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Stanisław Rudolf

The report on the meeting of the Council of Science at the Polish Economic Society on:

“Economic sciences and the present day.

Modifications of the paradigm and co-operation with other fields of science”

The meeting took place on the 25th of November 2009 in the Dom Ekonomisty in Warsaw at Nowy Świat 49.

Introduction to discussion was made by:

Prof. B. Fiedor – Rector of Economic University in Wrocław

Discussion was chaired by:

Prof. W. Siwiński – President of the Council of Science at the Polish Economic Society

In an extensive introduction to the discussion Prof. B. Fiedor broadly commented on the present state of economic sciences focusing mainly on the leading theories and schools of economics and attempted to indicate the linkages and relations between them. To a lesser degree he dealt with perspectives of contemporary economics and gave considerably little attention to the issues of economic and financial crisis. The central theme of his address was, as he put it, general philosophy of the development of economics as a science and described its features. On the base of this philosophy Prof. B. Fiedor presented the principal issues of contemporary economics. He devoted most of his attention to the new institutional economics which contributed a lot to contemporary economics. The instruments of the said new institutional economics (e.g. the principle of transaction cost minimisation) allow for an analysis of issues and problems that could not have been analysed if based on the theories

available so far. The theory provides possibility of theoretical reflection on the processes of transformation. Prof. Fiedor presented his opinion that the new institutional economics will not replace neo-classical economics but will significantly modify it. Therefore, the paradigm of mainstream economics will not be replaced, at least in Prof. B. Fiedor's understanding of the notion of paradigm. The replacement of the paradigm would require a new methodology not available for the new institutional economics. According to Prof. Fiedor economics and management sciences differ substantially since economics is more theoretical and methodological in character while sciences of management are more experimental and practical. However, he sees the need for integration of economics and management. Prof. Fiedor seeks the causes of economic and financial crisis in the collapse of principal values underlying the economic culture of market economy. This is a consequence of the continuing process of separation between ownership and management.

Prof. B. Fiedor's address was followed by a discussion joined by 9 discussants. The discussion exceeded the framework outlined in the introduction. It was discussed whether the new world of many civilizations to which we are heading would create new economics or whether the existing economics would regard the specificity of new civilizations. Is the theory of economics actually affecting reality when it is not able to predict such turning points like crisis? It was doubted whether the mainstream economics may hold its stand anymore in face of the present crisis situation? The issues of national models of management and their diversity were discussed. A lot of attention was devoted to issues of methodology in economics. The participants exchanged views on increasing popularity of environmentally-friendly attitudes in many countries, hard to explain in categories of micro-economic rationality.