

**Book Review: Uemura, H. Japanese Institutional Post-Keynesians Revisited: Inheritance from Marx, Keynes and Institutionalism. Springer, 2023. 144 p.**

Luiz Eduardo Simões de Souza <sup>a</sup>

---

## 1. Introduction

**H**iroyasu Uemura's book *Japanese Institutional Post-Keynesians Revisited: Inheritance from Marx, Keynes, and Institutionalism* represents a significant contribution to the field of institutional economics and the post-Keynesian tradition, particularly within the Japanese academic context. The work delves into how post-war Japanese economists, influenced by Marx, Keynes, and Institutionalism, developed theoretical approaches to understand and critique contemporary capitalism. Furthermore, Uemura discusses the relevance of these contributions in addressing the economic and social challenges of the 21st century, including growing inequality, globalization, and environmental crises.

Uemura's central thesis is to revisit the legacy of Japanese post-Keynesian institutionalist economists such as Eiichi Sugimoto, Shigeto Tsuru, Yoshikazu Miyazaki, and Hirofumi Uzawa, who integrated diverse theoretical traditions to create original interpretations of capitalism's dynamics. The concept of "institutionalism in a broad sense" is presented as a key analytical framework, linking the theoretical approaches of the authors studied to the structural issues of global capitalism. Within this context, the book proposes a reflection on the "creative rivalry" among different schools of economic thought, emphasizing the importance of interdisciplinary dialogue and theoretical pluralism.

The academic relevance of the book stands out in a moment of theoretical and practical crisis in economics. Uemura argues that the hegemony of the Walrasian paradigm in contemporary economic thought has led to theoretical stagnation and a disconnection of economics from other social sciences. Thus, the book serves as a call for the reconstruction of the economic field, based on institutional approaches that emphasize historical dynamics, technological evolution, and social relations as central elements in the analysis of capitalism.

This review will examine the key arguments and contributions of the author, exploring both the originality of his approach and the challenges and limitations his analysis presents. The book's central thesis will be evaluated in relation to its capacity to illuminate contemporary transformations in capitalism and offer theoretical and practical solutions to the economic and social problems of the modern world.

---

<sup>a</sup> Associate Professor - Federal University of Maranhão (UFMA). E-mail: [luiz.souza@ufma.br](mailto:luiz.souza@ufma.br)

## 2. Content Synthesis

Uemura's book is meticulously structured to address the theoretical legacy of Japanese post-Keynesian institutionalist economists and their implications for the analysis of contemporary capitalism. Each chapter tackles a fundamental aspect of this academic tradition, combining historical rigor with innovative perspectives for the development of political economy in the 21st century.

In the first chapter, the author presents the book's objectives and introduces the central concept of "institutionalism in a broad sense." This approach encompasses not only classical institutional economists such as Thorstein Veblen and Gunnar Myrdal but also the contributions of Karl Marx and John Maynard Keynes, broadening the scope of institutional analysis. Uemura argues that the contributions of Japanese economists revisit and expand these traditions, providing a solid theoretical foundation for understanding the transformations of capitalism in the 21st century. The author emphasizes the relevance of historical and institutional analysis in a context marked by growing inequality, environmental crises, and global challenges, advocating for an interdisciplinary and critical examination of these issues.

The second chapter is dedicated to the legacy of Eiichi Sugimoto, a pioneer of modern economic thought in Japan. Sugimoto is remembered for coining the term "modern economics" in the Japanese context and for stressing the importance of "creative rivalry" between economic schools as a driver of academic progress. His analysis rejects the homogenization of economic theories under the dominance of the Walrasian paradigm, which he criticized for its excessive formalism and abstraction. Sugimoto argued that the interaction between different theoretical approaches—including those of Marx, Keynes, and neoclassicals—was essential for the advancement of economics as a science. Additionally, his multifaceted view of time and space in economics, inspired by Alfred Marshall, provides a powerful critique of the limitations of general equilibrium theory.

In the third chapter, Uemura explores the contributions of Shigeto Tsuru, an economist who reconciled the ideas of Marx and Keynes to investigate the transformations of capitalism in the post-war period. Tsuru questioned whether capitalism had fundamentally changed during the period of rapid economic growth following World War II and developed profound analyses on issues such as environmental degradation and social inequality. His work includes pioneering reflections on the "political economy of system reform," emphasizing the need for economic policies that consider the social and environmental impacts of economic decisions. Tsuru is also recognized for his effort to connect different economic traditions under the perspective of "institutionalism in a broad sense."

