

Comparison of DRGTPE (2005) and Bezemer (2009)

Thomas Colignatus 2009-10-23

<i>DRGTPE (Colignatus 2005, with precursors in 1990a, 1992b, 1994b, 2000)</i>	<i>Bezemer (2009)</i>
Looks into the economic, social and political crises since 1929 to the present	Looks into the 2007+ “credit crunch”
DRGTPE p201 uses accounting relations, pertaining to the labour market with consequences at the macro and system level, and develops a theorem for the reduced form of stylized facts. DRGTPE is aware of Hicks view on the contribution of accounting to economic theory	Looks into the role of accounting relations pertaining to deficit and debt
Formulates a general theory of political economy that shows that the Trias Politica is best adjusted with an Economic Supreme Court, to improve democracy and as a better protection for all kinds of crises	(a) Advises inclusion of such relations in models (b) “Overall, the paper is a plea for research into the link between accounting concepts and practices and macro economic outcomes.”
(1) See DRGTPE (2005:11) on the definition of economics (political economy and e.g. neoclassical economics) (2) It will be useful to document how this police works and how diversity has been banished. If this is not documented then it may seem as the proper scientific process. However, for DRGTPE it is well documented that (a) censorship and abuse of power by the CPB directorate, see Colignatus (2009), (b) unscientifically warranted discussions by Muysken (1998) and Kerstholt (2005)	“Such exploration of the synergies and proper domains of accounting and equilibrium models, however, would require an open-minded consideration of the merits of accounting models of the economy. This still appears to sit uneasily with the continued dominance in policy making and academia (including the field of accounting) of neoclassical economics. Hopwood (2009) views economics as “a subject ... appearing as one that invest quite heavily in the policing of its intellectual boundaries” and where “much of the diversity [of debates] has been banished”.
DRGTPE (2005: 281) “Hence, along the ‘TP & ESC’ line of argumentation, we can clearly see a need for reform in existing Central Banking, and the direction that it would need to take. Interestingly, where economic policy of the state would have to be co-ordinated with the policy of the Central Bank (that should best remain independent), there arise questions of structure and priority. My suggestion is to first create the Economic Supreme Court, and have it advise on how to position the Bank or its separate functions.” See also the note on the New Economy, DRGTPE (2005:299)	DRGTPE is not discussed
The problem is not accounting per se. The problem is that existing scientific knowledge in general is blocked from being used in the current setting	(i) “Indeed, Arnold (2009) urges that accounting researchers need to be asking questions such as “why did standard setters adopt fair value accounting for financial instruments without regard for the macroeconomic consequences of sanctioning the proliferation of complex, unregulated and systematically dangerous financial products?”” (ii) “Accounting researchers should be bolder

	<p>in pointing out and analyzing the implications of specific accounting rules and practices for macroeconomic development, and probing the political economy reasons for their introduction. This study has sought to provide a context for such research to be undertaken.”</p>
<p>Reaction Colignatus 2009-10-23 on Bezemer (2009):</p> <p>(ad (i)) there has been censorship of science by the CPB directorate since 1989/90 and the advice of DRGTPE has been neglected. Other answers to the Arnold 2009 question are likely to be too detailistic and less relevant.</p> <p>(ad (ii)) Accounting researchers should, just like other economists, study proper economic theory, which is DRGTPE. One may imagine a specialised branch of economics as indicated in (ii) but as soon there are consequences at the macro or system level then it becomes plain old macroeconomics and political economy, so a new name seems a bit misleading.</p> <p>PM. Roefie Hueting has written on the economics of the accounts of income and environment. We would rather see this as general economics than as accounting per se. It relates to the current ecological crisis.</p> <p>Conclusion: DRGTPE precludes and improves on Bezemer (2009) on main method and conclusions.</p> <p>It remains to be said that Bezemer (2009) is interesting reading with respect to the current episode. I skip comments on details. Since I did not study some of the latest models, it is not yet clear to me whether models by e.g. CPB or DNB are really that deficient on the flow of funds. Monetary sectors are included and it is not merely a matter of accounting but also of empirical reaction functions how long debt can be sustained.</p>	

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