers of research into institutionalist theory, evolutionary economics and applied work in Europe, on a par with Pisa and the Max Planck institute in Jena. In my opinion, Geoffrey Hodgson is the leading institutionalist scholar in the world, developing the American tradition of Veblen and Commons while maintaining a dialogue with the neoclassical rational choice version of modeling institutions. His work on the different interpretations of evolutionary thought in economics has not been surpassed. The workshops conducted by the center have helped to inspire and sustain a newer generation of institutionalist research.”

**Philip Mirowski**, Carl Koch Professor of Economics and the History and Philosophy of Science, University of Notre Dame, USA

“A rebuilt institutional economics is essential if modern economic analysis is to illuminate clearly current economic phenomena and problems. Geoffrey Hodgson is one of the most informed and creative researchers and writers working at this rebuilding job. Under his guidance, the Centre for Research in Institutional Economics at the University of Hertfordshire is becoming a leading locus of this important research.”

**Richard R. Nelson**, Professor, School of International and Public Affairs, Columbia University, New York, USA

“Geoffrey Hodgson has an astonishing publication record, in terms of both quality and quantity. ... Most of all, his stature derives, in my view, from his ability and drive to revitalize economics, and to extend its scope, by crossing boundaries between different schools of thought ... With all this he is a source of great inspiration to many scholars, young and old, around the world, and a powerful source of scientific development.”

**Bart Nooteboom**, Professor of Organizational Dynamics, Department of Organization and Personnel Sciences, Rotterdam School of Management, Erasmus University Rotterdam, the Netherlands

“CRIE is having a big impact on the international academic community through its International Workshops on Institutional Economics. These events are among those at the highest academic level in the world. I have reported the workshop to my colleagues in the *Ritsumeikan Economic Review* (August 2001 and April 2002). Some of Hodgson’s works have been translated into Japanese and are having a significant and increasing impact on young academics in Japan.”

**Susumu Ono**, Professor of Economics, Faculty of Economics, Ritsumeikan University, Japan

“The Centre for Research in Institutional Economics at the University of Hertfordshire is one of the leading institutions for the research on economic institutions and has had a remarkable impact on the international academic community that is engaged with these increasingly relevant issues. The excellence of CRIE is mainly due to the work of his Director, Geoff Hodgson, one the most well-known living institutional economists, and to the work of other researchers such as Jane Hardy and Ya Ping Yin who have recently produced very stimulating work in economic geography and applied economic theory.”

**Ugo Pagano**, Professor of Economics, Director of the PhD programme in Economics and Pro-Rector for Graduate Studies, University of Siena, Italy

“I attended the 2002 CRIE workshop, which was well organised and excellent from an academic standpoint. The workshop attracted a mix of academics resulting in high-quality, interdisciplinary discussion – a rare event. As a PhD student at the time, with a just submitted thesis, the workshop served to increase my confidence and knowledge, helping me through my viva several weeks later. Following on from the event I have been able to continue to contribute to conversations that started at the workshop.”

**Dr. Jill Shepherd**, Lecturer in Strategic Knowledge and Information Systems, Graduate Business School, University of Strathclyde, Glasgow, UK

“In spite of its relatively small size, there is no doubt that the Centre for Research in Institutional Economics at the University of Hertfordshire has a considerable impact on ongoing international discussions in institutional economics. Not only is its output of an outstanding quality, its research is also highly original and innovative. Furthermore, with its high-quality International Workshops it has also proven to be an inspiring and fruitful place for young, promising researchers. In my opinion, therefore, it goes almost without saying that rare research centres like this have to be nourished.”

**Dr. Jack J. Vromen**, Associate Professor in the Philosophy of Economics, Managing Director of the Erasmus Institute for Philosophy and Economics, Faculty of Philosophy, Erasmus University Rotterdam, the Netherlands; also currently Ludwig M. Lachmann Research Fellow at the London School of Economics, UK

“The Centre for Research in Institutional Economics at the University of Hertfordshire has become the leading centre in Europe for research into institutional economics. On the basis of a non-reductionist individualistic methodology Professor Hodgson and his colleagues have made extremely valuable contributions in the past few years to extend our understanding of historical institutional changes, habit formation, and rule-guided action. This stimulating work has already had a far-reaching impact on the international research on Evolutionary Economics and hopefully will continue to do so in the future.”

**Ulrich Witt**, Professor of Economics and Director of the Evolutionary Economics Unit, Max Planck Institute for Research into Economic Systems, Jena, Germany

## **8. Concluding remarks – looking to the future**

In a few years, and despite its small size and the loss of some key staff, CRIE has established an international reputation as a research unit in institutional economics.

One of the most important developments since 2001 has been the proposal of a new international journal, the *Journal of Institutional Economics*, of which Professor Hodgson will be Editor-in-Chief. The plans are not yet finalised, but it is proposed that the editorial address of this journal will be the University of Hertfordshire. The journal will be sponsored by the European Association for Evolutionary Political Economy, which is responsible for this initiative. Its Editorial Board will include leading global scholars in the broad field of institutional and evolutionary economics, including several from North America. The launch of this journal is anticipated in 2005.

If resources become available, it would be very useful to appoint a second Research Professor at CRIE. But this appointment would be worthwhile only if the appointee was of international standing.

A second recruitment strategy would be to appoint a new member of staff with experience in obtaining research grants. This appointment – possibly at the level of Reader or Senior Lecturer – would specify a responsibility for obtaining research grants, and would involve

either a substantially reduced teaching load, or someone of part-time status with access to consultancy income.

The strategy of CRIE is to continue to build on its strengths, and to develop its critical mass of research students. More specifically:

- The foremost strategic priority for CRIE is the continuing production and promotion of high quality research, of international reputation.
- A realisable aim is for each of its key research staff to have at least four internationally accredited publications, principally in leading international journals, published between 2001 and 2006, for the next RAE. Major progress has already been achieved towards this aim.
- CRIE will continue in its efforts to secure research funding from external bodies. It will build on its experience and achievements – as well as learning from its past failures – in this area.
- CRIE will continue to organise its highly successful international workshops and seminars, to stimulate its research and develop its links with other national and international research groups.
- CRIE will continue to build active research links with other national and international institutions. Its existing links will be developed and enhanced.
- CRIE will consolidate and gradually expand its substantial group of PhD students.

CRIE is small. But is having a significant international impact, both absolutely and relative to its size. Its publications are having a significant international impact. The growth in its community of research students is also particularly gratifying.

Geoffrey M. Hodgson

Director of CRIE

May 2003