The fourth chapter focuses on Yoshikazu Miyazaki and Mitsuharu Itoh, economists who advanced the understanding of Keynes's ideas and their applicability to contemporary capitalism. Both emphasized the inherent instability of capitalist economic systems and the importance of macroeconomic policies based on full employment and income redistribution. Miyazaki highlighted the interaction between large corporations, the state, and civil society, while Itoh investigated the role of multinational corporations in the context of Japan's economic growth. Their analyses provided innovative insights into the dynamics of post-war capitalism, demonstrating how institutional Keynesianism could be adapted to confront modern challenges.

In the fifth chapter, Hirofumi Uzawa and Tsuneo Ishikawa are presented as proponents of a synthesis between institutional analysis and dynamic macroeconomics. Uzawa, recognized for his theory of "common social capital," argues that public goods such as education, healthcare, and the environment are fundamental for economic and social stability. He also critiques the limitations of neoclassical economics in addressing issues of macroeconomic imbalances. Ishikawa, on the other hand, offers a detailed analysis of income and wealth distribution in Japan, addressing the role of firms and labor markets in creating inequalities. He proposes the creation of a "professional market" to ensure greater autonomy and security for workers, integrating ethical concerns into economic analysis.

The sixth chapter broadens the debate by linking the ideas of Samuel Bowles and his "moral economy" with Robert Boyer's theory of regulation. Bowles argues that social preferences are shaped by both incentives and cultural norms, highlighting the role of civil society in promoting cooperative behavior. Boyer, in turn, explores the interaction between economics and politics in the formation of growth regimes, emphasizing the importance of robust institutions for economic and social coordination. Uemura argues that these approaches are complementary and can be integrated to offer a more holistic view of contemporary capitalism.

The seventh and final chapter concludes the book with a reflection on the future of "institutionalism in a broad sense" in the 21st century. Uemura proposes that the creative rivalry between post-Keynesian, post-Marxist, and institutionalist theories is crucial for addressing challenges such as environmental crises, global inequality, and economic instability. He suggests a multidimensional theoretical approach that combines historical, institutional, and evolutionary analysis to formulate more effective and just economic policies. The integration of concepts such as multiscale coordination, social preferences, and social capital is presented as a promising path toward building a renewed political economy.

### 3. Critical Analysis

The book presents a comprehensive and erudite analysis of the contributions of Japanese post-Keynesian institutional economists. However, while the work brings undeniable theoretical advancements, some methodological limitations and criticisms regarding its practical applicability emerge.

#### Originality and Theoretical Contribution

The originality of the work lies in the theoretical articulation of "institutionalism in the broad sense" as a framework for understanding the transformations of contemporary capitalism. Uemura goes beyond the conventional synthesis between Keynes and Marx by incorporating a broad institutionalist perspective that considers the evolution of economic, political, and social dynamics. He emphasizes the role of "creative rivalry" in the construction of economic knowledge, advocating for theoretical pluralism as the driving force behind academic progress. This perspective allows the analysis of economic phenomena from various levels of interaction — from micro-processes of

preference formation to macroeconomic dynamics of structural transformation. This approach is particularly relevant in a context where the dominance of neoclassical economics has reduced theoretical diversity and limited the analytical capacity of the discipline.

Another merit is the way the author contextualizes the work of Japanese economists such as Sugimoto, Tsuru, and Uzawa within the global context. For instance, when discussing the legacy of Eiichi Sugimoto, Uemura highlights the importance of “creative rivalry” between economic schools. This concept is particularly relevant in contemporary economics, marked by the dominance of the neoclassical paradigm. Sugimoto’s idea reminds us that scientific progress emerges from the productive confrontation of divergent perspectives. A practical example could be the debate between neoclassical and Keynesian economists regarding fiscal responses to the 2008 financial crisis. While the former emphasized austerity, the latter advocated for fiscal stimuli as a means of stabilization, revealing the analytical richness that diversity of perspectives can offer.

