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## Foreword

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**Biographical notes:** Jack Reardon is a Professor at the School of Business at Hamline University. His research interests include energy and the environment, economic education and labour economics. His most recent book, *The Handbook of Pluralist Economics Education*, was published by Routledge in 2009. He is currently writing a principles of economics textbook to be published by Pluto Press in 2014.

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### 1 Why a special issue on Indian economics education?

I have been very fortunate to visit India several times. I feel a strong attraction to India that pulls at me and increases after every visit. Is it the people, the culture, the history, the food, the wonderful diversity? Certainly a little of each, although for me there is a deeper, visceral, cerebral attraction, perfectly captured by E.P. Thompson,

“All the convergent influences of the world run through this society: Hindu, Moslem, Christian, secular, Stalinist, liberal, Maoist, democratic socialist, Gandhian. There is not a thought that is being thought in the West or East that is not active in some Indian mind.” [Quoted in Sen, (2005), p.117]

Wood (2007, p.20) tells us that India “is a modern state in the 21st century that has preserved habits from its deepest past, and from that of humanity as a whole. It is nothing less than a laboratory of the human race”.

For me no Indian city embodies the ‘convergent influences’ and ‘the laboratory of the human race’ – as well as the spirit of humanity – more than Kolkata, India’s seventh largest city with a population of 4.4 million.<sup>1</sup> Kolkata was the first Indian city I visited – my gateway to India. I found the city wonderfully alive: bustling, noisy, redolent with enticing aromas; a cacophony of humanity – a city that can only be experienced with all five senses.

From the urban cacophony of Kolkata I took a three hour rail trip (160 km) north to Santiniketan – a wonderfully peaceful, verdant town, whose name literally means abode of peace. My purpose was to visit and lecture at Visva-Bharati University, founded by the poet, novelist, philosopher, and educator Rabindranath Tagore (1861 -- 1941), the first non-westerner to be awarded the Nobel Prize (for literature in 1913).

Tagore excoriated Indian schools under British rule as dull, dreary, lifeless – sucking the inquisitiveness out of young pupils, and devoted his life to reformation of Indian education at all levels. He used his fame and prize money from the Nobel to found

Visva-Bharati University in 1921, as a novel and avant-garde university, a university where east meets west. ‘Visva-Bharati’ literally means the communion of the world with India<sup>2</sup> and Tagore envisioned Visva Bharati University as a “nest where the minds of the East and the West would meet, interact to contribute to the enrichment of Indian culture and education – an ideal centre of higher education for all branches of study” [Neogy, (2010), p.90].<sup>3</sup>

It is impossible to adequately summarise Tagore’s life, his prodigious scholarly output, his zeal for educating students, the herculean efforts in establishing Visva-Bharati University, or his philosophy – all of which provide inspiration for my role as editor of a journal on pluralism and economics education – never mind in just a few paragraphs in this essay.<sup>4</sup> Nevertheless, for me the key elements of his philosophy that inspire me in my own work (I keep a small portrait of him on my desk) are the following:

- education is crucial and integral and should be focused on solving existing problems
- intellectual freedom is necessary in order to learn
- east can offer a lot to the west and vice versa
- pluralism is a central component in learning
- his passion for teaching.

These elements coalesce in this wonderful (and highly inspirational) snippet taken from his poem Gitanjali:

“Where the mind is without fear and the head is held high;  
Where knowledge is free;  
Where the world has not been broken up into fragments by narrow domestic walls;  
Where the clear stream of reason has not lost its way in the dreary sand of dead habit;...  
Into that heaven of freedom, my Father, let my country awake.”<sup>5</sup>

Unfortunately, the world of economics has been broken into fragments, while the clear stream of reason has already lost its way in the dreary sand of dead habit, thanks to the hegemony of neoclassical economics. But we hope that pluralism can help resuscitate economics so it is once again useful in solving our problems. I draw inspiration not just from Tagore but from India’s rich legacy of pluralism, acceptance of diversity and tolerance. Tagore is only one of many from a long and rich history of humanistic thinkers and leaders.

