STRUCTURAL POLITICAL ECONOMY

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A version of this paper has appeared in I. Cardinale and R. Scazzieri (Eds.), *The Palgrave Handbook of Political Economy*, London, Palgrave Macmillan, 2018

1. Introduction

Political economy has been characterized by a divide between approaches focussing on instrumental rationality and approaches studying the structure of division of labour in the economy. Whilst existing approaches illuminate important aspects, they fall short of providing a comprehensive understanding of the economic life of the polity, because the former typically have no theory of constraints, whereas the latter have no theory of choice (Cardinale and Scazzieri, final chapter, this Handbook).

The aim of Structural Political Economy (SPE) is to provide a route to encompass the key contributions of the two approaches within a comprehensive framework. In particular, the chapter shows that division of labour (in its various representations) provides a fundamental principle for the structuring of society. As a result, it provides a map of constraints and opportunities – for the variety of actors within the polity – which are not only material and technological, but also socio-political. Because division of labour can be represented in a

multiplicity of ways, understanding which one is relevant in a given situation requires problematizing agency. Specifically, it requires understanding the actors, i.e. what social aggregations are more relevant in a given situation, as well as how such actors visualize their objectives and constraints. Doing so runs against the problem of agency and structure, that is, how to do justice to the embeddedness of actors within existing division of labour (and the variety of ways in which it can be represented) as well as the possibility to reconfigure the possibility space, by switching from one representation to another (Giddens, 1984; Bourdieu, 1990; DiMaggio and Powell, 1991; Sewell, 1992; Emirbayer and Mische, 1998; Cardinale, 2018a). This in turn requires understanding how actors' embeddedness in contexts (in this case, the structure of division of labour) influences their formation of objectives and understanding of constraints. The chapter analyses some key ways in which this problem has been addressed, implicitly or explicitly, in different traditions in political economy and related social sciences. It goes on to argue that the difficulties encountered by these approaches can be overcome through a view of structure as not only enabling and constraining, but also actively structuring actors' visualisation, thereby orienting them towards certain understandings of existing division of labour, and hence of objectives and constraints, over others (Cardinale, 2018a). This helps understand both specific instances of action within structures, and how structures change over time.

This chapter's analysis can provide important building blocks for political economy. In fact, by suggesting a route to avoid the black-boxing of action when the emphasis is on structure, and the neglect of the structure of constraints when emphasis is on action, it can provide a framework that comprises means-ends action and the structure of constraints.

2. The economic structures of the polity

SPE aims to show one way to bridge the two approaches to political economy, which focus on means-ends action and the structure of division of labour respectively. In fact, it shows that they are complementary, and that both of them are necessary to understand the pursuit of objectives in the polity and the (structure of) conditions for their realization. In particular, division of labour can be seen as providing a map of possibilities and constraints, which have both material and socio-political nature.

In political economy, various representations of division of labour have been proposed. One of the first is François Quesnay's *Tableau économique* (Quesnay, 1758). Focussing on three fundamental sectors which are also socio-economic groups (agriculturists, manufacturers, and landowners), Quesnay unveils structural relationships (specifically, sectoral interdependencies) which display important systemic properties, and specifically the proportionality requirements that the flows across those groups need to satisfy in order for a 'net product' to be produced. Modern formulations have enhanced and systematized Quesnay's approach. For example, 'social classes' have been replaced by industrial sectors (Leontief, 1991 [1928], 1941; Sraffa, 1960). Moreover, interdependencies have been seen as describable through horizontal representations (circular flow) or in terms of subsystems (Sraffa, 1960) or vertically integrated sectors (Pasinetti, 1973), and each type of interdependencies has been shown to be associated with price ratios compatible with viability requirements (Sraffa, 1960; Quadrio Curzio, 1967; Pasinetti, 1973, 1977; Seton, 1992 [1985]). Another line of research has identified conditions for maximum growth along a proportional path (von Neumann, 1945–46

[1937]), or along a non-proportional path at full utilization of productive capacity and full employment (Pasinetti, 1965, 1981; Leon, 1967; Quadrio Curzio, 1975; Lowe, 1976).

