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Teaching Economics: the WEA Textbook Commentaries Project

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There is currently a lot of controversy about the nature of economics teaching around the world. Criticisms focus on a perceived overemphasis on a narrowly defined “mainstream economics”. These concerns are being widely voiced by academics and students alike. This presentation briefly outlines some of the factors leading to the increasing dominance of this mainstream approach. These include the nature of teaching and assessment resources that are provided by key textbooks, the standardization of courses and degree structures, and the impact of research assessment exercises.

The presentation then indicates some of the concerns that have been voiced about this development, such as the political messages implicit in this framing and the disregard for important economic phenomena including instability and adjustments over time. Attempts to bring about change include the development of alternative textbooks. These can be useful, but several such books have been written over the past 20 years to little effect.

In this context, the World Economics Association’s Textbook Commentaries Project seeks to provide a platform for independent, inclusive, participatory enrichment of courses. The project is outlined and reasons given as to why this might be a means of increasing the influence of alternative and critical material. Ways in which the audience can contribute to the project and use its resources are also described.

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How are course materials changing?

Around the world, increasing numbers of people want tertiary education. In universities, there is a major global market in core courses/papers, the large enrolment introductory courses commonly taken in the first year of study. These have become a big business with significant economies of scale. The result is packaging of course material in a way that drives out smaller scale alternatives. This development is centred round the textbooks. Taking the example of economics, core books are provided along with study guides, online resources, test banks, instructors' notes and PowerPoint presentations.

At the same time, course schedules have become shorter. Full year courses have largely disappeared, being replaced by the semester model, and sometimes even shorter "summer school" options. Such courses have to be largely self-contained and tightly specified. This reduces flexibility and leaves little room for digression and exploration, or for remedial coverage of required background knowledge.

Pre-packaged course material has its attractions in such an environment. It is easy to put someone, perhaps a graduate student, in front of a body of students to present the course. All the material is ready prepared and there can be little required beyond reading out the material that is provided. More could be done in terms of preparation and content, but this requires greater effort and consequently greater cost.

An appealing selling point is that provision of materials may "free up instructors' time", allowing them to focus on the more intellectually challenging aspects of the syllabus. However, if this means that additional subtleties can be conveyed, these aspects are unlikely to be incorporated into the packaged, homogenised assessment. There are two reasons for this. First, the extra insights are likely to be specific to individual lecturers, so cannot be expected in all presentations of the material. Second, the method of assessment does not lend itself to such issues. Standardised assessment using test banks and computerised marking focuses on right or wrong answers. Essay questions cannot be handled this way, so assessment is unlikely to cover skills such as clarity of expression, development of arguments, or consideration of alternatives. A much wider range of skills that might be desired of economics graduates is described by O'Donnell (2014). These include not only a broad, critical understanding of the nature, methods and history of economics, but also of generic skills. These latter include, "analytical, critical and holistic thinking, the ability to ask questions and suggest alternative perspectives, public speaking, creativity and innovation, leadership, mentoring/menteeing, gender, ethical and cultural awareness, and reflectiveness on one's activities" (O'Donnell, 2014, p. 57). Also related to skill requirements, alternative educational goals are described in Mearman (2014, pp. 46-47) under the labels **liberal** - equipping people to make their own choices (developing processes of thinking); **instrumental** (ability to solve certain types of problem); **critical** (post-modern, recognising the implicit reinforcement of existing power structures). Very different teaching and assessment methods required to meet these objectives.

A promotional video giving points in favour of packaged approaches can be seen at: <http://connect.customer.mcgraw-hill.com/about/>. It may be unduly positive. In practice, given resource pressures on universities, the result may simply be reduced preparation time allocated to instructors or reduced background knowledge required of them. A key aspect of traditional university teaching, the unique insights provided by individual academics, is then lost. Also,

assessment is based primarily on test banks of true/false and multiple choice questions. This is designed for quick and easy processing. It suits certain types of skill development, resulting in increased emphasis on those dimensions. More than this, however, course material may have to be modified so as to suit this structure even when that is not appropriate. To fit this type of assessment, the courses themselves tend to emphasise simplified points and arguments that are framed to suggest certain things are right and others are wrong. This means that it is very easy for work to be marked electronically, dramatically reducing the costs of assessment and of processing results. The benefits may be readily apparent, but there may be hidden costs in the distorted representation of knowledge. Gabriel Egan, [commenting on an online article](#) (Coughlan, 2013a), distinguished between the sciences, which have many right or wrong answers, and the social sciences which do not. While this means that the sciences are better suited to this form of assessment, the social sciences may be reframed and repackaged to suit, giving students the impression that they too contain many absolutes.

