
Foreword

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1 Introduction

Robert Skidelsky (2009) recently wrote “it was to be expected that our present economic traumas would call into question the state of economics”. While many of us have been questioning economics and economics education for some time, the crisis has no doubt redoubled the criticism and soul-searching among economics and the general public. A central theme of the papers of this issue is that with due consideration to the human suffering caused by this financial crisis, the economics profession has a golden opportunity to remake itself so that it once again can be useful in solving society’s growing problems.

2 Contents of the current issue

2.1 *General articles on pluralism and economics*

Ioana Negru, of Anglia Ruskin University in Cambridge (UK) starts off this section exploring the issues surrounding the offering and delivery of a pluralist orientation within the teaching of economics and how this affects critical thinking in economics. She discusses the distinction between plurality and pluralism, and then offers suggestions for delivering an economics pedagogy that subscribes to pluralism.

A preponderant objective of the *IJPEE* is “to foster and encourage inquisitive cooperation... between economics and other disciplines” [Reardon, (2009), p.1]. To do so is necessary since “economic problems have no sharp edges; they shade off imperceptibly into politics, sociology and ethics” [Kenneth Boulding, quoted in Murphy and Ellis (1996), p.96]. This issue of the *IJPEE* launches a series of primers on the social sciences,

humanities and natural sciences. If economics is to help solve our problems we must learn from other disciplines, for we “cannot understand contemporary societies very well unless politics, economics, psychology, and the other social science disciplines are all brought together to study the complexities of modern life” [Bowles et al., (2005), p.51]. Granted this should have been done a long time ago as Skidelsky (2009) writes “after Keynes, economists should have aligned their discipline with other social scientists concerned with human behaviour. Keynes opened the way to political economy; but economists opted for a regressive research programme, disguised by sophisticated mathematics that set it apart.... [nevertheless] the present crisis gives us an opportunity to try again”.

I am cognisant of the significant barriers preventing researchers in different fields from working together, for as Schumpeter (1954, p.27) warned,

“it is by no means certain that closer cooperation, so often clamored for by laymen [sic] who expect great things from cross-fertilization with a certainty untroubled by professional competence, would have been an unmixed blessing. For it could certainly not have brought net gains because there would have been some loss of that efficiency which is the result of strict or narrow specialization... cross fertilization might easily result in cross-sterilization.”

I would add that the arrogance and hubris of mainstream economics is most culpable. Despite the formidable barriers, ‘cross-fertilisation’ is necessary since “reality itself is not organised along disciplinary lines” [Weehuizen, (2007), p.165].

Asking a specialist to write a primer for non-specialists is difficult: he/she must capture the essence of the discipline so that it tantalises the reader, while at the same time deciding what to include and what to omit. The *IJPEE* has three simple requirements:

- 1 brevity
- 2 discussion of the major principles of the field, along with intra-discipline controversy
- 3 emphasise any commonalities and/or any obstacles that might encourage or preclude cooperation.

I do not have any grandiose objectives of this series other than that economics needs to dismantle its self-imposed exile and actively engage in a working dialogue with other disciplines. The *IJPEE* will take an active lead in encouraging and developing this cross-fertilisation.

We begin our series with a primer on anthropology by Thomas Eriksen of the University of Oslo. I wish I could say that this decision was alphabetical; however, I got the idea for this series while reading Eriksen’s (2001) *A History of Anthropology*. I was struck by the profundity of his observation, “To know the world is to contribute to its creation” (2001, p.14).

Eriksen tells us that anthropology is “the comparative study of cultural and social life. Its most important method is participant observation, which consists in lengthy fieldwork in a specific social setting.” He notes that “although anthropologists have wide-ranging and frequently highly specialised interests, they share a common concern in trying to understand both connections *within* societies and connections *between* societies.” A commonality between anthropology and heterodox economics is that “a society or a culture must be understood on its own terms. Anthropologists are, thus, suspicious of any application of a shared, universal scale to be used in the evaluation of every society.”

2.2 *Incorporating pluralism into the classroom*

The pedagogical section begins with an article by Fred Lee of the University of Missouri at Kansas City. This article holds a special place in my heart. I got the idea for my book on pluralist economics (published by Routledge in 2009) while preparing discussant comments on Fred's paper (an earlier version of this one) at the 2005 Western Social Science Conference in Albuquerque. And this journal is a logical outgrowth of my book.

While the usefulness of mainstream microeconomics has long been questioned, its great strength is "the absence of a well-developed, coherent alternative. The pressure to teach something often results in orthodox microeconomics ruling the roost" [Keen, (2009), p.120]. But as Fred laments, at the graduate level students are taught microeconomics without any critical evaluation and in a historically incoherent fashion. Fred Lee provides much needed guidance how to teach a pluralist and a heterodox microeconomics at the graduate level.¹ Fred restructures the graduate micro course so that it becomes useful to understand the evolution of economics and efficacious in solving societal problems. Fred's paper provides helpful guidance for anyone wishing to teach graduate microeconomics from a pluralist and heterodox perspective. He also provides a superlative reading list which every economist should read.

2.2.1 *Mini-symposium on money, banking and the financial crisis*

The economics profession has been disparaged for not predicting the crisis and not understanding it as it unfolded. Pluralists and heterodox economists, on the other hand, were much more clairvoyant in warning against the excesses. This mini-symposium on improving pedagogy in money, banking and finance, from a pluralist perspective, aims to understand the current crisis in order to prevent future ones.