Certainly one of my favourites from India’s past is Emperor Akbar, a Muslim who ruled for 49 years during the Moghul Dynasty (1526 -- 1857). Akbar’s rule commenced “a glorious period in Indian history” [Early, (2007), p.384] in terms of cultural and architectural achievements, along with pluralism and religious toleration. He embraced the diversity of his peoples and actively engaged in widespread and deep conversation and dialogue among the different practitioners [Sen, (2005), p.39]. Indeed, Sen (2005, p.39) tells us that active tolerance and deliberate dialogue “are interlinked features of a rich and integrated understanding of a diverse society”. At Akbar’s court, scholars came from all over the world to debate, dialogue and learn from each other.

This notion of dialogue which is central to a democracy and to the free flow of ideas, is traced back to Ashoka (304–232 BCE) who ruled most of India from 261 to 232 BCE and is considered by many to be one of India's greatest rulers [Luce, (2006), p.69], largely for his frequent councils and commitment to dialogue [Sen, (2005), pp.15–16]. Such values underlie Indian's political system (India is the world's largest democracy) and, of course, its constitution. Chua (2007, pp.313–314, p.313) writes

“The fact that India exists at all – especially as a democracy – is a triumph of tolerance. Both Mahatma Gandhi and Jawaharlal Nehru<sup>6</sup>, two of India's founding fathers, were leading voices of tolerance in the twentieth century ... India has juggled a dizzying array of discrete microcultures, religions, castes, sects, and ethnic and tribal groups.”

India is of course not without its own problems: it must feed its 1.2 billion people; it must grow sustainably, it must resolve the growing problem of income inequality, while at the same time not excluding or marginalising her minorities.

Given India's population and impressive growth rates over the last two decades, a question many experts are asking is: will India become an economic superpower and overtake the USA and China?<sup>7</sup> A more relevant and pressing question, however, for India's 1.2 billion citizens is: Can India provision for her people? Along with a very much related question: is economics helpful or a hindrance in India's goal to provision for her people? This leads us to the special issue on Indian economics education.

## 2 Introducing the articles

When I first visited India a friend cautioned: do not try to see all of India; it is too big and too diverse, just enjoy one slice at a time. Generic advice, I thought, equally appropriate for any country. But after my first visit, I realised that this is more than true: India is geographically, economically, spiritually, ethnically and culturally, wonderfully diverse. The best one can hope for is to enjoy one small slice of India and (hope to) return to enjoy another slice.

In preparing this special issue, with only 122 pages, we proffer the same advice: The included papers perhaps do not do justice to the wonderful diversity of the Indian economy or Indian economics education. At best, we can offer an overview and hope to pique readers' interest enough to invite further dialogue.

First and foremost, I would like to thank my good friend and guest editor for this special issue, Sudipta Bhattacharyya, professor and chair of economics and political economy at Visva-Bharati University in Santiniketan. He adroitly prepared this issue and his expertise, erudition, and patience is keenly appreciated.

Bhattacharyya's article 'Neo-classicism or pluralism? Teaching and research of economics during the era of neo-liberal reforms in India' leads off the special issue. Bhattacharyya notes that since independence in 1947 India has had two distinct periods: a highly active state interventionism, followed by a period of neo-liberal reforms inaugurated in 1991. The reforms were led by Finance Minister Manmohan Singh, (currently India's prime minister) who received his PhD in economics from Cambridge University.

Bhattacharyya duly notes that concomitant with the rise of liberalism is the dominance and influence of neoclassical economics – indeed, the two are quite

complimentary. While other papers in this issue will discuss the disjuncture between how economics is currently taught and the specific needs of India, Bhattacharyya describes in very specific (and interesting) details the infiltration of neoclassical economics and its effects on Indian universities.

It is ironic that for a country steeped in pluralism, the importation of neoclassical economics has resulted in anything but pluralism. This is not unique to India but wherever neoclassical economics goes it stirs up the pot, enforces its own views on students and the rest of the economics profession. Indeed paraphrasing Tagore, neoclassical economics has fragmented the world.

Neoclassical economics has never welcomed diversity: it disparages, bullies and discounts other schools of thought.<sup>8</sup> Fortunately, students from across world have viscerally reacted against this, demanding a more compassionate, tolerant and pluralist economics. Interestingly, Bhattacharyya notes that some Indian universities and institutions are able to parry the onslaught of neoclassical economics. Perhaps an interesting research project would be to investigate what enables an institution to parry the neoclassical onslaught, and if general lessons can be proffered.