Each of the aforementioned models of division of labour provides a different map of constraints and opportunities. For example, take the model of circular flow, which can be illustrated through input-output tables. In this model, the economy is represented as a set of sectors which are interdependent, in the sense that the output of each sector is an input to some other sectors. The constraint is reproducibility of the inputs used in production, including the generation of a surplus. This is formally expressed through the Hawkins-Simon conditions (Hawkins and Simon 1949; Nikaido 2014; Duchin and Steenge 2007; Steenge 2011), which can be understood as requiring that 'the state of technology expressed by [the technology matrix] is such as to allow a net production, that is an excess production of goods produced relative to goods used as means of production' (Quadrio Curzio, 1967, pp. 56-57). Once the conditions of reproducibility are satisfied, opportunities can be seen, e.g. from the viewpoint of a class in Sraffa's model, as receiving a higher income share for that class. Or, from the viewpoint of a sector, as a higher share of value added (Cardinale, 2017, 2018b).

Thinking about the opportunities that a given material map offers requires discussing who the relevant actors are; hence, to consider the socio-political maps highlighted by different models of division of labour. A possible rationale for taking division of labour as a criterion for structuring society into groups is provided by Durkheim (1902) (see Cardinale, Coffman and Scazzieri, 2017). Hence, models of interdependencies, which provide different representations of division of labour, can be used to explore possible configurations of aggregations within the polity, which are based on economic activities. The idea is that interdependencies in productive activities can provide an important criterion for group affiliations, and hence that division of

labour can provide a structure within which economic actors can develop such affiliations. In fact, a complex division of labour, which is typical of any economy beyond a minimum level of development, is characterized by manifold interdependencies between activities. As a result, a variety of configurations of group affiliations are possible (Simmel, 1955 [1922]). Hence, division of labour does not univocally determine what group affiliations are more relevant in a given situation: '[T]he objective structure of a society provides a framework within which an individual's non-interchangeable and singular characteristics may develop and find expression depending on the greater or lesser possibilities within that structure' (Simmel, 1955 [1922], p. 150). The models of division of labour discussed above can be interpreted as providing a set of possibilities for the manifold patterns of affiliations which can be formed within a given configuration of division of labour. Specifically, out of the many levels of aggregation and representations of division of labour which are possible, the modern understanding of industrial sectors is particularly relevant, because of sectors' importance in structural economic analysis as well as their significance at the political level.

In Quesnay's (1972 [1759]) seminal representation of interdependencies, sectors were socio-political aggregations as well as economic activities. Subsequent representations of interdependencies left the socio-political aspect on the background (see Cardinale 2012). Already in Classical Political Economy, the fundamental conflict was seen as being between classes defined on the basis of type of income (wage, profit, rent) instead of between sectors. Marx also continues along this direction, although he recognises the possibility of different types of conflicts in Book III of *Capital* (Marx, 1909 [1894]). When sectoral interdependencies were 'rediscovered' in the 20th century (Leontief 1941; von Neumann 1945; Sraffa 1960), industrial sectors were only considered from the material and technological viewpoint, leaving the socio-political dimension on the background. SPE aims to 'complete' the rediscovery of

sectoral interdependencies, using such models to understand not only strictly economic structures, but also socio-political maps (e.g. Cardinale 2012, 2015, 2017, 2018b; Cardinale and Coffman 2014; Cardinale, Coffman and Scazzieri, 2017; Cardinale and Landesmann, 2017; Cardinale and Scazzieri, 2017). In particular, the idea is to consider a variety of structural representations as maps of economic interests in the polity. Hence, it is possible to use the construction of sectors derived from the models above as potential interest groups (Truman, 1951), in the sense that they benefit from specific policies, whether they organize themselves to influence policy-making or not. As was noted above, doing so shows a departure from the understanding of interest in societies that was typical of classical political economy, which characterized the relevant forms of interests in terms of 'classes' defined on the basis of functional income (wage, profit, rent). For example, taking industrial sectors in a circular flow model, the interest could be measured in terms of the value added accruing to that sector, irrespective of how its distribution among types of income within that sector (see Cardinale, 2012, 2018b). Whilst this approach does not exclude conflicts between types of income within each sector or in the economy as a whole it allows for the possibility that, in some contexts, conflicts between sectors may be more explanatory relevant than those between classes.