Deb Figart, of the University of Southern Maine, opens the series by noting that 'students are interested in the subject matter while sceptical about the discipline.' What a wonderfully accurate line! Since most students know someone directly affected by this crisis, what a wonderful opportunity to engage students directly into the different disciplines of economics, and specifically to discuss the fault line in the Keynesian-neoclassical synthesis. Skip the chalk and talk and bring students' life stories directly into the classroom.

The next paper by Nobert Haering of Frankfurt, Germany, superbly documents the symbiotic and intrinsic power relationship between capitalism and banking. He explains the causes of this relationship which has been present since the inception of capitalism. His paper explains past financial crises and why fair and democratic solutions to the present crisis have not been implemented. It becomes patently clear, after reading this article, why in the USA, "both parties are going to Wall Street seeking campaign donations to fund critically important television advertising in the months ahead. In recent years, the financial industry has become the second biggest source of campaign contributions in America... it is hard to bite the hand that feeds you" (Reich, 2010). It is only by understanding the existence of power that democratic and efficacious solutions can be crafted.

Discussion of power, or even acknowledging its existence is absent in mainstream texts:

“The only power that appears in the [mainstream] textbooks is market power – the power of some seller to influence the prices of their products. Yet, in the actual economy, power appears in many forms... Perhaps the most glaring example of the omission of power in the standard textbooks is their silence about the influence of business on government policy, and on the legal and regulatory framework within which markets operate.” [Hill and Myatt, (2010), p.251]

No better example exists than Mankiw’s (2009) recent article in the *New York Times*. He acknowledged that after the financial crisis “some subtle [pedagogical] changes will have to be made, including the role of financial institutions. Here’s the problem: Financial institutions are like stage hands who work behind the scenes at the theaters. If they are doing their jobs well, the audience can easily forget their presence.”

Yet, these stagehands have crafted a symbiotic and cozy relationship with the government. And how can we forget their presence when, at least here in the USA – the provenance of the present crisis – the stagehands have lobbied for extensive deregulation and favourable legislation, while accounting for the largest share of GDP? [Phillips, (2008), especially pp.29–68].

If economics is to become useful once again, it must jettison its arrogance and lack of humility. Indeed “the rap on economists, only somewhat exaggerated is that they are overconfident, unrealistic and political... and they take sides in quarrels that freeze research” (Coy, 2009). In same article quoted above, Mankiw (2009) asks if the economics crisis will change the content of the freshman course. “Not as much as you would like” he writes. “We still have to teach the bread and butter issues, the gains from trade, supply and demand, the efficient properties of markets and so on. These topics will remain the bread and butter of introductory courses”. It is hubris run amuck that assumes we only need minor adjustments; that we can continue teaching the same topics, and that few if any topics now omitted should be included.

While the goal of the *IJPEE* is to foster new and innovative pedagogical devices we see nothing wrong with harnessing traditional tools in order to serve pluralist ends. Marc Lavoie, of the University of Ottawa, skilfully uses the aggregate demand/aggregate supply (AD/AS) framework to explain the current financial crisis. While many heterodox economists question the usefulness of the AD/AS framework, given its obfuscation of the message of Keynes and its use of simplistic assumptions, it is nevertheless, familiar to all economists and it is “has been widely applied in analysis of cyclical fluctuations and macroeconomic policy and in forecasting” [Abel et al., (2011), p.310]. Thus, if used skilfully, as done here, it serves as a powerful pedagogical tool.

Stephen Kinsella of the University of Limerick (Ireland) writes that pedagogical pluralism is difficult to implement in practice. Indeed, a uniform recipe for pluralism does not exist – if so would it be pluralism? Kinsella suggests giving every model due consideration in the classroom. He compares and contrasts two different approaches to teaching monetary economics: the neoclassical dynamic general equilibrium model and the Post-Keynesian stock flow model. Is there an inherent contradiction in teaching both? Does one approach have an obvious advantage over another? Can an educator interested in pedagogical pluralism thread a middle line?

3 Conclusions

I am pleased to announce two new members to the Executive Editorial Board. Maria Madi, from the State University of Campinas in Sao Paulo is an Associate Editor of Pedagogy. And Sudipta Bhattacharyya of Visva-Bharati University in West Bengal, India is the new book Editor of the *IJPEE*. We hope to have a vibrant book review section by the March 2011 issue. If you have either a suggestion for books to review or would like to review a book yourself please contact Sudipta.

The *IJPEE* is open to all articles in economics, pluralism and economics education, regardless of ideology. Our editors and referees will never reject a paper based on ideology; and there is not any school or discipline (old or new) that collectively we are not knowledgeable of. We are always interested in articles that challenge the boundaries and assumptions of economics while moving economics education forward.

Editing a new journal in economics education is exhilarating. The most rewarding aspect of this job is meeting people from all over the world interested in reforming economics and economics education. I thank the talented people at Inderscience; the always helpful suggestions from our Editorial Board and especially you the reader. We are most interested in hearing your comments on previously published articles and suggestions for future issues.

We need an economics education that is open, tolerant, inquisitive, less arrogant and eager to learn from other disciplines. I hope that the papers in this issue nudge us in that direction.

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Notes

- 1 Wolfram Elsner's new intermediate text on microeconomics taught from an evolutionary perspective will be published by Edgar Elgar in 2011.