In the second article 'A critique of macroeconomics curriculum in India', the authors Rajesh Bhattacharya and Anirban Mukherjee, write of a palpable disjuncture between the macroeconomics currently taught at most universities and public policy debates within India. The current macroeconomics offers a one-size fits all, ignoring the stylised facts of India and other developing nations, such that

“if students in developing countries are exposed only or mainly to the standard textbook treatment of growth, then not only do they miss the stylized facts of growth across the world, but they are left ill-equipped to theoretically tackle the growth experience of their particular country and relate it to the institutional context, except via the empty category of the Solow Residual.”

The following questions from the authors are reminiscent of Tagore's lamentation of the inadequacies of the Indian school system,

“the pedagogy of macroeconomics teaching in India appears to be hopelessly wrong. Where is the link between theories learnt in classrooms and the real economy out there that can fire the creative minds in not only doing research on Indian economy, but more fundamentally so, in developing an informed opinion on public policy?”

Bhattacharya and Mukherjee offer several interesting reforms including dividing the macroeconomic syllabus into developed country macroeconomics and a more elaborate development country macroeconomics. Covering both sectors in one syllabus would by definition make macroeconomics more pluralist and more relevant, especially by including relevant institutional and historical factors (often from a heterodox perspective) in development macroeconomics. The authors conclude,

“development macroeconomics should offer a range of theoretical perspectives on macro-models of growth, rather than one single theoretical school. In this revised curriculum, to help students cope with plural perspectives, an undergraduate course in history of economic thought would be essential. Such a course would enable students to appreciate contending views, locate points of convergence and divergence between theories and their respective strengths and weaknesses. In this restructured curriculum, courses on Indian economy could be reorganized to present stylized facts relevant to India and expose students to more specific models pertaining to the Indian economy.”

In my foreword to an *IJPEE* special issue on Chinese economics education I suggested that given the disjuncture between the hegemony of neoclassical economics and the specialised needs of the Chinese economy, perhaps future innovations in economics will germinate in China,

“Chinese economics education is at a crossroads: no longer content with imitating Western mainstream economics, with its arrogant insistence on universal applicability, Chinese students and educators are developing their own models. It is quite likely that the most significant developments in economic theory in the next generation will come from China.” [Reardon, (2010), p.286]

Given a similar disjuncture between what is taught in India and India’s developmental needs, I can make the same prediction for India.<sup>9</sup> Indeed, Bhattacharya and Mukherjee note that in India “the deepening contradictions of the contemporary growth regime would force economists to engage with the Indian context as a laboratory that could produce important theoretical innovations. For these reasons, we foresee a resurgence of liberal arts education in India.” And my earlier suggestion for helping to enable these developments in China is equally apropos for India,

“We in the pluralist community can use our expertise about the limits of orthodoxy and the strengths of heterodoxy to help the Chinese develop better economic models and better economic education, while also striving “to develop an economics and economics education that is open, tolerant, inquisitive, less arrogant and eager to learn from other disciplines.” [Reardon (2010), p.286]

In the article ‘Teaching poverty: a poverty of perspective’, the author Sukanya Bose notes how the National Curriculum Framework (adopted in 2005) emphasised broad themes of social justice stemming from the “constitutional vision of India of a secular, egalitarian and pluralistic society.” Not surprisingly conventional economics has failed to incorporate these important objectives, given its over-concern with economic growth, and its self-willed isolation from other disciplines. Bose examines how poverty and development are presented to students and its appropriateness in terms of epistemology and pedagogy. She investigates first-hand (via observations in secondary schools and discussion with students) how the topic of poverty is presented. Her research confirms the ubiquity of the narrow approach, despite well-intentioned teachers – clearly, the problem is the content. Bose calls for an alternative approach requiring radical changes that incorporate “interdisciplinary research from the interface of economics and philosophy, sociology, and political economy.” She concludes with a call to pluralism,

“Any social phenomena, any public policy affects people differently. Learning about multiple perspectives is holistic as identification and utilization of various sources/points of view will help in development of analytical and critical thinking. What are the different angles to the debate? Whose aspirations does the policy represent? Such questions could be useful pointers to the political economy of public policy.”

