Chapter I
INTRODUCTION AND METHODOLOGY
Ours is an age of economists. It is an era where we find tremendous changes in the economic policies and their applications. A modern economic policy must be founded on modern view.¹ No government can get along without the economists who are to be consulted on all economic issues ranging from managing the nation's money supply to redesigning our welfare programmes. The contribution of classical economists like Adam Smith's Laissez-faire policy, Ricardo's rent and comparative cost, Malthus' population theory, J.B. Say's law of markets are not in a position to provide suitable policies to the complex problems of modern world. Similarly, the neo-classical theories of Marshall, Pigou, Pareto and others are less effective in the present situation. Marshall's view of the relations between important economic quantities such as consumption, investment, taxes and national income differed from ours.² Further, Keynes' tools to solve Economics of Depression are inadequate in the modern world. So, in this dissertation a humble attempt is made to highlight the contribution of sixteen distinguished contemporary economists from 1950 to 1988. The contribution can be classified in different fields, viz. Economics of Information and Non-Market-Decision Making, Economics of Disequilibrium, advances on the Economics of Equilibrium, Development of Radical Economics.

In contemporary modern world, the contribution of economists focusses all types of economic activities of a particular country. It also tells us how the different economic systems namely capitalism, socialism, mixed economy, works. The knowledge of economics is helpful to bankers, agriculturists, industrialists, labour leaders, social scientists, politicians, planners and others. To
a layman the knowledge of economics enables him to divide his total income among different components like saving, investment and consumption. The nature of modern economic thinking can be understood by quoting Lord Keynes - "The object of our analysis is not to provide a machine, or a method of blind manipulation, which will furnish an infallible answer, but to provide ourselves with an organised and orderly method of thinking our particular problems; and after we have reached a provisional conclusion by isolating the complicating facts one by one, we can go back on ourselves and allow, as well as we can, for the probable interactions of factors among themselves".

Objectives

In this dissertation an attempt is made to focus the contribution of contemporary economists. Their names are George J. Stigler, James Buchanan, Herbert A. Simon, Robert W. Clower, Axel Leijonhufvud, G.L.S. Shackle, Georgescus-Roegen, Janos Kornai, K.J. Arrow, Debreu, Harrod Roy, Hicks, Paul A. Samuelson, Lawrence R. Klein, Mrs. Joan Robinson, and Michio Morishima. A critical study was taken by Stigler, Buchanan and Simon regarding the Economics of Information and Non-Market Decision Making. A new area has clearly been explored by contemporary economists in the Economics of Disequilibrium - the contribution of Clower, Leijonhufvud, Shackle, Kornai and Georgescus-Roegen would be incorporated in this area. Similarly, the Economics of Equilibrium has been analysed by notable economists, viz. Arrow, Debreu, Harrod, Hicks, Samuelson, Klein and Solow. The Development of Radical Economics is a new field in modern
Economic literature which has been explored by contemporary economists like Mrs. Joan Robinson and Morishima.

So far there has been no attempt at consolidating the various contribution made by the contemporary economists towards economic thought and doctrines relating to the contemporary periods thereby provide the most required and essential literature in this respect.

Our hypothesis is that contemporary economists have made significant contribution to rational thinking. It is in this area that our attempts would be made more focussed by recording the contribution made by contemporary economists during the period from 1950 till recent times.

**Methodology**

The methodology used in this dissertation will be the historical method. Historical method is relevant to the study of the present problem. This approach involves a critical and intensive investigation of material which already exists. In this context we can quote from P.V. Young - "The past, if it can be located, contains the key to the present, though today is different from yesterday, it was shaped by yesterday. Today and yesterday will probably influence tomorrow". The main aim of this dissertation is to apply the technique of reflective thinking to economic problems still unsolved by means of discovery of the past trends of events, facts and attitudes. It involves very intensive use of library materials. The various sources of data collection are:
Chapterization

The whole work consists of six chapters:

The first chapter introduces the sixteen contemporary economists under review along with the scope and objectives as well as the methodology of the work.

In chapter two we discuss the contribution of three contemporary economists, viz. George J. Stigler, James Buchanan and Herbert A. Simon to the Economics of Information and Non-Market Decision-Making.

Chapter three discusses the contribution of five other distinguished economists, namely; Robert Wayne Clower, Axel Leijonhufvud, George Shackle, Janos Kornai and Georgescu-Roegen to the Economics of Disequilibrium.

In chapter four we discuss the contribution of Kenneth J. Arrow, J.R. Hicks, Gerard Debreu, Lawrence L. Klein, Robert Solow and Paul Anthony Samuelson Advances to the Economics of Equilibrium.

In chapter five we discuss the contribution of two radical economists, namely Mrs. Robinson and Michio Morishima.
The concluding chapter gives the Summary of the discussion and the conclusion that emerges therefrom.

Notes and References


2. Ibid., p.9.