Additionally, Hirofumi Uzawa’s theoretical contribution about “common social capital” exemplifies the author’s innovative proposal. Uzawa suggests that public goods such as healthcare, education, and the environment should be treated as shared assets to ensure social cohesion and economic stability. This concept is particularly relevant today, where the COVID-19 pandemic highlighted the fragility of underfunded public health systems. The work underscores that promoting these goods is not just an ethical imperative but also an economic necessity.

By highlighting the connections between Japan’s historical and institutional specifics and the evolution of global capitalism, Uemura presents an analysis grounded in both empirical data and profound theoretical reflections. His approach rescues contributions often overlooked in Western economic discourse, offering a valuable counterpoint to the dominant narrative.

## Analytical Rigor and Depth

The book demonstrates remarkable analytical rigor, especially in the way Uemura explores the central concepts of his theoretical influences. For example, the application of Veblen’s concept of “cumulativity” and the analysis of the dynamics of imbalance in Marx and Keynes show a rare ability to connect diverse theoretical traditions into a coherent framework. The inclusion of analyses of contemporary issues, such as climate change and inequality, underscores the practical relevance of the theories discussed.

Uemura’s analytical rigor is evident in how he revisits complex theories and contextualizes them within the specific realities of Japan and the world. For instance, when discussing Shigeto Tsuru, the author explores the pioneering analysis of this economist on the environmental impacts of capitalist growth. Tsuru anticipated modern debates on sustainable development by questioning capitalism’s ability to reconcile economic growth with environmental preservation. This critique is particularly pertinent in light of recent events, such as the environmental disasters associated with climate change and the rise in global inequality.

Another example of analytical depth is the way Uemura articulates Veblen’s aforementioned concept of “cumulativity” with Yoshikazu Miyazaki’s analysis of the role of multinational corporations in the post-war period. The interaction between institutional dynamics and global

structures of production and consumption allows for a richer understanding of the forces shaping global capitalism.

Despite the rigor, the theoretical density of the work, with frequent references to technical debates, may make it difficult for readers less familiar with the economic traditions discussed. For example, the detailed discussion of the Walrasian paradigm and its critique may be technically challenging for readers who do not have advanced economics training. The dense theoretical exposition, while well-grounded, might alienate those more interested in practical implications, such as the formulation of economic policies.

## Methodological Limitations

Despite its theoretical contribution, the work presents limitations in terms of the practical operationalization of its proposals. While the author extensively discusses the challenges of contemporary capitalism, such as inequality and environmental degradation, there is a lack of concrete examples of how the presented theories could be translated into applicable economic policies. For example, while Uzawa proposes the concept of "common social capital" as essential for economic well-being, the book lacks practical examples of how this concept could be implemented in various contexts. What specific measures could be taken to integrate this idea into economic policies? How could such a concept be adapted to countries with varying levels of development?

Furthermore, Uemura could have expanded his critique of the neoclassical paradigm. Although he acknowledges the theoretical stagnation caused by the dominance of the Walrasian paradigm, the author does not sufficiently explore the reasons for its persistence nor the practical impacts of its hegemony in policy decisions. An illustrative example would be how policies based on general equilibrium models — as promoted by institutions such as the IMF — failed to predict financial crises or address systemic inequalities. A more systematic analysis of its persistence could strengthen the argument in favor of the theoretical pluralism advocated by the book.

The task of tracing a genealogy of ideas, as proposed in Hiroyasu Uemura's *Japanese Institutional Post-Keynesians Revisited*, involves both teleological and epistemological challenges. The teleological nature of this approach can be problematic because it implies a linear view of the development of thought, suggesting that ideas evolve in a predetermined direction or toward a final goal. By attempting to trace a line of continuity from Marx, Keynes, and institutionalism to Japanese post-Keynesian approaches, there is a risk of reducing the historical and conceptual complexity of debates into a progressive or inevitable path. This simplification overlooks the ruptures, divergences, and uncertainties that mark the evolution of ideas over time. Rather than a linear succession of influences, ideas may develop through internal tensions and responses to specific contexts, making the teleological trajectory a reductive view.

