**Economic Growth & Development**

Theories, Criticisms and an “Alternative” Growth Model

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##

# Foreword

Knowledge is increased through observation, research, experiment and mental effort. Science and technology can only make progress through “new ideas” e.g., “new knowledge” developed by the free mental powers of human beings.

A person (a researcher) seeking for new knowledge is not only responsible for human beings but also for all creatures and for nature itself. Her/his new ideas are expected to affect the course of society’s present and future. Therefore, a researcher makes her/his best contribution by posing questions and by completing her/his work by providing answers that the researcher considers to be correct. The recipients of this new knowledge have to be open-minded, tolerant and unbiased.

New ideas in the social sciences, naturally including economics, have to fulfill four major conditions. They must be:

1. Logical.
2. Consistent.
3. Explanatory.
4. Testable.

There are many economic theories containing all of the above features; and most of them belong to the mainstream ideology, i.e. the neoclassical theories/models. As a matter of fact, at present, almost all economic theories/models are of Anglo-Saxon origin. Yet, these dominant economic theories/models are, to a large extent, a part of a “grand parable”.

They are no doubt logical, consistent and even explanatory in many ways, but when tested for their relevance to real economic situations, they fail to correctly explain the normal economic transactions. In other words, those theories/models which are dominant today only are successful in explaining “a fictional world” and “fictional economic relationships” which are largely based upon unrealistic assumptions. The assumptions of “perfect competition” alone are sufficient to reject the neoclassical theories/models as highly fictitious and unrealistic. One does not have to be an expert in the field of economics to realize these shortcomings.

It is high time to produce “new and alternative” theories and models to replace the “parables” of these mainstream ideologies. I hope that this book will appeal to open minded economists the world over, as a constructive contribution for the further development of “new economic ideas”.

 Prof. Dr. Hasan Gürak

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