The relevance of sectoral cleavages for political dynamics has been widely documented in political science research. For example, industrial sectors have been shown to have particular importance in shaping a country's political configuration (see Ferguson 1995) as well as being influential at the supranational level (e.g. Coen 2007, Coen and Richards 2009). Also economic analysis of the development process has often shown the importance of sectoral conflicts (e.g. Furtado, 1967; Hirschman, 1968; Mamalakis, 1969; O'Donnell, 1977). An SPE perspective is in line with these insights, but suggests an explicit and systematic use of representations constructed by economic analysis for the purpose of understanding the relevant configurations

of economic interests. This has specific advantages, and especially that it provides key results that help visualise properties that may otherwise not be seen. For example, one derives from the modern developments of Quesnay's approach. In fact, representations based on the circular flow, such as those represented through input-output tables, provide a heuristic to study the potential interests of sectors and their compatibility with the viability of the economic system. A result of structural economic analysis that may be particularly relevant here is the Hawkins-Simon viability conditions (Hawkins and Simon 1949; Nikaido 2014; Duchin and Steenge 2007; Steenge 2011), according to which an economy can be viable and produce a surplus under different sectoral proportions. If we interpret this result in terms of the sectoral interests that the model of circular flow highlights, it is suggested that an economy can remain viable when value added is shifted from some sectors to others, thus benefitting the former over the latter. The concept of 'systemic interest' (Cardinale 2015, 2017, 2018b) can then be used to capture the idea of the interest in preserving the viability of the economy. The presence of systemic conditions for viability suggests that the pursuit of particular interests must be balanced, within the strategy of each sector, by the 'systemic' interest in keeping the economy as a whole viable, for, otherwise, the pursuit of particular interests might be unsustainable.

This reasoning can be generalized from models of circular flow to other structural representations, each of which has specific conditions of systemic coherence. If division of labour is represented through input-output scheme, viability has to do with reproducibility with a non-negative rate of growth. But when considering sectoral interdependencies across countries, viability conditions are not only of the sectoral type, having to do with ability to import inputs and export excess product, but also of the macroeconomic type, having to do for example with how different patterns of industrial specialization may be more or less compatible with the sustainability of external accounts and foreign debt positions (see Cardinale and

Landesmann, 2017). Or, to take another example, when considering the viability of a trajectory of structural change, such as one involving the transition from one resource base to another, one has to consider conditions concerning the traverse (Hicks, 1973; Lowe, 1976; Scazzieri, 2009) as well as the fundamental uncertainty surrounding the traverse, which could make it difficult for actors to understand whether certain policies will prove to be in their interest (see Cardinale, 2015). More generally, in situations of structural change, there could be the possibility to identify different forms of systemic interest, each associated with a different growth trajectory.

The reasoning above suggests that, when discussing the constraints and opportunities that the material sphere offers for the pursuit of objectives in the polity, we must consider both the purely material map and the socio-political one. For example, viability is a material constraint. Once we consider the socio-political aspect, some forms of systemic interest are feasible and others are not. For example, elsewhere (Cardinale 2015), when analyzing the conditions for transition from a resource base to another (e.g. from hydrocarbons to renewables), I first identify the conditions regarding material relationships that make the transition possible, and which can be described as 'economic conditions'. These include requirements about the 'traverse', for example that productive capacity is installed before certain products can be produced, and in appropriate proportions in different sectors. However, it is also necessary to consider the socio-political conditions, which have to do with the particular and systemic interests which are perceived to surround the transition, and which may or may not make the economic conditions feasible. This approach suggests that, within the possibilities that are feasible from the material viewpoint, only some will also be feasible from a socio-political standpoint.

In order to understand the socio-political constraints, we need to ask what socio-political aggregations are more relevant in a given context, out of those which are possible within a given economic structure. In other words, given the multiplicity of possibilities to represent division of labour and the different representations of interests associated with them, we need to ask how to 'close the system', that is, how to make sense of which ones are more likely to be adopted and acted upon in a given situation, thus influencing actual decisions and systemic outcomes.

3. Enter the actors

In order to 'close the system', i.e. to understand the stances taken by actors and hence which path is taken in a given historical situation out of the many that are made possible by economic structures, we need to understand which socio-political map is relevant, that is, the constructions of interests that prevail in that situation. Therefore, we need to understand agency, and specifically who the relevant actors are as well as how they act within structures. In fact, given the plurality of representations, agency can be attributed to different possible socio-economic aggregations, so that it is necessary to understand which one will be relevant in a given situation, that is, which representation actors will adopt as a guide to their action. In terms of the foregoing discussion of group affiliations based on division of labour, the problem could be framed as that of understanding which affiliation is likely to be salient in a given situation. For example, would a given firm see itself as belonging to an industrial sector or to a vertically integrated sector? And if the latter, to a vertically integrated sector based on final demand or, say, on the use of a certain input or infrastructure? It can be argued that, because it highlights the multiplicity of attributions of agency, this approach can be seen as a

generalisation of the Physiocratic and Classic approaches, in which the representation of division labour and the relevant political-economic map (i.e. the relevant actors) were taken as given.

