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## “Handling With the Crisis: The Heterodox Economics or Orthodox Economics?”

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### Abstract

Until 2008, world encountered a huge economics crisis and this crisis has not been overcome yet. Even conservative ideologs state that the system must be changed. So, the question is in here, ‘how will it be achieve?’ Until 1970, economics ideologs depicted how an economics would be. But, their solutions seem to come to an end or would it be really end? In this study, we aim to investigate the difference between the heterodox economics-the orthodox economicswhether there will be a solution crisis or not. Because, their views to look at the economical relationships determine the economical trend. The deadlocks of the system has been caused by the applications of the orthodox economics which is also called neo-classical economics for a long time. Thus, we will examine if there are some other solutions to cope with crisis or not. And then, we will glance to 2008 crisis in order to understand if the point of view to economics problems will be changed or not. Consequently, by the mediation of the difference of the orthodox economics and the heterodox economics will be investigated in order to create a solutions the crisis which have been continuing until 2008.

**Keywords:** heterodox economics, orthodox economics, debt crisis, responce of policy makers, new economics policies, sustainabilty growth.

**JEL Classification:** B10, B14, B50.

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# HANDLING WITH THE CRISIS: THE HETERODOX ECONOMICS OR THE ORTHODOX ECONOMICS?

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## ABTRACT

Until 2008, world encountered a huge economics crisis and this crisis has not been overcome yet. Even conservative ideologists state that the system must be changed. So, the question is in here, 'how will it be achieved?' Until 1970, economics ideologists depicted how an economics would be. But, their solutions seem to come to an end or would it be really end? In this study, we aim to investigate the difference between the heterodox economics-the orthodox economics whether there will be a solution to crisis or not. Because, their views to look at the economical relationships determine the economical trend. The deadlocks of the system has been caused by the applications of the orthodox economics which is also called neo-classical economics for a long time. Thus, we will examine if there are some other solutions to cope with crisis or not. And then, we will glance to 2008 crisis in order to understand if the point of view to economics problems will be changed or not. Consequently, by the mediation of the difference of the orthodox economics and the heterodox economics will be investigated in order to create a solutions the crisis which have been continuing until 2008.

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## INTRODUCTION

It is well known that the world has come to a turnout. Many countries, especially even developed ones, are struggling with debt crisis. Thus, economics who are very conservative say that available economics system can not go forward with known receipts. So, there must be a solution for all economics. Because, today's economics system has a great relationship among politics, political science, geography, psychology etc. disciplines. The reason of this today's economics system is much more open all over the world and the world's circumstances and maybe the crisis causes from that case.

Very open economics carries an ideology to interact with world's economics. This study aims to investigate why economics thoughts differs as heterodox-orthodox economics and their effects to the crisis.

Firstly, we will look the difference of these two economics thoughts and if the crisis could be sourced by their differences or not. And we will investigate the relationship between them and ideology. Secondly, we will a glance look the reasons and the history of 2008 crisis and whether there would be a solution. In here, despite we will shortly look at whole crisis general, what have been done before 1980 and what have been done after 1980 in Turkish economics in particular. Lastly, we will bring together the ideologies which lie down behind two economics approaches and investigate if we change our minds to solve problems in a different way, we can handle the crisis.

# THE DILEMMA OF THE ORTHODOX ECONOMICS-THE HETERODOX ECONOMICS

Until 1990, economics in summer started to division in two ways. The economics who says economics bares to classical economics view, but separating from the classical economics in main points called neo-classical economics and the economics who says economics should listen different kind of diciplines and give economics solutions in a different cures called the heterodox economics. So, we can understand that neo-classical economics is also called as the orthodox economics.

“[...] much of the post-Second World War period, mainstream public economics in general and economic policy-making in particular turned away from the fundamental ideas of political economy articulated by Smith, Mill and the classical economists of the eighteenth and nineteenth centuries.” (Adam& Dercon, 2009: 175).

First of all, one can understand that saying the orthodox economics is called neo-classical economics. The heterodox economics generally, the economics approach which is against to it.

