
Foreword

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Biographical notes: Jack Reardon is a Professor in 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 principle of economics textbook to be published by Pluto Press in 2016.

1 Contents of the current issue

1.1 Articles on teaching pluralism

It is well known that contemporary neoclassical labour economics is “an extension of traditional microeconomics” [Champlin and Weins-Tuers, (2009), p.172; McConnell et al., (2010), p.3]; and thus no different from any other upper division economics course, adopting “the core problem of mainstream economics which permeates all of its specialized branches or subdivisions – that productive resources are relatively scarce or limited” [McConnell et al., (2010), p.1]. This is unfortunate since in so doing neoclassical economics has denuded a subject once rich in historical and institutional analysis, as one leading textbook makes surprisingly clear, “economists have achieved important analytical breakthroughs in studying labor markets and labor problems. As a result, economic analysis has crowded out historical, institutional, legal and anecdotal material” [McConnell et al., (2010), p.3]. But isn’t this the stuff that makes labour economics interesting? Thus it should come as no surprise that “the labor economics course often fails to provide an enjoyable experience for students” [Hirsch, (2012), p.598].

That labour economics (and other upper division courses) is an extension of microeconomics is a deliberate strategy: to continuously reinforce concepts first introduced at the beginning level,

“the essence of what is taught in most applied field courses is the same, regardless of the specific questions and institutional context of the subject matter covered in the course. Economists teach the basic principles of economics – opportunity cost, marginal analysis, the role of prices as signals, incentives, specialization, unintended consequences – regardless of the name of the course to which they are assigned. The ideas are the same whether the applied field course focuses on factor markets or product markets.” [Siegfried, (2009), p.219]

Not surprisingly the leading textbooks in labour economics reflect this constricting insularity, which presents a problem for anyone interested in teaching labour economics from a pluralist or heterodox perspective. Daphne Greenwood in her helpful article ‘A pluralist approach to teaching labour economics’, addresses this difficulty and provides a suggested syllabus, which combines classic texts and contemporary readings, emphasising power, bargaining, conflict, path dependence, social capital, environmental capital, social externalities, etc. – all important topics in labour relations, but long jettisoned by neoclassical labour economists.

It is particularly revealing that Greenwood offers readings from L.G. Reynolds’ classic text, *Labour Economics and Labour Relations* (1964, 1970). Her rationale underscores what is missing in contemporary labour economics texts,

“First, he consistently presents the big picture (the ‘macro’) before the ‘micro’ of individual decisions and particular markets. Second, he clearly contrasts the two main mechanisms for resolving the ‘labour problems’ of individual workers and society: the private labour market and the institutional rules imposed by businesses, trade unions, and government. Third, Reynolds gives institutional and historical material equal billing with neoclassical . . . Fourth, several chapters which summarize the origin and development of unions (primarily in the US but with some references to Europe) provide useful reading assignments. Finally, he provides a good review of the legal framework for collective bargaining in the USA which needs only minor updating.”

Unfortunately, as Greenwood notes, in successively later editions of Reynolds’ text, the institutional and historical analysis was completely jettisoned.

In her paper, Greenwood provides helpful strategies for melding together an interesting pluralist course, cemented by carefully selected readings, along with films, videos, policy briefs and web-based assignments.

1.2 Articles on pluralism in economics

Student demands for pluralism have been pervasive and increasing. The global student-led group Rethinking Economics, for example, has made pluralism a central demand in its call for reconceptualising economics; and more recently, the French student group PEPS (Pour un Enseignement Pluraliste dans le Supérieur en Economie – For a Pluralistic Teaching of Economics in Higher Education) noted,

“Our most ambitious project . . . is a detailed study of economics curricula in most of the involved countries. Such a study will allow us to objectify our feelings about the lack of pluralism in teaching and provide evidence to support our claims; and we feel it has potential to be a game changer in the fight of pluralism.” [PEPS-Économie, (2014), p.306]