Before proceeding, it is important to note two points. First, the attribution of agency is based on the concept of 'potential interest groups' (Truman, 1951). In other words, it does not require that these interest groups be actual, i.e. that they are organised to influence policy. In fact, the purpose here is to understand the configurations of interests (i.e. socio-political maps) made possible by a given structure of division of labour. In the view outlined here, interests are founded in sectors' positions in productive structure.

The second point is that introducing considerations about agency does not amount to making claims about building 'microfoundations' in the sense of reducing all explanations to the individual level—even less that of rational actors (including applications such those based on the median voter). In fact, we must not think of attention towards action within structures as reducing the economy and polity to "a mass of similar individuals, operating as choosing actors, affected by a situation, taking new actions, and chancing society via some aggregation or assembly" (Jepperson and Meyer, 2011, p. 68). The actors considered here occupy different positions within different economic structures and decision-making bodies; their influence on institutional change occurs through actions performed in those positions. Therefore, any systemic outcomes are not the "effects produced by relatively unorganized people" (ibid.), but rather by the effect action has in positions having to do with "more and more collective and complexly organized activities" (ibid.). This is coherent with the attention, in this chapter, for models of complex division of labour, in which different sectors occupy different positions in terms of weight in the economy, access to political influence, etc. Therefore, the need to discuss

action is deeply different from the approach followed, for example, in theories based on the median voter. It is rather about understanding how group interests can form, in different ways depending on their positioning, and with different impact depending on how (and how effectively) they organise themselves to influence policy-making.

As discussed above, in order to understand which possibilities are pursued in a given situation, we need to analyse the constructions of interests that prevail in that situation. Such constructions of interests, and the systemic outcomes they generate, can be seen as 'closing the system', explaining the choices made by actors, which set the system towards some paths out of the many that are made possible by material relationships. How will the construction of interest, and then political decisions, take place? The structural models discussed above, on the one hand, focus on the structure of constraints, leaving decisions implicit or described by simple behavioural rules. Approaches that focus on means-ends reasoning, on the other hand, typically do not have a theory of the internal structure of constraints (Cardinale and Scazzieri, final chapter, this Handbook). We therefore need a theory that can do justice to means-ends action within complex structures of division of labour.

A related problem has been addressed in the political science literature. According to Blyth (2003), accounts of how political actors construct their own interests have been divided, at the extremes, between a view in which interests are conceived of as been structurally determined, that is, univocally specified by the structures within which actors are positioned, and a view in which interests are 'ideationally constructed' in ways that do not depend on economic structures. There have been many attempts to reconcile economic structures with 'ideas'. This problem is important for this chapter's analysis, because it leads to asking how actors construct

their interests, given their position in the structure of division of labour, and hence the decisions they make and the systemic outcomes that result.

The multiplicity of representations of division of labour throws critical light on both of the aforementioned extremes—structural determination and ideational construction. In previous work, I illustrate this point with reference to Pasinetti's (1973) result that a given economy can be represented through two equivalent representations of interdependencies. One is based on the circular flow (as in input-output tables); the other is a vertically integrated representation, in which output is made of a number of final goods, each of which is produced through production phases involving a multiplicity of industrial sectors. It can be argued that, if actors adopt a circular-flow representation, 'particular' interests are highlighted, for that representations shows the different sectors and the possibility to shift value added across them (Cardinale, 2012, 2018b). By contrast, a vertically integrated representation makes systemic interest salient, as it represents final goods as being produced through stages that involve manifold industries, and therefore, in a sense, as a product of the system as a whole (Cardinale, 2012, 2018b). This result is important for our purposes here. In fact, because a structure of division of labour can be visualised through alternative yet equivalent representations, each of which leads to a different configuration of interests, interests cannot be seen as being determined by structure. At the same time, not all constructions of interests are compatible with a given structure of division of labour; and this suggest that ('ideational') constructions that are incompatible with structure might not meet viability requirements and might therefore lead to unsustainable systemic outcomes.

