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## A Tribute to Victoria Chick (1936-2023) and her insistence on the importance of *Macroeconomic Methodology*.

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Professor(em) Victoria Chick (VC), UCL died in January last year. Although she only published two books rather early in her academic career, she has made a lasting imprint into the field of Macroeconomic Methodology.

All the way back in 1983 VC published her pathbreaking book ‘Macroeconomics after Keynes’. At that time conventional Keynes-scholars were still teaching Keynes’s macroeconomics by referring to John Hicks’ forty years old paper on the difference between ‘Keynes and the Classics’ by using the IS-LM diagram. In her book she argued convincingly that this interpretation of Keynes’s *General Theory* used the neoclassical method of a closed-system analysis.

At that time very few Keynes scholars had understood that the real break between ‘Keynes and the (neo)classics’, according to her reading of *The General Theory*, was not whether the IS- or LM-curves were vertical or horizontal in the short or longer run; but the very notion of *general equilibrium*.

To VC the divide between ‘Keynes and the Classics’ was about the relevant method of doing (macro)economics. She often said to me: “you have to stick deeper in your understanding of macroeconomic analysis than just to use a conventional mathematical or econometric macro-model”. Keynes’s debate with Jan Tinbergen on macroeconomic modelling (Keynes, 1939) was one of her frequent points of reference. Although she became more and more respected academically and promoted to full professor at UCL, it took more than 20 years even within the Post-Keynesian society to get her insistence on the importance of macro *methodology* fully acknowledged.

Fortunately the ignorance did not last. In 2013 Routledge asked, if she (and I) would design and edit a *Handbook of Macroeconomic Methodology*. At that time there were only a couple of ‘handbooks of economic methodology’, but none devoted solely to

*macroeconomic* methodology. A handbook is a demanding publication, because it has – like an encyclopedia – to cover all relevant perspectives.

Keynes was the originator of *macroeconomics* as a discipline within economics in its own right, and according to VC fundamentally different from aggregate (micro)economics. This divide of opinions is still very present in modern macroeconomic literature. One can say that so-called ‘mainstream’ macroeconomics today is characterized by a dominance of aggregate microeconomics, see for instance Mankiw, 2023. Therefore, to avoid loop-sidedness in the content of the handbook we decided to expand the editorial board with Bert Tieben, Ph.D. an eminent neoclassical scholar.

So, the Handbook intends to make a broad-spectrum contribution to the understanding of the foundation of ‘how macroeconomists work’. As mentioned, macroeconomists use very different methods. They are not ‘just doing economics’; unfortunately they are not always explicit in their practice with regard to method (when doing research) they employ. It is the pivot argument of the Handbook, that one method does not fit unequivocally to all macroeconomic problems. By method we mean the systemic combination of theory, empirical tests and communication (i.e. how research is presented in journals, in teaching and to the public).

But the editors were taken by surprise to realize how difficult it turned out to be to establish a wide ranging group of serious *macroeconomists* writing a paper for the Handbook focusing on methodology. Of course, we were prepared to get refusals from New Classicals and Austrians scholars, who deny that there should be any specific macro-approach in economics. But even among devoted macroeconomists we got quite often the response to our invitation: Why methodology? I am doing (macro)*economics*!

Fortunately we managed in the end to get 29 scholarly papers divided into five categories:

1. Macroeconomic Methodology: Philosophy of Science perspectives
2. Macroeconomic Methodology: Concepts
3. Macroeconomic Methodology: Schools of Thought
4. Macroeconomic Methodology: Relationship between theory, method, modelling and ‘the real world’
5. Macroeconomic Methodology: Perspectives related to Teaching and Communication

But the editors had to work nearly 10 years on this Handbook to get it finalized! Trust me, VC had strong requests to all the papers with regard to the academic standard. They had all to pass, what I came to call the “Vicky-test” of solid content and clarity. On top of this editorial work she contributed to the handbook with three papers.

I do not think that it is an exaggeration to consider this *Handbook of Macroeconomic Methodology* as an epitaph for the long lasting contributions by Victoria Chick to Macroeconomics.

Literature:

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