Neo-classiccal Economics: “The economics thought advocating supply-sided economics with the opinion of ‘laissez faire-laissez passer’ and producing micro-economics theories with marginal comprehension in static equilibrium.” Neo-classical economics, in a narrow broad sence, started to against the classical economics since 1870 till Keynesian Economics launched in 1920. After 1970’s Neo-classical economics made an appearance until today. It generally argues that market economics which based on the balance of demand and supply and it becomes a dominant view until today again. Classical economics philosophers aim to understand whole economics life of all society when they lived at the first place of capitalism. They benefits from the objective value theory understanding of market. Marx produced labour-value theory after that value theory explaining value with respect to nominative way and bases on subjective labour and utility instead of time-labour view constitute the marginalism and neo-classical thought. Classical economists take into consideration of whole society and three-class structure, on the contrary neo-classical economists see the economics which is formed by the total of individuals. In this structure neo-classical economics claim that make an economics scientific by the mediation of abstraction of the social and the historical system. And they improve their claims via using mathematics, static analysis and deductive methods (by the mediation of majority). They argued that economics dicipline which uses engineering sciences methods such as using mathematics and especially input-output analysis becoming widespread improved instead of a social sciences methods. The main problem of neo-classical economics is, when total factor supply and the technique of production are given, the efficiency of source distribution. In neo-classic opinion, meeting of supply and demand take place in free market, the main principles of them are the utility in terms of consumer, profit maximization and they investigate the distribution of sources with respect to the utility and profit maximization. Neo-classic economics see the society as a whole consisting of firms and individuals and it divides capitalist from entrepreneur and interest from profit.” (Emiroğlu, 2006: 629, 630).

In generally, on calling neo-classical economics as orthodox economics the other economics approaches must be called another describing as heterodox economics. Actually, except neo-classical economics almost all economics approaches can be included by heterodox economics.

Heterodox Economics: We can call the heterodox economics like these sections; Austrain Economics, Behaviorist Economics, Black Politics Economics, Ecological Economics, Evolutionist Economics, Feminist Economics, Historian Economics, Georgist Economics, Institutional Economics, Marxist Economics, Post-Keynesian Economics, Post-modern Economics, Post-colonyal Economics, Rethoric Economics, Social Economics, Sraffa Economics (Emiroğlu, 2006: 346).

“[...] and the methodological/historiographical principles implicitly or explicitly applied. There have been several good histories of schools of thought within heterodox economics (e.g. King 2002; Milonakis and Fine, 2009). While these have referred to institutional factors, they are primarily intellectual histories.” (Dow, 2011: 1160).

Although all heterodox approaches are against to orthodox view, they differ seperately from each other bitterly. However, all of them can be gathered by some commonalities:

- “a set of recurring fairly abstract tradition-specific themes and emphases;
- a multiplicity of attempts within each tradition to theorise around its tradition-specific themes and to form policy stances, or else to determine tradition-specific main units of analysis or other methodological principles based on them. The results are often presented as the theory/policy stances, basic units of analysis, or methodological principles that constitute the relevant tradition’s alternatives to those of the mainstream;

- an *a posteriori* recognition that it is usually impossible to generate very large agreement within any given heterodox tradition on specific 'alternative' theories and policies or specific methodological stances, a recognition typically resulting in an (often begrudging) inference that, even within any one tradition, the only definite common ground in terms of achieved position, is an opposition to the mainstream or 'neoclassical' orthodoxy. [...]

In short, we appear to reach an apparently widely shared assessment of heterodox economics only in terms of what it is not, or rather in terms of that to which it stands opposed; the one widely recognised and accepted feature of all the heterodox traditions is a rejection of the modern mainstream project." (Lawson, 2006: 484, 485).

It is no doubt looking at dictionary meaning of 'heterodox' apprehension to pick all opinions up why it differs from 'orthodox' apprehension: "[...] According to the Shorter Oxford English Dictionary, for example, the qualification heterodox just means '[n]ot in accordance with established doctrines or opinions, or those generally recognised as orthodox'. However, this recognition need not imply that heterodoxy is purely reactive. Nor does it follow that there is little more to be said. Indeed, an explicit rejection of orthodoxy in any sphere is presumably undertaken for certain reasons." (Lawson, 2006: 486).

