

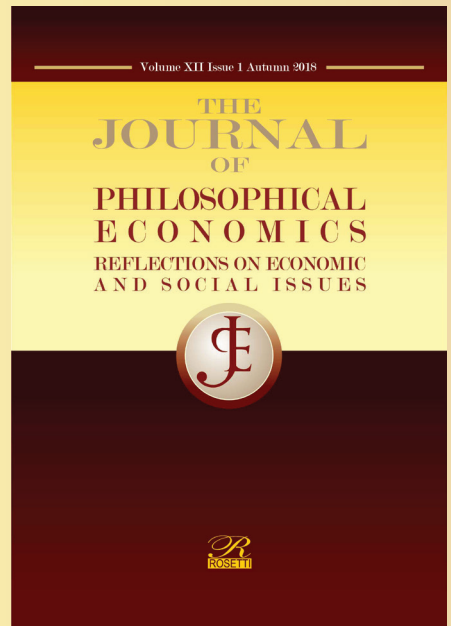
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Review of Tavasci, Daniela and Luigi Ventimiglia (eds.), Teaching the History of Economic Thought. Integrating Historical Perspectives into Modern Economics, Edward Elgar Publishing, 2018, hb, vi+150 pages, ISBN 978-1-78811-347-2

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The logo consists of a large, stylized, cursive letter 'R' in a dark red color. Below the 'R' is a black rectangular box containing the word 'ROSETTI' in white, uppercase, sans-serif font.

Review of Tavasci, Daniela and Luigi Ventimiglia (eds.), *Teaching the History of Economic Thought. Integrating Historical Perspectives into Modern Economics*, Edward Elgar Publishing, 2018, hb, vi+150 pages, ISBN 978-1-78811-347-2

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In the past decades, the Humboldtian framework of higher education that places stress on knowledge as path to enlighten the spirit and open the mind, has been relinquished in favor of a more pragmatic model which renders information relevant only if it has an immediate, or at least, a foreseeable end. This trajectory puts its mark not only on technical universities, but also on social sciences studies and economic higher education is no exception. While questioning the benefits and the culprits of this paradigm shift has certainly raised interesting controversies among scholars [1], the issue of teaching strategies suitable for this new educational framework is yet to be explored; at least in the field of economic studies. One thing is clear, the commodification of economic education that led to a tight specialization of the curriculum combined with easy access to unreliable or irrelevant information which makes students dismiss extensive volumes as useless, or boring is challenging the very status of seemingly more elitist and abstract studies.

Avoiding the deceptive, sentimental yearning for return of the irrecoverable past, *Teaching the History of Economic Thought. Integrating Historical Perspectives into Modern Economics* stands as levelheaded attempt to find the optimal place of history of economic thought (HET) within the contemporary learning framework. This book's main interrogation 'Is HET useful for the formation of the economist?' gives the editors and authors the prospect to provide arguments in favor of HET,

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as well as insights on incorporating HET into teaching tools and strategies. Most arguments advance toward two main beliefs: (1) HET is paramount to provide a perceptible context to each economic theory or model; (2) HET could be the best technique to convey pluralism as grounding principle of economics. Consequently, every teaching approach should attempt to enhance these ideas.

The need for context in teaching economics is apparent from the very onset with the help of Constantinos Repapis (Chapter 2: 'Integrating history of economic thought into introductory economics'). He claims that modern economics is affected by a labeling problem created by the artificial separation between micro and macroeconomics that is generating epistemological issues such as: 'is this separation natural or useful?', 'is it universally accepted?', or 'all foundational knowledge must fall under either heading -micro or macro?' (p. 12). As Joseph Halevi highlights (Chapter 3: 'Teaching economic theory based on the history of economic thought'), instead of being addressed as more information is conveyed, this problem aggravates when adding the label 'intermediate' to micro and macro which is perceived by students as 'exactly the same thing only with more graphs' (p. 33). All these issues could be difficult to explain to a first or second-year student in the absence of a context that HET very well could be provide.

