

same situation. Calway proposes an approach to object oriented analysis which transcends the objectivist paradigm through the use of a semiotic approach.

Taken as a whole the book represents an inevitably pluralistic approach. 'Consolidation' is best approached here by several valuable general reviews within individual chapters, such as that by Avison and Nandhakumar and by introductions to specific relevant disciplines of interest to information systems researchers, such as Holm and Karlgren's discussion of theories or of Rauterburg's use of cognitive psychology in his chapter entitled 'About a framework for information and information processing of learning systems'.

While the book as a whole might be of relevance to anyone interested in the progress and problems of an emergent discipline, it also provides the pragmatic reader from within that discipline with assistance with current development tasks and a source of reflection for the future development of their skills. The price reflects the origin of the material in a specialised conference, and offers a significant improvement over those prevailing with the previous publisher of IFIP Proceedings.

References

1. R. A. Buckingham, R. A. Hirschheim, F. F. Land & C. J. Tully (Eds.), *Information Systems Education: Recommendations and implementation* (Cambridge, Cambridge University Press, 1987).
2. C. Shannon & W. Weaver, *The Mathematical Theory of Communication* (Urbana, University of Illinois Press, 1949).
3. E. Mumford & M. Weir, *Computer Systems in Work Design: the ETHICS method* (London, Associated Business Press, 1979).

Stephen E. Little
Manchester Metropolitan University
Manchester, UK

The Tyranny of the Market: A Critique of Theoretical Foundations

Douglas Vickers

Ann Arbor, University of Michigan Press, 1995, ix + 261 pp., £39.60, ISBN 0-472-10618-X

Analysis and policy approaches to many matters discussed in the pages of *Prometheus* touch frequently on the role of the market. The June 1993 issue, for example, reprinted a strong plea by Edith Penrose for awareness that monopoly in its oligopolistic form rather than the 'free play of competitive market forces' was a fact of economic life; and that 'non-equity alliances (often, if not usually, related to technology) may be the nerve channels'.¹ Richard Nelson posed the underlying critique as follows: 'the standard welfare economics arguments do not propose that private enterprise is better than any other organizational solution; only that if certain assumptions are met, "it can't be beat"'.² As it is widely acknowledged that the assumptions are not met, he could add that the contemporary welfare economics 'provides no argument that justifies a flawed, patched up private enterprise'.

In view of the pendulum swing towards reliance on just such 'a flawed, patched up private enterprise', Vickers' critique of the theoretical foundations is timely as well as thorough. It will be a pity if it is treated as a book for economic theorists; rather it is a strong challenge to all those who embrace the market faith.

Central to Vickers' discussion of received analytical traditions and concepts is the

neglect of historical time, which has 'eviscerated from analysis the uncertainty and the ignorance of the future that the passing of time implies' (p. v) . . . 'the most criticizable feature of the neoclassical "rational economic man" was not his selfishness or his materialism, but his assumed omniscience' (p. 216).

Concerns are raised in connection with the application of the concept of the economic margin: to individual demand, especially when those are aggregated for markets or the economy, and also to the production and supply side. In the latter case, the concept of the marginal productivity of a factor of production becomes suspect—in the case of labour, for example, the amounts of cooperating factors cannot be unambiguously defined. This reviewer would like at this point to pose a question: Is knowledge capital?

The role of money raises further problems. Vickers notes Shackle's remark that the demand for liquidity is 'a substitute for knowledge' and treats money as 'a time-and-uncertainty phenomenon' (p. 161).

There are implications for the notion of market efficiency. Markets are said to be informationally efficient if all information coming into the market is efficiently assimilated and disseminated and so reflected in prices. However, the literature does little to explore the nature and meaning of the so-called information. 'Information is understandable as knowledge that provides the basis for belief or action only to the extent that it is interpreted and its meaning established and extracted' (p. 219).

This book is rich in ideas and as well takes us into a larger area of discussion. There is need for individuality and economic freedom on the one hand, and social solidarity and mutual benefit and welfare on the other. Regulatory or legislative action may be called for: to curb market exploitation and discrimination and to deal with the disadvantages accruing from inflation.

This leads Vickers to ask what things the market cannot do. The list grows: 'when a fee for service cannot be clearly and equitably specified, or when a so-called free rider problem arises and the establishment of a service provides a facility in which the public at large is able to participate—as, for example, in the case of public parklands—without the payment of fee, then we have what are properly referred to as public goods' (p. 236); services where the magnitude of capital investment makes it difficult to contemplate its provision by private sector markets; low-cost or low-rent housing; education facilities; employment training opportunities; relocation incentives; motivations for the provision of retirement pensions.

This elegant book is informed by a very basic proposition: '[E]conomics deals with real decisions in real historical time by real, sentient, acting, and reacting individuals. The universe to which economic argument is relevant is very much an open universe. Any element of deterministic closedness is essentially foreign to it' (pp. 224–225).

Notes and References

1. Edith T. Penrose, 'Economic Liberalization: Openness and Integration—But what Kind?', *Prometheus*, 11, 1, 1993, pp. 30–44.
2. Richard R. Nelson, 'Assessing Private Enterprise: An Exegesis of Tangled Doctrine', *Bell Journal of Economics*, 12, 1, 1981, pp. 93–111 reprinted in D. M. Lamberton (Ed.), *The Economics of Communication and Information* (Cheltenham, UK, Edward Elgar, 1996), pp. 59–77.

D. McL. Lamberton
Australian National University
Canberra