As well as the issues of orthodox economics differs from heterodox economics of its methodology. Of course, understanding why heterodox economics displays an opponent stands to orthodox economics must be looked by methodological logic. It is well known that orthodox economics would rather use deductivism. On the contrary, heterodox economics' methodology can differ on the one hand from neo-classical economics, on the other hand in all heterodox approaches.

"The coverage of methodological thinking above is partial; it refers only to what may be termed mainstream methodology. But, in addition, there has been a rich literature in methodology outside the mainstream. This literature is distinguished by its integration with theory. Indeed, methodological awareness has been a distinguishing feature of non-mainstream economics precisely because it is on methodological grounds that these approaches differ from the mainstream." (Dow, 1997: 87).

Although most heterodox economics viewers use the simplifications in their arguments, as a methodological way they are oponent to orthodox economists' simplifications. Meanwhile, the most important economists were using this techniques. "While economic schools of thought differ in important ways, their methodology has the common element that conclusions are derived from models that are simplified depictions of reality. The evenly rotating economy of Mises, the partial equilibrium analysis of Marshall, the Walrasian general equilibrium framework popularized by Hicks and Samuelson, all were designed as simplified depictions of economic process, to help shed light on a more complex economic reality. Simplification is the ultimate purpose of modelling. The real world is too complex to understand by observation alone. If this were not true, there would be no reason to construct a model. Because many real-world phenomena cannot be understood just by observing them, a model that is a simplified depiction of reality is useful. The model is designed with the idea that the model's components are related to each other in a manner analogous to their real-world counterparts, so if the relationship among the model's components can be understood, then by analogy, this aspect of the real world can then be understood." (Holcombe, 2011: 58).

Mainstream economists use modelling closed with deductivist methodology which is realized the world as a whole. As far as some thoughts concerned that the biggest lacking of mainstream economics deductivist method's gives much less importance to ontology. Ontology has a direct sense with all living creatures and institutions. So, economics events can be seen as atomistic and empirical. "[...]Deductivism, like any other method, presupposes an ontology, in the sense that the nature of reality must be supposed to be such that it can be investigated using the deductivist method. Although mainstream economics rarely develops ontological arguments, its implicit ontology consists of atomistic, empirical events. More precisely, reality is supposed to be constituted by two domains, the 'actual' and the 'empirical'. The former consists of events and states of affairs, the latter of human experiences of them. These two domains are supposed to be fused, so that actual events are presumed to coexist with their empirical perceptions." (Palermo, 2007: 541).

All these economics thoughts which were written in above more or less against to what the neo-classical economics argues about economics growth.

"In what might be called 'mainstream' or neo-classical development economics, however, the emergence of an explicit 'new' political economy of development is more readily discernible. This can be seen most clearly in the evolving intellectual diagnosis of the 'development problem' by the World Bank, the IMF, and other international agencies, and in how this diagnosis has translated into policy on official development assistance to low-income countries." (Adam & Dercon, 2009: 175).

As it is seen in the above, 'mainstream' or neo-classical economics is supported by the economics agencies which always line up capitalism with. Even, especially, in last six years their receipts given by them to theirselves are controversial, also, the receipts given by them to low-income countries controversial. The main ideology of why neo-classical economics are supported by mainstream volunteers is, it has a connection between globalization. They can see globalisaiton as a unique tool



in order to achieve their goals: available maximum profit. The key word to achieve globalization is non-state applications in here.