If we accept that no economic model or theory could emerge *ex nihilo*, then we must accept that there is a strong link between ideas and real conditions, between abstract theory and reality. Thereby, HET could be a chief method to improve curriculum by providing a context for economic problems and theories that would explain to students how economists create abstract ideas based on their observation of the real world. This point of view is shared by Gerald Friedman (Chapter 6: 'Introducing institutional microeconomics through the study of economic thought') who argues that, whereas abstract ideas could not be easily conveyed to a large class of students, HET could hold an audience since people easily relate to people's stories as an alternative to immaterial concepts. For Friedman, HET is a means to present real social questions and introductory economics. For instance, it could be taught as a story about people that are thinking about economic problems (pp. 76-79). HET is not only useful as device to engage audience but also, according to Rochon and Rossi (Chapter 7: 'Teaching money and banking with regard to the history of economic thought'), as technique to develop logical thinking in economics (p. 91). While algebra and econometrics do not help people understand what money actually is, Rochon and Rossi highlight that history of monetary thinking could be used as a strategy to prove that money has been a core issue of society even before the

emergence of first banks. An overview of the development of money during ages could better help students understand how money emerged from barter and how they gradually dematerialized until they became an asset based on trust (pp. 93-94). Luigi Ventimiglia further advances the idea of teaching financial economics with historical perspectives (Chapter 8: 'Teaching financial economics with historical perspectives'), who focuses on financialization as a historically specific phenomenon. From this perspective, teaching financial economics should focus on how financial markets have gained the primary role in society, hence creating a context for a better understanding of the competing theories about how financial markets work. Once the context is set, different financial theories and models could be assessed in terms of their historical impact on practice (pp. 110-112).

A prevailing argument against traditional HET approach is that it is too rigid in its linear or chronological approach to economic theories and schools of thought. As Daniela Tavasci (Chapter 4: 'From teaching history of economic thought to teaching and learning with historical perspectives') argues, this approach 'has strong limitations and fails to engage students to a great extent' (p. 49). According to Tavasci, there are at least three issues raised by this traditional *modus operandi*: first, the linear approach is unable to emphasize that HET has changed as a result of both actual events and debates; second, the chronological view conveys the false idea that economics has evolved as a result of specialization and better mathematical tools which further leads to the undeniably erroneous indication that economics is a hard science; and third, traditional HET teaching methodology lacks the ability to present a pluralist perspective of economics. (pp. 50-51). In the light of these assumptions, a better teaching plan for HET would be to focus on issues and not chronology. Halevi provides a good example and reasons that 'using growth theory one can identify the essence as well as the main problems of economic doctrines and their evolution in time' (p. 35). Following this argument, Halevi's non-chronological approach ties physiocrats to Leontief via *le tableau economique*, physiocrats to Marx via production settings, Marx to Ricardo via labor theory, Ricardo to Smith via objective value, Smith to Weber via the behavior of entrepreneurs and these are just a few examples of the connections found among classical economists. This type of analysis applies correspondingly to neoclassical economists by means of general equilibrium theory and then further draws links between MIT and Chicago economists.

The problem-based approach is similarly endorsed in Tavasci's chapter where the author claims that using modern pedagogic strategies such as teaching by

questioning and encouraging critical thinking not only raise student's level of engagement but also their desire 'to acquire a better understanding of various economic debates' (p. 62). The need for critical thinking is further stressed out by Stephanie Fuller (Chapter 9: 'Teaching and learning with historical perspectives') who argues that it goes beyond the content of a curricula, while the issue of learning how to learn is paramount to foundational knowledge (p. 141).

In the end, this methodology centers its working principle on the opinion that economic thought is a vast network. Economists are the nodes of this network and the ideas or theories are the ties between these nodes. Furthermore, one can notice that, in this network, there are groups of economists which are better connected to one another than to the rest of the grid – these groups are nothing else than schools of economic thought. However, this approach comes with its own caveats – lack of intellectual honesty could lead to artificial connections between theories. As an example, Halevi points out that the connection set by Blanchard between Adam Smith and the contemporary general equilibrium theory is not only wrong, but also shows 'a typical mainstream anti-intellectual attitude' (p. 33). In fact, one could assert that this kind of controversy is what makes HET interesting and strongly conducive toward growth of knowledge. This view, based on the awareness that HET should follow the intellectual path dependence [2] rather than chronology, could provide a better strategy to teach HET that is not only non-linear, but could also shift the focus from economists to economic theories.