What are the implications for the nature of teaching?

Universities are competing against each other for students. Competition is based partly on cost. Here is a product which is much cheaper than the alternatives. Even if the quality is not quite as good, it may have such a strong price advantage that it can dominate the market. The resulting small number of successful products can benefit also from international brand recognition and associated standardisation. With uniformity across universities, the issue of cross-crediting is largely removed. Conversely, where there is great diversity in teaching, with individual lecturers putting their own stamp on courses, cross credits can become far more problematic. There are strong incentives for this high degree of standardisation in a rapidly growing global market which exhibits great demand for mobility and recognition of results across institutions. However, the result would arguably be a dumbing down of the discipline (in our case, economics).

A particular focus is likely to become dominant and presented as if universally applicable. This brings to mind the work of Fairclough (1995), including his concept of “ideological-discursive formations”. Groups develop their own terminology and concepts, alternatively described as their “framing” of issues. These result in certain factors being emphasised and others excluded from consideration. If there is a dominant discourse which drives out all the alternatives, this representation becomes seen as “the truth”, “the way to view the world”. Any alternative is then “ideological” and highly questionable. If Fairclough is correct, we are likely to find ourselves increasingly locked in to highly stylised versions of the affected disciplines, including economics. Cahill (2014) argues that neoliberalism has persisted despite the global financial crisis because it is socially embedded. An aspect of this could be the millions of students who have been exposed to uncritical representations of mainstream economics with its increasing tendency to favourably emphasise the desirability of free markets.

Let’s not overlook MOOCs.

The development of MOOCs (Massive Open Online Courses) may further strengthen the tendency for a narrowing of economics. In a series of articles published recently by the BBC, Coughlan explores the theme of online universities (see Coughlan, 2013a; Coughlan, 2013b, 2013c). These appear to be growing very rapidly and are associated with prominent universities such as Stanford, Harvard and MIT. They can build on the foundations set through the standardisation of courses and associated

additional resources, including the electronic processing of assessment. Instead of just test banks, students are now offered feedback based on the answers they give, and even guided learning designed to identify and remedy deficiencies in required skills. This is very impressive, as long as it works as promised and reflects the nature of the discipline. It is not so desirable if it requires a transformation of the discipline to fit the technology. In any event, the end result is a homogenised product with selected factoids assuming great significance, along with heavy emphasis on simplified methods of thinking. The nuances, subtleties and complexities of the world would be largely set to one side, thereby becoming invisible.

What is missing?

Keynes (Keynes, 2007, pp. 297-298) talked of reserves, qualifications and adjustments that are required when applying theory to the real world. Critics of mainstream economics as contained in standard texts are commonly concerned about the implicit framing of these texts. An artificial world is presented as reality, while other arguably crucial aspects are omitted.

Mankiw (2015) presents a series of models without explicitly setting out his assumptions (some are hidden in the body of the text) after which he claims that findings from the models are explanations of real world events. Graphical evidence that is “consistent with” his claims is presented as support for those claims without mentioning the possibility of numerous alternative explanations with which the evidence is also consistent.

More generally:

- i) The use of static analysis has been criticised for its focus on equilibrium rather than paths through time. What does a static market equilibrium mean when: trades do not occur simultaneously; the temporal, spatial and product definitions of markets are not clearly defined; and many trades occur out of equilibrium?
- ii) Theories based on individuals with simple behavioural characteristics, “homo economicus”, acting atomistically (independently of each other) have been considered seriously deficient by many, including Lawson (Lawson, 1997, 2003).
- iii) It is hard to reconcile economic theories that focus solely on market transactions when there are large organisations making complex internal resource allocation decisions and much economic activity occurs in the public sector.
- iv) A single theoretical representation of an economy is unlikely to be equally applicable to every economy at every time, given institutional (including cultural and historical) differences.
- v) Politics and, more generally, the whole field of political economy, is important for understanding resource allocation decisions, including, significantly, in the international sphere.
- vi) Other bodies of analysis consider patterns of ownership and power to be important. These aspects are often missed (excluded) in mainstream analyses.