Globalization has two meanings: The first one emphasizes that it has an 'devilish' meaning which causes every circumstances happen to all of us. The second one emphasizes that a world which has no walls. However, as a concept 'globalization' has used last ten years of the twentieth century. In the early years of the term it has been used by politicians, administrators of states, firms' executives and authors in order to introduce as a miracle progress to everyone and then it has started to debate by academicians. Even though, globalization uses in daily language the concept started to discuss different main streams as a theoretical problem: One of them concentrates more in liberal approaches, but we can come some 'neo-Marxist' philosophers. "According to them globalization is a phenomenon belongs to 'late twentieth century' and it is a result of 'global economics' deriving from the logic of capitalism. The global economics founds the world entirely." The main concern of it to destroy the supervise and regulatory effects of nation-state which is seen by a term must be destroyed. In the conditions of globalization, nation-state is an institution seeing as archaic term which has completed its time. The state and the labour are pushed the enforcements to obey of steam of capital because of raising of 'the elasticity' of the capital and its political power (Başkaya, 2008: 741, 742).

One can understand that mainstream economics thought see that state economics applications are barriers in front of them. Therefore, they always advise that every obstacles should be removed to open the capital. Hence, we should look the operations of globalization widely.

Globalization, "until the last quarter of the twentieth century, it is the name of given thesis which shows a new period the quantity, speed and quality of circulation of capital and goods." The capital has organised in international, national obstacles have been removed or become minimum, governments have less power in international field, international institutions, non-governments institutions have become more powerful." According to the globalization thesis, it is caused by the development of technology of communication, this progress has not gained not only the capital, know-how transportation, economical, but also decreasing the governments, obtained the power of locality, standardization which could be created by non-economical areas has been obtained human rights and democracy fields. In this thesis neo-liberal economics approach has been presented by irrevocable. In the point of view against this thesis is seen the globalization, is a system which origin can be reached by the time of 'colonialism' organised in the West Europe in economics and politics fields. Also, this view believes that the globalization has been presented by 'the end of the imperialism' is a huge movement alter based on whole economics activities transformed only market and the thesis of the structures created by administrative, politics and law. "The globalization is new ring of imperialism and only the industrialized countries gain acquisitions against to the third world countries." According the other point of view which is not refused by as a phenomenon contrary accepted by its own features, is against to this process's version of neo-liberal approach. In here, they opposite to as one of the exploit system capitalist accumulation process is caused to the north and the south distinction. They suggest an alternative politics of globalization. The communication technology turned to the world stock-exchange centers as one market and this causes to one crisis to the whole world crisis, multinational and transnational firms' investments are overlapped by their old exploit areas. About the circulation of labour is not be liberated. It is suggested that industrialized countries continue to protectionism on the contrary industrializing countries go on much more liberalization and they leave the protectionism. "In developed countries as a conclusion of enduring productivity of economics competition and the superiority of quality is mean to turn back a cut in labourforce has been one of the determined factors of passing from Keynesian economics to neo-liberal economics. In developing countries the apprehension passing from the approach of import substitution to export are crossed. Thus, supply-sided economics has become a superiority, improving flexible production and flexible labourforce applications which are supported by technology, reducing the contribution to the social politics of capital in developed countries class and the acquisitions of union politics have retreated to protection and the hostility of foreign." (Emiroğlu, 2006: 507, 508).

On saying globalization, it must be remembered that neo-classical economics has an imperialism way. Because, globalization is submitted by leaving all boundaries. It is true, however in can be changed by where you stands ideologically. On the one hand, the market uses all sources of a country with shiny words like 'employment, new work branches' etc., on the other hand a country assumes that she will be rich with indirect investments etc. Leaving all boundaries can be seen beneficial, but one can not ignore that it has an 'imperialist' way.

"[...] essential to its survival in the face of the 'economics imperialism' of the mainstream." It can be given two assumptions why heterodox economics are seen by an imperialist aspect of orthodox economics are optimisation and equilibrium. "Optimisation and equilibrium are the core explanatory concepts of modern neoclassical economics. Individual decision makers are assumed to be instrumentally rational in achieving their objectives, and a simultaneous consistency in the plans of all individuals defines what is meant by equilibrium. The beneficial properties of such coordinators are frequently stressed by neoclassical theorists, but this is not a necessary characteristic of orthodox economics, which recognises that systemic outcomes of agents' optimisations, even in equilibrium, can be seriously sub-optimal because of prisoner dilemmas that inhibit

cooperation. These problems have been analysed along with invisible-hand characteristics.” (Mas-Colell *et al.*, 1995; Kreps, 1990; Stiglitz, 1994; Howard&King, 2001: 786, 787).