In the paper ‘Economics education in Northeast India: inviting a second thought’, Manik Bhattacharya and Basu Maan Daas, reinforce an argument already made in other papers in this issue: a disjuncture between neoclassical economics as currently taught and the specific needs of India,

“the higher education sector in India has to cater to this urgent need; so quality and relevance of the higher education imparted should be maintained to such a level that it can prepare a human capital that can address the socio-economic situations and for this to happen there is a drastic need to design a curriculum and syllabi of Economics according to the available resources and socio-economic condition prevalent. After all, trees should be planted according to the quality of the soil if they are expected to bear sweet fruits!”

To do so, the authors investigate the syllabi of several regions in Northeast India<sup>10</sup> and indeed find a palpable disjuncture.

In addition, Bhattacharya and Daas exhort that the great thinkers and philosophers of India deserve a place in the curriculum. In this context, probably no one is more appropriate than Rabindranath Tagore who persistently highlighted the disconnect between an ineffectual curriculum and the needs of India,

“school[ing]in our country, far from being integrated to society [is] imposed on it from outside. The courses they teach are dull and dry, painful to learn and useless when learnt. There is nothing in common between the lessons the pupils cram . . . and the country where they live; no agreement, but only disagreements, between what they learn at school and what their parents and relatives talk about at home. The schools are little better than factories for turning out robots” [Neogy, (2010), p.xii]

Returning to the need for understanding the historical development of economic thought, Bhattacharya and Daas write,

“Understanding the history of economical development can lead towards a better understanding of the present and future economics; otherwise mere studying for getting a degree can’t serve any real purpose of development. The unintended abstinence from the historical chronology and the development of prominent philosophies absent in the theories themselves are counterproductive since they don’t introduce students to ways of thinking that impact how heterodox theory is articulated, which in turn doesn’t allow the growth of temperament to acknowledge the forces of economy and the intelligence to address them.”

The disjuncture between neoclassical economics and the needs of India emerges as a common theme in this special issue. Part of the problem is that neoclassical economics while refashioning itself after the 1930s, made its principles so general (including the definition of the subject that economics deals with allocating scarce resources based on unlimited wants) that neoclassical economics was no longer equipped to study actual economies.<sup>11</sup> Its axioms and principles – not derived from empirical research – are assumed to be universal and students are bullied into accepting their generality and applicability (Fullbrook, 2009). This divorce from real world economics means that,

“in the business, government and other non-academic communities, the perception is widespread and growing of economics as a technical and rarefied discipline, of questionable relevance and limited practical use. The widespread opinion is manifest in the declining student enrolments on economics degree courses and in a shift towards close substitutes such as business studies.” [Hodgson, (1999), p.9]

Unfortunately such generality renders neoclassical economics impotent to deal with real world issues. Bhattacharya and Daas note in their paper,

“The well-known incident of the Harvard students walking out of Mankiw’s class for his lectures not being connected to the real world November 2, 2011, ushers a reality check about the need to reorient the Economics curriculum and syllabi according to the socio-economic conditions. At this crossroads, constant attention is needed to review the course curriculum and syllabi to make the study of Economics relevant, and to address the changes in the theoretical constructions and emerging dynamics of India.”

How arrogant of neoclassical economics to blithely assume that its principles developed 100 years ago are still applicable today without any regard for constantly evolving economic systems, or the unique factors of developing countries and the progress made in other social sciences (Keen, 2011; *passim*). Imagine the state of physics, if physicists insisted on not enlarging the discipline beyond the basic principles developed in the 19th century?

The paper ‘Towards pluralism in a public economics course in India’ highlights the narrowness of the standard (neoclassical) course in public economics and calls for a broader, more pluralist pedagogy, especially calling on institutional economics, which “can help shed light on economic governance, balance the methodological individualism that dominates standard economics, and provide a way for economists to listen to political scientists and sociologists.” The author, Vikram Dayal, discusses the three sections of her course: institutional public economics, standard public economics, and empirical public economics, with interesting linkages between them. Her pluralist approach enables students to consider the strengths and weaknesses of various arguments while using the concepts of what they learned (particularly from institutional economics) to study India’s public policy including such interesting topics as the Delhi metro and how large dams affect poverty in India. The course is interesting and in my opinion can adequately enable students to fully engage in India’s public sector.

In the final article ‘Teaching economics: the experience at the University of Calcutta’, the author Mahalaya Chatterjee provides an interesting account of the recent developments of the economics department at the prestigious University of Calcutta. She writes,

“One may or may not agree with ‘India shining’, but one has to agree that in the last six decades, the path taken by India to transform itself from a backward colonial economy, singularly dependent on agriculture, to the ‘back-office of the world’ is a story worthwhile studying.”