Is there a middle ground between the extremes discussed above? In other words, is there a solution that does justice to actors' embeddedness in structure as well as their ability to

reconfigure the visualisation of constraints and opportunities? One attempt at addressing this problem, inspired by Giddens (1984) among others and often adopted across the social sciences including political economy, would appear to be that structures enable and constrain action. However, this view has a key limitation (Cardinale, 2018a): while it accounts for how structure constrains, in the sense of making some actions impossible, and enables, in the sense of making some actions possible, it does not allow for how structure *orients,* that is how it makes actors more likely to pursue some actions out of the many that it makes possible. And whilst many might agree that structure does more than just enabling and constraining, i.e. that what is typically described as 'enabling' encompasses both providing possibilities for action and inducing actors to pursue some of those possibilities over others, this distinction is seldom made explicit, much less theorized. Hence, it remains unclear if structure influences how actors choose among the possibilities that are 'enabled' by structure itself, and through what mechanisms such influence is exercised. This leads to two further limitations. First, this view juxtaposes structural constraint ("constrain") and means-ends action ("enable"). Hence, it reintroduces the dualism between means-ends action and constraints that characterizes political economy. Second, as a result, it is just about possibilities, not propensities; it does not help us to 'close the system'. In other words, moving from the possible aggregations to those that are more likely, and can therefore lead to understand how actors will form their representation in specific situations, requires going beyond *possibilities* and saying something about *propensity*.

A promising route for studying how the system is closed in specific historical situations may be to overcome the juxtaposition between means-ends action and structural constraints, and explore approaches that can do justice to their mutual influence. What is needed is a theory that explains action by taking into account the influence of existing structure in the visualisation of opportunities and constraints, as well as the possibility to change that visualisation. It is

important to note that, in approaches based on means-ends action, embeddedness is just conceived of in synchronic terms, i.e. as embeddedness in current structure. This means that actors are not themselves influenced by structures, which provide means and ends but do not shape actors' cognitive setup. An alternative would be to complement embeddedness in the synchronic sense with consideration of how positioning in economic structure over time provides propensity towards some courses of actions instead of others, that is, how it orients towards some outcomes instead of others.

One way to do so would be to develop, with reference to structures of division of labour, the theory of action outlined with reference to social structures, as in Cardinale (2018a). Such a theory would be based on two types of structure: the structure of division of labour, and the structures of cognition and action (what Bourdieu (1990) calls *habitus*) that actors develop by acting in given positions within structure, which also influences how actors visualize the structure in which they are embedded. Action depends on how actors visualise their means and ends. But this depends on their visualisation (framing), which depends on their habitus, which was developed within a given structure. This suggests that actors are embedded in structure in a dual way: in current structure, which shapes means and ends, and over time, which shapes propensity towards some courses of action. This means that, whilst action is to some extent strategic, in so far as it does include elements of visualisation of means and ends, it is also oriented towards some courses over others. As a results, not all outcomes are equally likely. And the difference in likelihood – i.e. in propensity – does not derive only by the choosing of means in view of ends, but also from pre-reflective orientation towards some courses of action over others. This approach thus theorizes a further effect of structure on action, in addition to the enabling and constraining: the imprinting of dispositions that orient actors towards some actions over others.

In order to fully appreciate the relationship between actors and structures, it is important to highlight the time dimension. *Over time*, structures and actors constitute each other. In fact, structures shape the actors' habitus; actions in turn influence what paths are taken, and hence modify structures. However, this mutual constitution is not deterministic. In fact, whilst they constitute each other over time, *at any given moment* actors and structures are relatively autonomous: whilst actors are constrained, enabled and oriented by structures, they can choose different courses of action (see Cardinale, 2018a). In this way, it is possible to take actors seriously, acknowledging that outcomes are not determined by structure alone. Yet actors are not reduced to the agents of rational choice theory; that is, outcomes are not reduced to means-ends action, without considering the internal structure of constraints as well as their impact in shaping the actors themselves. In other words, in this approach the structure of division of labour provides the current embeddedness, but also (over time) shapes actors' understanding of their embeddedness and of the available constraints and opportunities. Actions and outcomes depend on the encounter between economic structures and actors' structures of cognition and action (the habitus), which originate in the former but are relatively autonomous from them at any given moment.