However, in global world it is expected that industrializing country should open their sources in end of it, against that industrialized countries have some barriers to the foreign capitals. That’s why seen a relationship between globalization and imperialism. If we want to understand why the orthodox economics insist its applications, it will be understood the connection between ideology and hegemony.

According to Gramsci’s hegemony, “a society does not only be administrated by force but also be administrated by convincement. Thus, a society learns how their administers look the circumstances and they will look the circumstances from their administers. The advantage of a group will obviously see by ‘domination’ and ‘intellectual leadership.’ Hereby, dominant group can control the against-group which is probably a volunteer for destroy theirselves.” (Gramsci, 1971; Arrighi, 2000: 54, 55).

In spite of the fact that consumers with the point of view of all economics thoughts, decide their decesions with limited knowledge. As all other administrations, people circuit their economics decisions with their governments. The key point here is how their governments’ decide in order to look at the economics problems. If governments decide to glance globalization and its implementations or look at the implementations in order to protect its own economics, it will determine how people look at economics events by the mediation of a helpful way to globalization or their own countries’ progress.

The orthodox economics use itself both dominant view and intellectual leadership. It is dominant, because its solutions were given every industrializing country. It has an intellectual leadership case, because it was seen itself as unique view and closed its ears the other thoughts. We say ‘were’, beacuse of this until 2008 orthodox economics dream has come to an end. And thoughts could be taken by it will never be the same. Maybe it will change its crust but never ever will be the same.

From at this point we should glance what would be in 2008 and what will be then.



## THE CRISIS IN 2008: ITS REASONS, ITS HISTORY AND SOLUTIONS

“After World War II, constitutioning of Europe and Far Asia was caused partly by socio-economics regulations made by Keynesian public era. This period’s key factors are: A powerful governance on financial activities, financial and monetary politics were offensive used by beating the inflation and the stagnation and high wage regime accelerating the demand.” But, this high growth would started to fall with stagflation in center countries in 1970’s. Reaching to cheap labour, cheap agricultural crop and capturing raw materials were the main activities after 1980’s. Import substitution was valid which curved to domestic market, protected with tariff walls, supported currency with governance and had a power in public. But, this curved structures gave chronic explicit balance of payments. [...] “2008 crisis is a direct production of financializm of capitalism. In centre countries, capital has addict to virtual rent of financial speculation in order to sustain the profit rates. The ideas of new regulations suggesting to be passed available creating institution for supervising do not catch on so much because of reducing this sweet profit of finance world addicted to it. The word games like ‘transparency’ or ‘governance’ of conservative ideologs’ in finance will not give a chance to disappointment and autism.” (Sönmez, 2009: 21, 25).

If 2008 crisis particularly, was caused by financializm of capitalism, Turkey has had a past before entering ‘the global world’ system. Looking what had been done in the past and which circumstances had been changed after 1980, one can understand the difference of the heterodox-the orthodox economics differences.