I could not agree more. She tells an interesting story of declining student demand for economics at the University of Calcutta and how the University responded. The paper provides valuable lessons: Just like a business producing a product we should know who the students are; why they want to take the course; and to constantly structure the curriculum to make it relevant. I could not imagine any business insisting on continuing to produce a product in the same manner vis-à-vis a sustained decrease in consumer demand without going back to the drawing board. Chatterjee’s paper provides helpful advice on how to diagnose the problem and effectuate workable solutions.

### 3 Conclusions

Alfred Marshall (1890 [1946]) wrote in the preface to his *Principles of Economics* that “economic conditions are constantly changing, and each generation looks at its problems

in its own way". And as economic conditions change, argued Tagore, so must education, "education... must conform to the changing time and situation – and above all it must conform to the needs of society" [Neogy, (2010), p.xxiv].

Our problems are formidable but not insolvable. We need the active cooperation of all social sciences, the sciences and all the schools of thought within economics. We need economics to help solve our problems but not the monist, reductionist, deductive, anti-historical, one-size-fits-all neoclassical economics, but a dynamic, welcoming, and embracing pluralist economics.

Both Tagore and Akbar would have excoriated the hegemonic conduct of neoclassical economics and the bullying tactics of neoclassical economists. Dialogue is needed between the different schools of economics and pluralism is essential to help make economics useful once again in solving the problems of our generation. India needs a pluralist economics to advance knowledge of economics and to adequately provision for its people. In this respect, I am very pleased to publish this special issue on Indian economics education

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**Notes**

- 1 The British built their first settlement in Kolkata in 1690 to support the activities of the East Indian Tea Company. The city is on the banks of the Hooghly River, a 260 km offshoot of the Ganges on its way to the Bay of Bengal. Known as Calcutta under British rule, it has since been renamed Kolkata, to match the original Bengali pronunciation.
- 2 Tagore was also motivated by the “utter desperation ... utter helplessness and chaotic condition of Europe after World War One” [Neogy, (2010), p.263].
- 3 Against the immediate backdrop of World War One, a founding principle of Visva-Bharati University was: “to seek to realize in a common fellowship of study the meeting of the East and the West, and thus ultimately to strengthen the fundamental conditions of world peace through the establishment of free communication of ideas between the two hemispheres” [Neogy, (2010), p.264].
- 4 To understand Tagore, his accomplishments, his life experiences, and his passionate commitment to Visva- Bharati University, I recommend (Neogy, 2010). Neogy, a professor of history for thirty years constructs a fascinating (albeit at times tedious, but highly necessary!) account of the founding of Visva-Bharati University, the number of renowned scholars invited, and its rapid ascent as an intellectual centre of the world.
- 5 While I originally read the snippet in Sen (2005, p.98), it is taken from Tagore’s wonderful poem Gitanjali.
- 6 The Gandhi political family (Indira, Rajiv, Rahul, Sonia, etc.) is unrelated to Mohatma Gandhi. Indira Gandhi was the only child of Jawaharlal Nehru, India’s first prime minister and leader of India’s independence movement against the British, along with, of course, Mohatma Gandhi.
- 7 Much has been written on India’s potential superpower status. In a chapter titled “The Challengers,” Chua writes, “according to many pundits, politicians, and investors, and investors, [India] has become the power to watch in the twenty-first century” [Chua, (2007), p.311]. For a ‘to-do’ list for India, see Luce (2006, pp.328–356).
- 8 For an interesting and highly readable account of the tactics used see (Lee, 2009).
- 9 Of course, I am not arguing that everything is fine with developed country macroeconomics; on the contrary such models have been directly attributed to both causing the recent financial crisis and enabling economists to be blithely unaware of any such possibility. See Keen (2011).
- 10 The Northeast region comprises the states of Assam, Arunachal Pradesh, Meghalaya, Nagaland, Manipur, Mizoram and Tripura. Overall the region has a lower per capita income.
- 11 For an excellent historical discussion of this self-purging of realism and investigation of the actual economy in a social, institutional and historical context see Fine and Milonakis (2009). The authors note, “so much has been taken out of [neoclassical] economics in a way that has come to be taken for granted that its omission is now scarcely recognized by the orthodoxy” [Fine and Milonakis, (2009), p.17].