Regarding the part played by HET in emphasizing the need for economic plurality opens with Halevi's statement that pluralism should be a grounding principle of economics. Subsequently, every student needs to know that: (1) there are several fully mature economic theories; (2) these theories are often contradictory to each other; (3) the dominance of one theory is the result of ideology and intervention. In this context, the most harmful approach, which diminished the role of HET, is that there is nothing new to learn from the past except for a few theories that are still more or less used today (p. 33). According to Tavasci, this point of view is so firmly entrenched in students' minds that sometimes they are surprised to find that most often their textbooks merely present the mainstream theory (p. 62). Fuller further confirms the idea arguing that, 'an economics student may be expecting their course to have strong mathematical focus and to be asked to learn to apply formulas' (p. 130). More interesting, this attitude is often times shared even among professors of economics and authors that tend to reject HET as a history of bad doctrines. As Gerald Friedman states, a recurrent argument in favor of a single mainstream

theory lies on the belief that controversies might confuse students, so there is no place for disagreement in textbooks. Nonetheless, Friedman additionally argues using John Stuart Mill's standpoint that these scholars need to understand that sometimes confronting errors could be a useful learning tool (p. 75). The need for plurality in economic thought is also stressed out by Ricardo Bellofiore (Chapter 5: 'Eleven theses on political economy and "rethinking economics": the role of the history of economic thought in the "Italian tradition"'). He claims that even though teaching HET with an emphasis on plurality could be a daunting task, since, for the last decades, economics fluctuated between crisis and the excess of formalization [3], every economics instructor should bear in mind that: (1) capitalism crisis requires 'pluralism' in teaching economics that could be provided via HET; (2) there is a peculiar mix between economic theory and HET and (3) there are no alternative paradigms, but competing theories (pp. 68-73).

Going back to Repapis (who additionally provides a captivating overview of three of the most influential introductory economics textbooks in terms of using HET to explain economic concepts), one can notice the ingeniously use of Robbins's definition of economics to substantiate how, sometimes, even a single sentence could create alternative views that will translate into alternative methodologies and even alternative schools of thought. Robbins's definition of economics – 'the science that studies human behavior as a relationship between ends and scarce means' – generates confusion regarding the main problem of economics: choice as classical economists believed, or scarcity as emphasized in the last decades? (p. 13). Nonetheless, the issue of plurality is often addressed in learning and teaching economics as a matter of choosing between two alternatives presented in contrast (e. g. demand vs. supply, cost vs. benefits, inflation vs. unemployment) while other choices are left aside. In Repapis's view, this approach could lead to the wrong idea that all economic problems could be solved by using the same analytical tools (p. 13).

The entire debate on pluralism is somehow summarized by Bellofiore who asserts that 'teaching economic theory means to educate students in a critical thinking that is grounded on plurality of the visions and models that are in conflict' (pp. 71-72). Hence, HET becomes a vehicle to introduce alternative points of view and, more than this, HET could provide a structure to plurality as long as it avoids specific linear history.

To come full circle, the last chapter provides a final answer to the main interrogation through the voice of Stephanie Fuller who states that HET could foster a sense of belonging and continuity to the economist profession. This

admirable argument is rooted in the opinion that 'universities do not exist to simply deliver content to students but also to induct them into disciplines and professions' (p. 130). Within this framework, HET could engage the student to develop a positive attitude toward economics and to discover the humanistic aspects of economic knowledge. According to Fuller, HET has the ability to introduce the student to the profession and, on the other hand, to provide new perspectives on modern theories that may perhaps lead to a better understanding of the wide impact beyond the immediate content.

Headlining a substantial sequence of distinct, but anyway converging outlooks, the volume edited by Tavasci and Ventimiglia finely prevails in defending HET with powerful arguments and, more notably, provides a valuable collection of individual experiences in teaching with historical perspectives, hence contriving incentives for using HET as a decisive strategy for teaching and learning economics. Undeniably, blending essay and rigorous scientific research, this volume makes a strong point against those who claimed the death of economics history and provides opportunities for debate on the contemporary place of HET. Possibly, further debate would hold the argument that insightful knowledge of HET becomes requisite for economic acumen when one accepts that economics implies more than the sum of its specialized fields.

Endnotes

[1] For example, Delbanco, A. (2014), *College: What it was, is, and should be*, Princeton University Press.

[2] See Yalcintas, A. (2016), *Intellectual Path Dependence in Economics: Why economist do not reject refuted theories*, Routledge.

[3] For example, Weintraub, R. E. (2002), *How Economics Became a Mathematical Science*, Duke University Press.

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