“The economics politics, which were supported by private sector between 1923-1932, followed by Turkish Republic (T.R.). The mixed-type economics politics applied after 1932 which was mean to rather industrializing both public and private sector investments.” Going a big war out, Turkey found the basis of the industrialization in twenty years without no foundation from abroad. Growth records had been broken even inheriting the loan debt from Ottoman Empire paid. And also, not only private sector investments have been supported, but public sector investments have been supported as well. It was called ‘mixed- type economics model.’ In 1948, Turkey have applied ‘the import substitution model’ in order to get the private sector forward. “The import substitution model is described by protecting with customs walls, working with high percent of profit shares in internal market and consequent of this completing capital stock specializing about production models and high technology and targeting to create a national industry which is ready for internal competition.” A bourgeois class tried to be created like in West. A fare tax system and social state would become a part of a fare sharing of growth, developed West capitalism have been done that system. Namely, West capitalism created his own bourgeois class. If we ask ourselves that Turkey accomplished this or not, the answer is very simply. Big family groups could achieve big capital stocks for Turkey. But, for example, their brand percent of world sharing are still too weak. Founded industries were constituted by old technologies of industrialized countries. “The main deficient of passed thirty years between 1948-1980 with protectionism is, have been created a national industry which have no power to make competition in international areas, have no firms whose could not have power to make production in economics scale have no invest to technological innovation. This national industry does not pioneer and leader in international competition and division of labour. Its structure includes willing to be subcontractor, gives much more importance to labour-intensive sectors, exports intermediate goods and production-goods. Turkey have got a new economics model through in 1980. This is a ‘progress receipt’ have been presented by developed West countries by the mediation of the institutions such as IMF, World Bank etc. to underdeveloped countries. This new model has these slogans: *‘uncontrolled and inintervention market commits better’*, *‘a world which has no interference and unlimited will be much fair and grow faster.’* The first step of this model was trade freedom. Trade freedom means a radical changing in customs politics which have been applying by the early years of our imported goods which were applied by protecting internal market and national production, by protectionist legislation of tariffs, the transition obstacles which was constituted were raised. According to dominant belief the aim of doing this is to open national industry to international competition progressed production technology which is protected by customs walls, fed by incentive economic measures, as a consequent all of this make much more competition and make much more exportation with developed countries. The national production whose met with global competition will produce much more qualified goods with cheap prices and both consumers make profit and Turkish industrialist will become a global producer no longer.” At 1989, ‘the financial deregulation’ put into effect which walks with globalization. “Accessing-egressing money and fortune transportation make completely released. At the point of view of dominant ideology again, the aim of this application is to slide the money current from developed countries to developing countries, to get the securities exchange, to increase deregulation in underdeveloped countries and consequently all of these to make a cheap source to investments. The model which put into our country rule has resulted in adverse effect against to dominant statement. Until 1990, the banking sector was getting expand rapidly, new banks were opened. However, they bankrupted with huge damages. [...] Income distribution have been increasingly getting worse year by year. Especially, the model which is formed by internal debt interest payments and bad tax system is one of the most important reasons to be spoiled of income distribution.” When import raised much more than export, Turkey has faced to trade balance deficit. Turkey has apply to foreign lending in order to close in parallel with raised current deficit and trade every year balance deficit. In this time, while she has to be increased the expences of research and development (R&D) which is necessary for high technological production, domestic production has been engaged by import. Turkey, especially become an importer country in raised percent of raw material and intermediate goods. The main reason of why Turkey keeps constanly in crisis is that controlling the

process of unplanned, uncontrolled, aimless, irregular process to have been joined the global economics started until 1980. (Soral, 2011: 19, 23).

Until 1950, Turkey has achieved many things by the mediation of Republic. But, after 1950 a different thought came to the power and they changed the administration style. According to that thought (from 1950 until today), Turkey should have opened its doors for everything in industrialized world. An industrializing country, nobody against to be developed better one than it has to be in the past. Besides, opening a country's walls do not mean opening every source of a country. In Turkey, the problem started from this point. Administrators started to not listen to the other thoughts about economics field. So, we can describe this situation with Gramsci's hegemony. Just as orthodox economics has a claim that it should be an 'intellectual leadership' for economics field, the administrators of economics did not plan integrated globalization as intellectual leadership.

When looking from the point of view of big capital groups in Turkey, the question must be asked in here is very simple, big family groups could not have accomplished international trade mark until 1980, why would have achieved after 1980? Because, if new models included uncontrolled and free market strategies, somebody would do to be an international trade mark. The reason of this, in 'global' world only 'too big' firms let to be a global trade. Rest of the firms settle to be a middle trade marks. It is caused by neo-classical economics thought let this situation in this way.