Besides, the epistemological problem arises when attempting to identify sources of influence rigidly. The genealogy of ideas requires the construction of a network of intellectual connections, but these connections can be interpreted in various ways, depending on the perspective of the historian or philosopher. The concept of influence itself is highly problematic: it is difficult to determine the extent to which an idea is a direct continuation of another or if it emerges as a critical

response or an adaptation of prior thought. Rather than a simple evolution, influences can be complex, involving processes of appropriation, transformation, and even rejection of certain pre-existing notions. The epistemological error lies in treating ideas as if they follow a clear trajectory, ignoring the multiple layers of meaning and underlying conflicts in the transformations of economic thought.

The genealogy proposed by Uemura also risks overloading ideas with excessive continuity, overlooking the aspects of rupture and innovation that are often present in the development of economic thought. Marx, Keynes, and the institutionalists were not merely passive influences or predecessors; they interacted dynamically with the political, social, and economic conditions of their respective times. Instead of treating them as simply predecessors of an uninterrupted tradition, it would be more enriching to focus on the conceptual ruptures and divergences that occurred, not only between them but also among their various interpretations in the post-Keynesian Japanese context.

Moreover, when attempting to map this evolution of ideas into a genealogy, one may fall into an error of anachronism, attributing uniformity or meaning to historical concepts that did not exist at the time of their formulation. Epistemological anachronism arises when reading the thought of figures like Marx or Keynes through the lenses of later theories or with a preconceived idea of what one expects to find, ignoring the contextual nuances and the contemporary debates of those figures. This can distort the understanding of their original contributions and lead to the creation of an artificial genealogy that does not accurately reflect the complex dialogues these thinkers had with their time and with each other.

The problem becomes particularly evident when Uemura critiques the 'insufficiencies' in the works of Marx and Keynes but fails to provide equally robust theoretical answers in the proposals of the Japanese authors he analyzes. The Japanese contributions, often centered on empirical analysis, do not present significant conceptual innovations that could overcome the limitations identified in the approaches of Marx and Keynes, which weakens the authors' proposals as solid theoretical alternatives. Thus, Uemura ends up not providing a substantial advancement in relation to the issues he himself raises.

The exercise of a genealogy of ideas, especially in such an interconnected and multifaceted field as economics, requires a critical and reflective approach to the assumptions that guide the research. The attempt to link Marx, Keynes, and institutionalism to the Japanese post-Keynesian tradition must recognize the limitations of historical and epistemological interpretation, without falling into the temptation to seek a cohesive order or narrative that obscures the diversity of perspectives and the role of historical contingencies. The genealogy of ideas must, therefore, be a practice of constant questioning, capable of reflecting the complexity of the transformations of thought without reducing intellectual trajectories to a simple timeline.

## Impact and Contemporary Relevance

The relevance of the book is indisputable in a time of global economic and environmental crisis. The focus on "institutionalism in a broad sense" as a lens for analyzing the challenges of the 21st century offers a valuable contribution to contemporary political economy. Uemura's ideas on the interaction between economic growth, income distribution, and sustainability provide a starting

point for rethinking dominant economic models. This is evident in his approach to pressing global issues, such as economic inequality, environmental degradation, and financial instability. Uemura demonstrates that the integration of Keynesian, Marxist, and institutionalist ideas provides powerful analytical tools for addressing these challenges.

For instance, Uemura's analysis of Samuel Bowles' contributions and his "moral economy" is particularly pertinent in a time of growing social distrust and political polarization. Bowles suggests that social preferences and cultural norms may shape the economy more effectively than purely monetary incentives. Practical applications of this concept include public policy programs designed to "crowd in" cooperative behaviors rather than replacing them with market mechanisms.

Another example is Shigenobu Kishimoto's critique of the illusionary perceptions of social homogeneity in Japan, such as the myth that the country was composed of a "universal middle class." This analysis is essential in deconstructing political narratives that mask structural inequalities, and it can be applied in international contexts to question neoliberal narratives of universal social mobility.

However, the book leaves open questions about its applicability to contexts outside of Japan and advanced economies. The predominance of examples and references to the Japanese reality, while understandable, limits the universality of the theories presented. Uemura could have expanded his analysis to include comparisons with other Asian economies or emerging countries, thereby enriching the global impact of the book. A greater inclusion of international comparisons could enhance the debate and broaden the book's influence in the global academic scene.

