Editors' Preface to Macmillan Studies in Economics

The rapid growth of academic literature in the field of economics has posed serious problems for both students and teachers of the subject. The latter find it difficult to keep pace with more than a few areas of their subject, so that an inevitable trend towards specialism emerges. The student quickly loses perspective as the maze of theories and models grows and the discipline accommodates an increasing amount of quantitative techniques.

'Macmillan Studies in Economics' is a new series which sets out to provide the student with short, reasonably critical surveys of the developments within the various specialist areas of theoretical and applied economics. At the same time, the studies aim to form an integrated series so that, seen as a whole, they supply a balanced overview of the subject of economics. The emphasis in each study is upon recent work, but each topic will generally be placed in a historical context so that the reader may see the logical development of thought through time. Selected bibliographies are provided to guide readers to more extensive works. Each study aims at a brief treatment of the salient problems in order to avoid clouding the issues in detailed argument. None the less, the texts are largely self-contained, and presume only that the student has some knowledge of elementary micro-economics and macro-economics.

Mathematical exposition has been adopted only where necessary. Some recent developments in economics are not readily comprehensible without some mathematics and statistics, and quantitative approaches also serve to shorten what would otherwise be lengthy and involved arguments. Where authors have found it necessary to introduce mathematical techniques, these techniques have been kept to a minimum. The emphasis is upon the economics, and not upon the quantitative methods. Later studies in the series will provide analyses of the links between quantitative methods, in particular econometrics, and economic analysis.

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Disequilibrium Economics

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Preface and Acknowledgements

This book developed from a course of lectures given over a number of years at the University of Durham and reflects an attempt to introduce the fundamentals of non-stochastic dynamic processes to second- and third-year undergraduates. Such a treatment seems necessary since most undergraduate texts hardly go beyond comparative static analysis.

In this book, therefore, an alternative way of looking at economic phenomena is pursued, and attention is focused principally on adjustment processes resulting from disequilibrium situations, rather than on a comparison of equilibrium situations alone. Most of the analysis is of a short-run nature. Problems of stock-supply determination such as capital accumulation, which may or may not be an equilibrium process in itself, are therefore not explicitly discussed.

Some mathematics is essential for analysing dynamic processes, but since the models which are discussed are put in discrete terms, it has been possible to restrict the use of mathematics to discrete time equations only. Their interpretation and solution is dealt with in an Appendix.

Success or failure of any text depends largely upon feedback from students and colleagues in the earlier stages of writing. In this connection I must express my particular gratitude to Walter Elkan and Richard Morley of the University of Durham and David Pearce of the University of Leicester and George McKenzie of the University of Southampton for many helpful comments; any resulting failure is in no way attributable to them. I would also like to thank Mrs S. Drake for her excellent typing assistance.

J. v. D.