How to bring about change?

There have been several calls for inclusion of heterodox or pluralist approaches to economics. The World Economics Association held an [online conference](#) on the topic and runs a [pedagogy blog](#).

There are student groups actively calling for reforms of the curriculum, with 65 such associations listed within the [International Student Initiative for Pluralism in Economics](#).

Some university departments identify themselves as taking an alternative perspective to economics. These include, among others, [Leeds University Business School](#), [Willamette University](#), [the University of Sydney Department of Political Economy](#), [SOAS](#), [Bristol Business School](#), the [University of Greenwich](#) and [Kingston University](#). Mearman (2007) described a range of alternative approaches giving differing degrees of diversity.

Several alternative textbooks (such as Earl, 1995; Earl & Wakeley, 2005; Hill & Myatt, 2010) have been written, but they have not achieved widespread adoption. One approach has been to develop a new economics core curriculum. This is the outcome of a project labelled “coreecon: teaching economics as if the last three decades had happened”. There is an online book under development (Institute for New Economic Thinking, 2014). This has been criticised as being too narrow by the Association for Heterodox Economics (Morgan, 2014a, 2014b).

There is also available some interesting and very accessible alternative reading where a narrative style is used, while incorporating critical points (Hare, 2012; Kurien, 2012; Tressell, 1955).

All this indicates that alternatives are being attempted and resources are available. However, it is unlikely that this will have much impact on the overall teaching of economics for some time to come. Traditionally the content of economics courses builds cumulatively through introductory to intermediate and on to advanced levels. Material from earlier courses is assumed as a foundation for later ones. A change in the content of an introductory textbook is unlikely to be acceptable unless it is accompanied by compatible higher-level texts. Even then, there can be problems for students wishing to transfer across institutions or for qualifications needed to meet professional requirements. A slightly different approach is being attempted with the World Economics Association “Textbook Commentaries” project.

The World Economics Association “Textbook Commentaries” platform

The World Economics Association is a pluralist organisation with over 13000 members worldwide. It runs online conferences, three journals, a newsletter and numerous other activities. The main web page is at: <http://www.worldeconomicsassociation.org/>. It has a project whereby it provides an online platform for commentaries on textbook chapters and on economic themes or topics.

The original idea for this project evolved as a result of my teaching a course based on Mankiw (2012) *Principles of Macroeconomics*. I found myself adding many additional points on interpretation and alternative viewpoints. Some of the underlying thinking and perspectives on economics are outlined in a recently published book (Birks, 2015), the content of which is the subject of a series of seminars being held here this week. The additional course content was written up for each chapter and placed online for distance students. Inclusion of this material resulted in a broader and more critical course than would have been provided by the standard package of materials alone.

There are other academics who have similar material that they included in their own courses. Given the constraints on people’s time, it seemed that there would be value in making resources such as these generally available for teaching staff and students. Feedback from other academics around the

world suggested that there could be a lot of support for such an activity. There are a number of reasons for this, as discussed below.

The World Economics Association decided to back the project and has developed an online platform for commentaries and discussion as well as links to related resources. A shell now exists for this platform and material is gradually being developed and uploaded. It can be accessed via:

<http://www.worldeconomicssociation.org/textbook-commentaries>

The idea is that commentaries should comprise short points, largely stand-alone, giving further explanation, critical comment or alternative perspectives. They should be designed so as to be easily incorporated into a lecture or tutorial and/or added via a link on a course web page. Two short extracts from commentaries are included in the Appendix to this paper. They both briefly present alternative perspectives on material in the textbook. One draws on Adam Smith to show that his perspective was broader than is found in current mainstream conventions.

The material that I initially developed was written specifically in relation to the course text. It soon became apparent that there is a wealth of useful additional material that is of general relevance. A parallel classification of 'themes' and 'sub-themes' then arose, as with 'consumer behaviour' and its sub-theme, 'indifference curves'. Requirements for commentaries then became clearer. Consequently, the focus should be on a specific chapter or theme, individual points should be brief, perhaps up to 500 words, stand-alone and easy to follow. Where commentaries comprise a collection of points they should be numbered and comprise no more than about 1500-2000 words in total. As the collection grows, it could provide a useful resource for lecturers and students who have had to follow the standard texts, but want to take a more pluralistic or critical approach. Some commentaries can draw on material in alternative texts, thereby increasing awareness of them and hence influencing the way economics is perceived.