Indeed, a significant gap in Uemura's work lies in the apparent lack of a critical reflection on the epistemological and teleological challenges involved in the genealogy of ideas he presents. While the author seeks to connect Japanese post-Keynesian traditions with the influences of Marx, Keynes, and institutionalism, he seems to underappreciate the risk of treating these influences as a linear or inevitable continuity, which may result in an oversimplification of the historical and ideological complexity of interactions between these thinkers. The absence of a deeper critique of the tensions and conceptual ruptures that shaped these traditions of thought diminishes the work's ability to capture the real dynamic of the development of economic ideas. By not addressing these epistemological issues, Uemura inadvertently reinforces a one-dimensional view of intellectual influences, ultimately impoverishing the understanding of the historical phenomenon he seeks to analyze. This gap is particularly significant for a work that aims to revisit intellectual traditions in such a comprehensive manner, as a more reflective analysis of the relationships between ideas would have provided a richer and more critical view of the complex web of influences and ruptures permeating Japanese economic thought.

## Connection with the Current Context

Japanese Institutional Post-Keynesians Revisited: Inheritance from Marx, Keynes and Institutionalism engages deeply with contemporary global challenges. By revisiting the theoretical contributions of Japanese post-Keynesian institutional economists, the book proposes analytical and conceptual solutions that are highly relevant to the structural problems the world faces in the 21st

century, such as economic inequality, the climate crisis, institutional fragility, and the complex dynamics of economic globalization.

## Economic Inequality and Social Justice

One of the most impactful contributions of the book is the emphasis on the role of institutions in mitigating economic inequality. Uemura explores, for example, Tsuneo Ishikawa's work on the dual structure of the Japanese labor market, highlighting how the fragmentation between regular and non-regular workers contributed to rising inequality in Japan. This analysis can be extended to other contemporary economies, where informal and precarious labor markets are the norm.

In the current context, Ishikawa's proposals on developing a "professional market as social capital" are highly relevant. This idea suggests that investments in education, training, and labor security could create a more equitable and resilient labor market, reducing income disparities and promoting worker autonomy. Such an approach resonates with international debates on universal basic income and broad social protection as responses to rising inequality in the post-COVID world.

## Climate Crisis and Sustainability

Another central point of connection with the present is Shigeto Tsuru's analysis of the incompatibility between unchecked economic growth and environmental sustainability. Tsuru was one of the first economists to propose a "political economy of systemic reform," addressing issues such as environmental degradation and the natural limits of capitalism. This perspective is gaining increasing prominence in a time when the climate crisis can no longer be ignored.

The concept of "common social capital," developed by Hirofumi Uzawa and analyzed in the book, offers a practical alternative for addressing sustainability. Uzawa suggests that resources like forests, potable water, and clean energy should be managed as collective assets, with regulations ensuring their preservation for future generations. A recent example of the applicability of this idea is the European Green Deal, which seeks to align economic growth with ecological transition. Still, the book could delve deeper into how these ideas could be implemented in developing economies, where conflicts between development and environmental preservation are more acute.

### Globalization and Economic Regulation

In the contemporary global landscape, the role of regulatory institutions has become central due to the increasing complexity of supply chains and international trade. Uemura discusses Japan's economic integration into the global economy, highlighting the contributions of Yoshikazu Miyazaki and Mitsuharu Itoh on the interdependence between large corporations, the state, and international trade. This analysis is essential to understanding recent phenomena, such as the reconfiguration of supply chains after the COVID-19 pandemic and the trade tensions between the United States and China.

The theory of regulation, explored in the book through Robert Boyer's work, provides valuable insights into how institutions can mediate economic crises and ensure social stability. The application of this framework can be seen in recent policies, such as the reforms proposed in the



United States under President Joe Biden, which aim to balance economic stimulus, social protection, and technological innovation.

## Post-COVID Institutional Challenges

Uemura's work is particularly relevant for understanding the institutional challenges of the post-pandemic world. COVID-19 exposed vulnerabilities in global economic systems, including over-reliance on centralized supply chains and the inability of many countries to respond to health and economic crises in a coordinated manner. The concept of "institutionalism in a broad sense," which emphasizes the interaction between various actors—governments, businesses, and civil society—suggests pathways for more resilient and adaptable economic planning.

