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Abstract

Shackle in time - time in Shackle

One of the interesting aspects of Keynesian economics is the issue of dealing with the concept of time. This refers not only to time in a theoretical sense, but time as a reality constitutive element.

A very deliberate and thorough analysis of this has been committed by GLS Shackle. Not least his well known "de Wries Lectures", which were published under the title *Time in Economics* in 1958 marks a very significant breakthrough for thinking about time in a more complete Keynesian way. In Shackle's opinion Keynes' General Theory was, throughout, in two minds. It turns instinctively towards stable functions, uninterrupted movement along curves, underemployment 'equilibrium', secular stagnation, step-by-step declension. But in reality it is not really the shape of the curves, but their broad bodily shifts and deformations, which contains the meaning of Keynes' arguments.

In the contrast to the historian and mathematician an economist is according to Shackle in a different challenging situation. The former treats time as space or as one dimension of space, like an outside observer. Shackle wants to contrast this with an inside view, which he calls the solitary present or the moment-in-being.

If economics is treated like an outside observer would do, it will in the sense of Shackle be a kind of exterior dynamics that is mechanical in a determinate behavior of a machine of limited design – and it will claim to be predictive. But theories which tell us what will happen are claiming too much, which have clearly been demonstrated in recent years.

According to Shackle Keynes laid out on the bench the component parts of a kaleidic method. Some of the best such parts he discarded, some incompatible ones be included, the conception as a whole Keynes left incompletely and awkwardly assembled. For Shackle is the consequence, however, clear enough: Economists can study the past, observe the present and imagine the future.

This paper wants to demonstrate that Shackle can greatly contribute to the criticism of the lack of bad predictions of recent financial and economic crisis and instead open up the oppressed discussions about system errors and alternative conceptions of how the economic system functions.