But as Marc Lavoie notes in his article ‘Should heterodox economics be taught in or outside of economics departments?’ this clarion call for pluralism might fall on deaf neoclassical ears for two reasons. One, most neoclassical economists sincerely believe that they are already practicing pluralism. Lavoie quotes John Davis,

“what appears to be the case is an increasing tolerance for new approaches within the mainstream, combined with a continuing, shared intolerance toward heterodox economics. Orthodox economists feel that they are already responding to the demands of students because they have the impression that contemporary research is providing ‘a cross-paradigm fertilization of ideas within a more internally divided mainstream through game theory, new

behavioural economics, experimental economics, new institutional economics, transaction costs economics, new growth theory, environmental economics, etc.” [Davis, (2008), p.61]

But as Fred Lee has noted, neoclassical economics has degenerated into an “intellectual insularity [which] was the end product of the century-long intolerant, anti-pluralistic attitude that promoted the repression of heterodox economics and its complement of indoctrinating students with neoclassical theory” [Lee, (2009), p.48]. This is a big problem and one which most of us are determined to change.

Lavoie’s second reason for pessimism is that neoclassical economists disparage heterodoxy and criticise heterodox economists as non-economists. No better statement of this than Diane Coyle, criticising the economics of John Kenneth Galbraith,

“For all that its practitioners criticize us, the other social sciences don’t have anything remotely approaching the flexibility and strength of the economic method, nor the capacity of economic models to be honed and tested empirically. . . that’s why Paul Ormerod, for all his sharp criticism of the mainstream, is an economist, but John Kenneth Galbraith wasn’t.” [Coyle, (2007), pp.252–253]

So what to do? In an ideal world as Lavoie notes, heterodox economics, or political economy, could exist within a department of economics. Indeed, the first-best solution is most certainly to strive to retain a foothold in a department with tolerant colleagues working together to improve our knowledge. Alas, we do not live in an ideal world. So what is the second best solution? This touches on a longstanding debate within heterodoxy: should we migrate to the backwaters of orthodox economics and risk even further marginalisation, or should we become part of other departments, such as business or political science, or even form new departments? Lavoie calls for the later – after all, this is what students are demanding – thus adding to the growing consensus among heterodox economists that separating and (sharply differentiating ourselves) from the mainstream is the only viable option [e.g., Lee, (2009), *passim*; Argyrous, (2014), p.129].

Although I largely agree, nevertheless I feel this is a recipe for the continued dominance of economics by orthodoxy. If neoclassical economics is to be reconceptualised into something useful, not only is it necessary to develop a viable alternative, as suggested by Lee, but this reconceptualisation must also occur from within the citadel. Perhaps this strategic disagreement among heterodox economists is due to the heterodox label itself, which as Lavoie admits, might be a form of ghettoisation. Although I fully support Fred Lee’s exhortation that heterodox economists develop a rich healthy, viable alternative to neoclassical economics, I worry that the continued use of the heterodox label gratuitously burdens our work. As I wrote elsewhere,

“Consider the unfortunate appellation for the Mensheviks (Minoritarians) vis-a-vis the Bolsheviks (Majoritarians) when several factions opposing Lenin walked out before a key vote among the Social Democrats in pre-revolutionary Russia in 1903, which gave Lenin and his group (or more accurately Lenin himself) a majority. [As] Figes writes, “with hindsight it is clear that the Mensheviks were very foolish to allow the adoption of these names. It saddled them with the permanent image of a minority party, which was to be an important disadvantage in their rivalry with the Bolsheviks” [Figes, (1996), p.152].

I realise many of us are proud of the heterodox identifier but . . . why cede to neoclassicals the word orthodox when the knowledge produced by heterodox economists is fast becoming orthodox? Doesn't this 'saddle' us with the permanent image of a minority party, just like the Mensheviks?" [Reardon, (2012), p.16]

In his paper, 'Beyond chalk and talk: a feminist-Austrian dialogue', Garnett laments that "chalk and talk appears likely to remain the default pedagogy in undergraduate economics, in view of the current popularity of economics courses in the United States and across the globe, and prevailing trends in the training and employment of academic Ph.D. economists". But, as Garnett notes,

"chalk and talk is rarely presented or defended as a distinct pedagogical approach; yet it embodies two crucial assumptions about knowledge and learning: (1) no knowledge is produced in the undergraduate classroom and (2) teaching is fundamentally a process of instruction. But this ignores the evidence suggesting that student-centered learning, experimental learning, etc, is more efficacious than the traditional lecture-based pedagogy."