For example, Samuel Bowles' proposal, discussed in the book, to promote cooperative social preferences through public policies is essential for addressing the challenges of social cohesion and economic reconstruction. Programs that combine direct financial support to the population with incentives for strengthening local communities are practical examples of this approach, such as the "Build Back Better Plan" in the United States and the post-pandemic recovery efforts in the European Union.

By connecting historical theories with contemporary problems, Uemura offers a robust theoretical guide for interpreting current crises and proposing innovative solutions. However, its practical application requires greater detail and adaptation to diverse contexts.

## 4. Conclusion

Japanese Institutional Post-Keynesians Revisited: Inheritance from Marx, Keynes and Institutionalism by Hiroyasu Uemura provides a unique theoretical contribution by revisiting and integrating the Marxist, Keynesian, and institutionalist traditions with the original contributions of Japanese economists. The work not only recovers the intellectual legacy of these thinkers but also proposes theoretical and methodological paths for addressing the challenges of the 21st century, including economic inequality, environmental degradation, and institutional fragility.

One of the book's greatest strengths is its emphasis on theoretical pluralism, illustrated by Eiichi Sugimoto's concept of "creative rivalry," and the application of "institutionalism in a broad sense" as an analytical tool. This approach provides a solid foundation for transcending the limitations of the neoclassical paradigm and proposing more comprehensive and realistic alternatives. Moreover, the book connects these theories to contemporary practice by addressing issues such as the climate crisis, the role of the state, and the impact of globalization on the economy.

However, the book faces challenges in translating its proposals into practice. The lack of concrete examples regarding the implementation of the ideas presented limits the immediate applicability of the work. Additionally, the predominant focus on the Japanese context reduces the universal reach of the theories, which could be enriched by broader international comparisons.

Uemura's work, while relevant in drawing connections between Japanese post-Keynesian traditions and the influences of Marx, Keynes, and institutionalism, falls short by not sufficiently

addressing the epistemological and teleological challenges involved in the genealogy of ideas. The absence of reflection on the linearity and continuity of intellectual influences results in an overly simplified view that fails to adequately capture the ruptures and dynamic transformations that characterize the development of economic thought. This gap diminishes the analytical depth of the work, neglecting the complex interactions and tensions that define the evolution of economic ideas over time.

Uemura's approach, while seeking to establish genealogical connections between Marx, Keynes, and institutionalism, may indirectly suggest a gap in Thorstein Veblen's thinking, even though this is not explicitly stated. By focusing on the influences of Marx and Keynes on the development of Japanese post-Keynesianism, there is a tendency to highlight certain analytical connections that, by comparison, may weaken Veblen's central role in institutionalism. Veblen, unlike Marx and Keynes, addressed economic issues differently by incorporating a deeper analysis of social, cultural, and technological institutions. His focus on cultural dynamics and his critique of social institutions, particularly in relation to consumption and economic organization, does not easily fit into the categories of analysis used for Marx and Keynes. Thus, by not adequately reflecting on the specifics of Veblen's approach, Uemura may inadvertently overlook the originality and complexity of Veblen's legacy in institutional and neo-institutional thought, without this being an explicit criticism of his work.

Despite these limitations, Uemura's work remains an important read for scholars and students interested in political economy, institutional theory, and the study of contemporary capitalism. It not only illuminates the role of Japanese economists in global debates but also inspires reflections on how to rebuild economic policies in times of crisis. As a theoretical and intellectual proposition, the book offers a relevant starting point for formulating new approaches to economics

## References

BOWLES, S. **The Moral Economy: Why Good Incentives Are No Substitute for Good Citizens**. New Haven: Yale University Press, 2016.

BOYER, R. **The Regulation School: A Critical Introduction**. New York: Columbia University Press, 1990.

KEYNES, J. M. **The General Theory of Employment, Interest and Money**. London: Macmillan, 1936.

TSURU, S. **Institutional Economics Revisited**. Cambridge: Cambridge University Press, 1993.

UEMURA, H. **Japanese Institutional Post-Keynesians Revisited: Inheritance from Marx, Keynes and Institutionalism**. Springer, 2023.

UZAWA, H. **Economic Analysis of Social Common Capital**. Cambridge: Cambridge University Press, 2005.

VEBLEN, T. **The Theory of the Leisure Class**. New York: Macmillan, 1899.