Hence, this approach would explain how actors form their understanding of the economic structures in which they are positioned, and how they are likely to change their understanding in response to changes in structures. This can help understand that different representations (among the variety of those which are possible) are not equally likely—not just because of inertia in the economy, but also because of inertia in cognitive structures, i.e. in the way actors represent their embeddedness and the opportunities and constraints they face. Therefore, this approach goes beyond specifying possibilities: it captures the visualisation of possibilities as

well as the propensity towards some representations and therefore some possibilities over others. This depends on embeddedness in structures of division of labour, both at a given moment and over time. Hence, it makes it possible to 'close the system' in a way that it is neither deterministic, nor voluntaristic.

4. Conclusion

Political economy is divided between approaches emphasizing means-ends action, which have no theory of the internal structure of constraints, and approaches emphasizing the constraints and opportunities afforded by the patterns of division of labour, which have no theory of action. SPE aims to overcome this dichotomy by proposing a route to understand how the structure of division of labour and action within it constitute each other. The idea is that structures of division of labour provide maps of constraints and opportunities which are material as well as socio-political. However, given the multiplicity of possible representations, in order to 'close the system' it is necessary to move from the variety of possibilities to represent opportunities and constraints, to the ones that are more likely to be enacted by actors in a given situation.

It was argued that, in doing so, we should not fall in any of the following views. First, that structure determines interests—because structure can be represented in different ways. Second, that interests are 'ideationally constructed'—because this approach overlooks that some representations may be ungrounded in structure, in the sense of ignoring existing constraints, hence potentially leading to systemically unsustainable outcomes. Third, that interests can be taken as given (e.g. treated as 'preferences'), as is often the case in approaches emphasizing

means-ends action—because this view provides no explanation of interests and their relation to structure. And fourth, as is typical of approaches in which action is seen as being constrained and enabled by structure, that some representations are possible and others are not, i.e. that division of labour merely constrains and enables action—because this does explain if some possibilities are more likely than others; it basically reintroduces rational action and does not allow us to understand why the system is closed in some ways rather than others under specific historical conditions. More subtly, the latter two views limit the role of the structure of division of labour to the provision of constraints and opportunities 'at a given time', but have no room for why embeddedness in structure over time forms the habitus and hence shapes actors' understanding of constraints and opportunities, thus orienting actors in some directions over others.

Doing so requires understanding how actors' embeddedness over time in the structure of division of labour influences their formation of objectives and understanding of constraints. This can be captured by a view of structure as not only enabling and constraining, but also actively structuring actors' visualisation, thereby orienting them towards certain understandings of existing division of labour, and hence of objectives and constraints, over others (Cardinale, 2018a). This helps understand both specific instances of action within structures, and how structures change over time. Specifically, it was suggested that a way to address these issues is to develop a theory of action that explains agency by taking into account the influence of existing structure in visualisation of opportunities and constraints as well as the possibility to depart from it. Such a theory would explain how actors form cognitive structures by acting in specific economic structures, and how such structure influences the directions along which the restructuring of their representation can take place, and hence how action can modify existing structure. Hence, the core of the theory would be the encounter

between political-economy structures and the structures of cognition and action of actors, which originate in the former but are developed in a relatively autonomous way. This encounter can also help understand why various representations are not equally likely in a given historical situation.

The approach outlined in this chapter has significant implications for the field of political economy as construed in this Handbook. In fact, SPE provides a route to see that means-ends action and economic structures are complementary and mutually necessary. In fact, it suggests that, over time, they constitute each other: action is constrained, enabled and oriented by structures; the set of actions, within the constraints of existing structures, determines the paths followed by structures over time. However, it is important to stress that such co-constitution happens over time. At any given moment, actors and structures are relatively autonomous, and it is their encounter that generates representations of interests and actions. In SPE, the structure of division of labour in society provides the current embeddedness, hence opportunities and constraints, but also shapes the habitus over time.

It has been argued (e.g. Hicks, 1976; Pasinetti, 1986) that means-ends action and economic structures are the centre of the fundamental dichotomy of economic analysis, and that concentration on attention on one or the other approach has proved useful as a focussing device. In this Handbook, the contention is that political economy as a field requires both approaches, and that it is necessary to analyse in detail the elements of continuity and complementarity between them (see also Cardinale and Scazzieri, final chapter, this Handbook). The approach outlined in this chapter can provide some steps in such direction, in so far as it can help avoid the black-boxing of action when the emphasis is on structure, and the neglect of structured constraints when taking the viewpoint of action. More broadly, once the time dimension is

taken into account, this approach can lead to encompassing means-ends action and economic structures within a comprehensive political economy framework.

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