Mainstream economists claim that after Turkey entered the global world, it has integrated 'the global world' much more than earlier and it has caused to be growth. Of course, with this situation Turkey has improved her economy, on the other hand has great problems of intermediate goods and raw materials. Especially, unplanned, uncontrolled applications give harmful effects than good ones. We can see this situation, we look at some numbers in the below:

"Turkey's outstanding external debt has reached from 114 billion dollars to 282 billion dollars last 10 years from 2001 to 2010. In other words, Turkey, has made onto 168 billion dollars debt stock in 9 years against to 114 billion dollars the debt stock which has been made total 61 years between 1940-2001. [...] In 2008, Turkey's total debt stock has increased to 278 billion dollars. More than 185 billion dollars of this belongs to private sector. [...] More than 122 billion dollars of this 185 billion dollars private sector debt belongs to real sector. Consequently of this table is foreign lending has slid from public to private sector, the more interesting is, borrowing is being made by directly non-financial institutions. The third quarter of 2010 year, the circumstance has not changed. Total outstanding external debt is still 282 billion dollars, 178 billion dollars of this belongs to private sector, 108 billion dollars debt of private sector belongs to non-financial institutions. [...] One of the reasons of intensely borrowing of real sector is to finance the importation. The private sector which is not caught the appropriate macro conditions in order to make production in domestic market has turned to importation not to deceive both enterprise capital and equity capital. The macro climate have the advantage of importation not domestic production." (Soral, 2011: 37, 40).

"The main problem of Turkey is not making enough production and because of this we have unemployment. Our country will never get 'lasting crisis country' with available model rid of. [...] Producing intermediate goods and raw material which are used by importation will be given priority. Public sector and private sector will be partner by the mediation of using the sources of country. The collaboration between public and private sector is important in terms of creating local firms which can make global competition, enduring with high-technology. [...] 'Crong capitalism' is very widespread in Turkey. So, executive and judgment applications must be applied equal by both domestic investor and foreign investor. Politics should be mediated by privilege in economics area. [...]" Economics must be target to finance investments instead of to finance importation. [...] "Turkey has a chance to make her trade with EU member countries easily, however she has to make her trade with non-member countries according to Customs Union (CU) conditions. CU agreement should be revised again. If some recruitment were not applied, Turkey would withdraw from this agreement with EU member countries." (Soral, 2011: 106, 108).

At this point, we must say neo-classical economics which is called as orthodox economics either has a conservative structure. This conservation is occurred by not to esteemed rest of other thoughts except itself, not to get out of a way known best hand. Actually, the closing friendship between orthodox economics and ideology which surrounds every field of our lives and forms of our views occurs as 'crisis' against to us. In here, one can ask like 'is there any relationship between other economics trends and ideology?' Ideology is in everywhere and in everything. Namely, there is absolutely ideology where people exist. The difference between orthodox economics and heterodox economics in terms of connection of ideology is orthodox economics can try anything not to catch the dominance in its hands, being capital-focus not being instead of human-focus.

The main source of growing of economics is capital. However, the approach about how this capital will be available determines the ideological view. Economics make mathematical model completely, make priority only micro economics, make within a framework of supply-demand balance investigate balance, price and the distribution of output are the consequences of neo-classical economics.

## CONCLUSION

The neo-classical economics which is also called the orthodox economics is the main cause of crisis living in today. One can understand why it causes a global crisis: just as colonialism era, countries materials are exploited, today's countries banking system, financial system, production system are exploited.

As a contagious disease starting from USA in 2008, the world suffers from a huge crisis. The key word is in here, national-government sytem were deactivated. The aim of doing this in order to give high percent of economics profits' to 'the global firms.' Neo-classical economics tools were used by to gain these profits. According to our opinion, governments should listen what the heterodox economics says much more yesterday. Because, as it is called the heterodox economics is against to the applications of the orthodox economics. The heterodox economics' the most important creature is not to be imperialist, on the other hand the orthodox economics have but.

If we want to beat this huge crisis as a whole world, countries put into effect applications of the orthodox economics to protect the harmful effects of it. However, it does not mean to close autism but be prudent what global world wants.

Consequently, until today the orthodox economics thoughts listened, from now on the heterodox economics views should be listen much more.

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