To move beyond chalk and talk, Garnett suggests reflexive pedagogy, i.e., rendering explicit the theoretical precepts embedded in educational practices, which may offer an effective way to foster inter-paradigmatic dialogue and pedagogical innovation. Reflexive pedagogy offers a practical response to the recurring and important questions: Why should economics educators care about moving beyond chalk and talk? And, why is pedagogical innovation our job? Garnett then provides interesting linkages between two ostensibly different schools of thought: Feminist economics and Austrian economics. Not only does each jettison the expert-focused classroom, but each encourages active student learning and engagement. Garnett writes,

"Austrian and feminist economists hold concordant views of knowledge and learning on the basis of which they advance parallel objections and alternatives to expert-centered education, highlighting their parallel commitments to intellectual self-determination and polycentric learning processes wherein 'students and teachers [are] engaged in the joint process of creating knowledge."

Reflexive pedagogy, Garnett concludes, may offer an effective way to foster inter-paradigmatic dialogue and pedagogical innovation, and an effective way to move beyond the stale chalk and talk so typical of neoclassical economics. After all, isn't this the overall goal of pedagogy?

Nordic countries have outperformed many developed countries including the USA on a variety of socio-economic parameters including life expectancy, life satisfaction, per capita income, quality of life, environmental performance, etc. These countries have rejected the strict individualism and reduced government modus operandi in favour of some form of communitarian living, strengthened social capital, higher tax rates, larger welfare states and greater government intervention; the latter contravening the hallowed precepts of neoclassical economics. Alan Duhs in his article 'Finland and Sweden: a Nordic response to the Chicago school', suggests that this disconnect between the precepts of neoclassical economics and concomitant living standards should result in greater pedagogical attention focused on the Stockholm school, emphasising equity and collective security, and reflecting the works of Swedish Nobel Prize winners Bertil Ohlin and Gunnar Myrdal, vis-à-vis the Chicago school, which has received the bulk of attention in economics textbooks. Duhs writes,

“economics educators must give closer attention to differences in the implicit definitions adopted of ‘freedom’, ‘equality of opportunity’, and ‘individualism’. “Many socio-economic indicators reveal sufficient validation of the Nordic approach to warrant re-evaluation. Instead of disparaging the Nordic countries as examples of a social disorder, we should understand a closer connection between underlying values and socio-economic performance, while steering away from an overreliance on rugged individualism and unstrained market forces. By not discussing Nordic results or the Stockholm results we are shortchanging our students.”

1.3 *Articles on economics*

Asad Zaman in his article ‘Deification of science and its disastrous consequences’ notes that mathematics, the physical sciences, and the social sciences have radically different methodologies, and thus the axiomatic and hypothetico-deductive methodology, which is eminently suitable for mathematics, is not suitable for science, which in turn is not suitable for the social sciences. Not only is it a mistake to apply the deductive methods of mathematics to the study of the sciences, which are inductive and empirically based, it is a double mistake to apply this misunderstanding to the social sciences. Simply put, “scientific methods are not appropriate for the study of human beings”, and especially so-called scientific methods based on a misunderstanding of what science actually is.

The social sciences are concerned (or at least should be) with broader and deeper questions of human existence. But how can such questions be conceptualised, never mind answered, if we automatically rule out and do not acknowledge the validity of human experience? Zaman argues that we must re-incorporate human experience into the admissible body of knowledge to make progress in the humanities; and as Zaman notes, a welcome by-product of such an endeavour is that it is inherently pluralistic.

