

**Special Issue of *European Journal of Economic and Social Systems*  
(EJESS)**

**Special Issue**

**« Knowledge, Finance and Consumption in Veblen's Thought »**

**Call for Papers**

**Submission Date: March 1, 2014**

The subprime crisis and the consequent global economic instability have stimulated new interests for the elaboration of alternatives in the economic thought. Many fields of heterodox political economy have been implicitly rediscovered. Particularly, the attention on Veblen's institutionalism has been renewed. In front of the crisis some theoretical notions introduced by Veblen show their explicative strength:

1. The notions of *emulative process*, *instincts*, *conspicuous consumption* may be useful to analyze why, in the midst of the '*perfect storm*', the performance of some industries, as the luxury industry, seems to resist the negative trend of the ongoing economic recession. As Veblen writes:

*"It is much more difficult to recede from a scale of expenditure once adopted than it is to extend the accustomed scale in response to an accession of wealth."* [Veblen, T., 1922, p.102[1899]].

2. The process of financialization illustrated by Veblen highlights how in the business world every wave of speculation is highly unstable: the *absentee ownership* holder of securities, stocks, collaterals is directly in conflict with the interests of the community. An industrial policy in favor of new corporations leads to monopolistic coalition and produces the decline of what Veblen calls *productive industry*:

*"A persistent excess of parasitic and wasteful efforts over productive industry must bring on a decline. But owing to the very high productive efficiency of the modern mechanical industry, the margin available for wasteful occupations and wasteful expenditure is very great. The requirements of the aggregate livelihood are so far short of the possible output of goods by modern methods as to leave a very wide margin for waste and parasitic income."* [Veblen, T. 1904, pp. 64-65].

3. Regarding the nature of capital accumulation and growth and the business cycles, Veblen gave centrality to new phenomena as property rights, brands, and copyrights. He is one of the first economists who showed interest in the nascent phenomenon of marketing. Particularly in two articles, often considered as *contradictory* - "On the nature of capital" [Veblen, T.,

1908a], and "On the nature of capital: investment, intangible assets, and the pecuniary magnate" [Veblen, T., 1908b] - Veblen analyzed how private property and profits are ensured by tangible as well as intangible assets. Moreover, he stressed how these novelties broaden the meaning of capital and how the intangibles are fundamental to the *absentee ownership's* interests in a credit economy.

*"In modern business practise, capital is distinguished into two co-ordinate categories of assets, tangible and intangible. "Tangible assets" is here taken to designate pecuniarily serviceable capital goods, considered as a valuable possession yielding an income to their owner. Such goods, material items of wealth, are "assets" to the amount of their capitalizable value, which may be more or less closely related to their industrial serviceability as productive goods. "Intangible assets" are immaterial items of wealth, immaterial facts owned, valued, and capitalized on an appraisalment of the gain to be derived from their possession."* [Veblen T, 1908b, p.105]

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This special issue of the *European Journal of Economic and Social Systems* does not mainly lie in a perspective of the history of economic thought. Its purpose is to gather works which concentrate on:

1. The role of emulation and of conspicuous consumption in the crisis;
2. The understanding of how the credit and the financial systems effectively work and their roles in shaping firms' strategies and in determining their performances;
3. The contradictory effects on the accumulation process produced by the diffusion of intellectual property rights, copyrights and other forms of knowledge's privatization.

Theoretical as well as empirical contributions are accepted, and no methodological constraints are aprioristically given. Interdisciplinary papers are welcomed.

Some research topics of particular interest are:

- Credit economy, business and firms strategy
- Financial structure and knowledge-based economy
- Financial structure, knowledge structure and performance of inter-organizational network
- Financial backing, options, purchases, leases, and the issuance and transfer of stock
- Money, uncertainty and technological paths
- Process of evolution in a finance-led economy
- Technological progress and monetary crisis

## References

Veblen T., « On the nature of capital », *The Quarterly Journal of Economics*, 22, 1908a, p. 517-542.

Veblen T. « On the nature of capital: investment, intangible assets, and the pecuniary magnate », *The Quarterly Journal of Economics*, 23, 1908b, pp. 104-136.

Veblen, T. *The Theory of Business Enterprise*. New York: Charles Scribner's Sons, 1904.

Veblen, T. *The Theory of Leisure Class. An Economic Study of Institutions*, New York : B.W. Huebsch, 1922, p.102[1899]

### **Guest editors:**

Alfonso Giuliani

Guglielmo Forges Davanzati

### **Time schedule**

- Language accepted: English and French
- Submission extended abstract with JEL classification (800-1200 words): March 1, 2014
- A completed paper can be accepted if available but it must include the abstract and a JEL classification
- Initial editorial decision: March 15, 2014
- Papers submission: April 15, 2014 (40 to 60.000 characters for article)
- Authors receive comments (at least one referee report per submission): May 15, 2014
- Papers must respect the EJESS guidelines that will be send with the acceptance of abstract
- Submission of revised papers: July 15, 2014
- Tentative publication date: August, 2014
- Papers not accepted for this special issue could be published in varia issues of EJESS

### **Contacts**

Authors should submit a Word or Pdf version of their paper to

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Papers will be blind reviewed by one reviewer as well as by the Guest Editors.

### **About EJESS**

The *European Journal of Economic and Social Systems*, founded in 1988 (under the title *Revue Internationale de Systémique / International Review of Systems Science*) addresses

complex or systemic approaches of problems in the areas of economics, management, organizational and all social sciences.

Its goal is to publish in the same place research from any part of the world relevant to evolutionary, self-organizing, cognitive or dynamic systems from fields, such as economics (micro or macro), management, sociology, political sciences, and history. It encourages applied, theoretical, experimental and computational articles that concern or link economics and social sciences from this viewpoint.

From 2003, EJESS have a new publisher: Hermes-Lavoisier.

The publisher change will not lead to any changes in editorial responsibilities or policy.

EJESS is indexed in Econlit, is in the third group of the ESSEC 2013 Ranking of Journals. In 2011 the journal was 186<sup>th</sup> in the Digital Impact Factors and rankings of Economics Journals. The journal is also being evaluated to be indexed in SCOPUS.

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