Richard Goodwin: An Evolutionary Marxist

Hardy Hanappi
Economics, University of Technology of Vienna
Email: Hanappi@econ.tuwien.ac.at

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Abstract

This contribution will try to highlight the following ***two elements*** of Richard Goodwin's theoretical œuvre:

The ***central methodological message*** of Goodwin's famous growth model consists of a new combination of well-known elements (note that this is Schumpeter's description of innovation), namely the coupling of growth processes with an oscillating income distribution. The equilibrium oscillation of limit cycles in his early classical model seemed to be insufficient for Richard Goodwin's later aspirations; his last works on chaos oriented extensions show that he was well aware that the Marx-Schumpeter vision of slowly accumulating and suddenly breaking waves of economic activities asked for a more sophisticated formal framework. At least this is the interpretation put forward in this contribution. It justifies the view to consider Richard Goodwin as an ***evolutionary*** economist.

In the sequel it therefore is only straight forward to determine ***Richard Goodwin's position in the history of economic thought***. Interestingly enough, several of his modelling ideas followed the work of physicists – though fortunately mostly those working in the first half of the 20th century and not (as was the case with the generation of economists just before Goodwin) following old Newtonian mechanics. But what prevented neoclassical theory from absorbing Goodwin's work in more sophisticated, stochastic models of the modern mainstream was that he clearly designed his models to describe the pulsation of the class struggle between capital and labour. In this respect it is important to take a look at the relation between Goodwin's models and the long-wave theories of Schumpeter and Kondratieff. For Goodwin innovation, in particular technical innovation, is just one of several (multi-dimensional) superimposed pulsations, whereas the overlay of innovation cycles of three different lengths (representing three different economic motivations) is the causative prime mover in Schumpeter's approach. So while for the 'bourgeois Marxist' Schumpeter the long-run disappearance of entrepreneurs is a deplorable side issue, for Richard Goodwin the accurate description of the dynamics of the repeating and slowly exhausting breakdowns of the capitalist system are meant to pave the way towards an understanding of future non-capitalist systems. In this sense ***Richard Goodwin rightfully can be considered to be a Marxist***.

The conclusion of this contribution thus comes up to the astonishing statement that Goodwin seems to be one of those most singular contributors to economic theory who combined ***elements of evolutionary theory with an elaboration of topics in a Marxist tradition*** – an ***explosive mixture*** indeed that will occupy several new generations to work it out.