1.4 *The teaching commons*

Professor Emami in her paper ‘Facilitating student learning through engaging prior learning: an exercise in development of agency’ rejects the traditional mode of learning in economics which sees learning emanating from teachers – the sole source of knowledge and considered as experts – then passed directly to students, assumed to be passive recipients of knowledge. Instead she subscribes to the view that,

“learning is a dynamic developmental process involving the integration of knowledge and the necessary abilities applied in varied contexts and requiring active engagement with the material, with oneself and with others. Teaching in this context is far more than simply the delivery of information or the act of depositing knowledge into the empty heads of passive learners. Rather, teaching is a complex social and conceptual process embedded in the recognition of multiple modes of knowing and intelligence and the design of a multiplicity of student experiences that facilitate active engagements with self, others and the world”

At least for me, Jared Diamond nails the difference between the two approaches on the proverbial head, while highlighting the efficacy of the later approach,

“Education is a process involving two sets of participants who supposedly play different roles: teachers who impart knowledge to students, and students who absorb knowledge from teachers. In fact, as every open-minded teacher discovers, education is also about students imparting knowledge to their

teachers, by challenging the teachers' assumptions and by asking questions that the teachers hadn't previously thought of." [Diamond, (2005), p.419]

Based on this understanding of how learning occurs, and taking advantage of students' prior learning, Emami uses a 'free thinking' exercise at the beginning and at the end of the semester, asking students, 'What kind of an ideal economy and society would you make if you had a magic wand?' Although this exercise works for students at the beginning level, I feel it is equally effective for economics students at all levels.

1.5 *Book reviews*

In his *History of Economic Analysis*, Schumpeter noted a 'great gap' in economic thinking between Greco-Roman times and St. Thomas Aquinas in which nothing of consequence was said or preserved, allowing us "to safely leap over 500 years" (1954, p.74). But according to Professor Abdul Azim Islahi in his well-argued and much needed book, *History of Islamic Economic Thought – Contributions of Muslim Scholars to Economic Thought and Analysis*, no such gap ever existed. Islahi demonstrates quite persuasively that a rich and fertile period of economic thought flourished immediately after the founding of Islam and lasted well into the 12th century. During this time not only did Muslim scholars translate the economic writings of the ancients but they added their own insights, emphasising justice, ethics, need and compassion. Just about every topic found in contemporary economics textbooks was initially discussed by Muslim Scholars. And interestingly not only did Muslim scholars influence the Scholastics, who in turn influenced the Mercantilists, but Islahi argues that Muslim economic thought directly influenced the rise of Mercantilism. Thus, Islahi rightly argues that Muslim scholars deserve recognition for their contribution, and a place in the history of economic thought.

Like most of us I was greatly saddened by Fred Lee's death. I think it is a safe bet to say that few people have contributed more to heterodoxy than Fred, and certainly no one has been more energetic. Fred's tireless energy has rubbed off on all us, making heterodoxy much richer, and at least speaking for myself, making me a much better teacher and scholar. As a tribute to Fred's fecund legacy, I wanted to review one of his books for this issue, but had some difficulty deciding which particular book to review. After much thought, I chose *History of Heterodox Economics – Challenging the Mainstream in the Twentieth Century* (2009) for two reasons. One, this is history writing at its absolute best. Fred admirably succeeds in bringing heterodoxy alive and thereby giving each of us a sense of value and historical worth, based on well-documented and painstakingly accumulated evidence. And second, despite the title, this book is only a partial history of heterodoxy, focusing on Post-Keynesian and Marxist economics in the UK and USA. Indeed to write a single volume is impossible as Fred himself admitted,

"To write a history of heterodox economics is not currently possible, given the complexity of the undertaking combined with the lack of extensive detailed studies on the components of the history. . . This means . . . that a single researcher cannot carry out all the community studies necessary to produce an overall history of heterodox economics. As with all important research endeavors, the end can only be reached with a little (or a lot) of research help from friends and colleagues." [Lee, (2009), pp.18–19]

Hopefully, one of Fred's many 'friends and colleagues' can pick up the gauntlet and continue researching and writing the history of heterodox economics.

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