Links have been set up so that related chapters and themes can be found easily, and commentaries have a "comments" feature so that readers can actively contribute to the resource. The aim has been to design the platform so as to be effective for young people who are used to participating interactively online. The project provides an **independent and universally accessible platform** which can be used to enhance existing courses, whether traditional mainstream, heterodox or pluralist. It can open up to all students the existing diverse perspectives and wide-ranging literature that can be found in the various schools of thought and elsewhere.

Some lecturers have attempted to teach economics in a pluralist way, only to find that students then struggle to come to terms with the numerous alternative perspectives being presented (Dawson, 2007). It is possible to use the commentaries to present economics in a different way, emphasising the nature of theories as being based on alternative framings and presenting analogies of, rather than descriptions of the real world. An approach can be presented as an option, indicating that there is a selection process involved and that any chosen option has its strengths and weaknesses. The various reserves and qualifications can then be covered, including the relevance of other perspectives. This allows students to become aware of such things as historical and country differences, institutional factors, and the broad dimensions of political economy. By showing the constraints of a model and additional requirements to be considered, students are made aware of the nature of framing and the processes that may be followed when analysing issues. This implicitly

conveys the limited, partial nature of any approach and hence the possibility of numerous, similarly limited, alternatives. There is a benefit even for those students who wish only to learn the basic textbook material. Even they are made aware that the findings relate to abstract models rather than being definitive representations of real world phenomena. The approach has the added advantage that it helps students to build up critical skills and to see processes whereby issues can be analysed, along with the limitations of those processes.

In addition to commentaries, the platform also has pages listing alternative texts and giving links to teaching resources web sites. This is important because much of this alternative material is not widely known, despite being of excellent quality and affording fascinating insights. These pages, combined with the possibility for people to contribute to commentaries and comments, demonstrate the independent nature of the project as a common resource not aligned to any particular body of thought or specific publisher.

In summary

Many people are dissatisfied with the current state of economics, seeing it as failing to describe reality. There is much uncertainty as to how constructive change can occur, especially given a perceived entrenched establishment that strongly favours mainstream economics. This project and its web platform have the potential to be broadly based, widely accessed and flexible enough to cater for a wide range of interests. It is open enough to be relevant as circumstances in the economics discipline change. It can be useful for those, presumably the majority for some time to come, who use current mainstream economics textbooks, as well as others wishing to present alternative perspectives. At the same time, in a user-friendly, accessible and flexible way it opens up the field of economics to allow the inclusion of a much broader range of ideas and perspectives. It can serve as a mechanism for ongoing debate and exchange of ideas, and possibly the development of some more nuanced common ground. Over time it may even have some impact on the methods and content of economics courses. Active participation is invited and, indeed, essential for the success of this project. We look forward to hearing from you.

Appendix: Two excerpts from commentaries

Point from [commentary on Mankiw Chapter 3](#): Interdependence and the gains from trade

The last sentence in Section 3.2d on p.54 states, “Trade can benefit everyone in society because it allows people to specialize in activities in which they have a comparative advantage”. This result is based on the specific model, where gains are based on consumption patterns and people are better off if they can consume more. It does not consider whether production patterns might affect wellbeing. Note the following quote from Adam Smith’s famous *Wealth of Nations*:

“In the progress of the division of labour, the employment of the far greater part of those who live by labour, that is, of the great body of the people, comes to be confined to a few very simple operations, frequently to one or two. But the understandings of the greater part of men are necessarily formed by their ordinary employments. The man whose whole life is spent in performing a few simple operations, of which the effects are perhaps always the same, or very nearly the same, has no occasion to exert his understanding or to exercise his invention in finding out expedients for removing difficulties which never occur. He naturally loses, therefore, the habit of such exertion, and generally becomes as stupid and ignorant as it is possible for a human creature to become. The torpor of his mind renders him not only incapable of relishing or bearing a part in any rational conversation, but of conceiving any generous, noble, or tender sentiment, and consequently of forming any just judgment concerning many even of the ordinary duties of private life. Of the great and extensive interests of his country he is altogether incapable of judging, and unless very particular pains have been taken to render him otherwise, he is equally incapable of defending his country in war. The uniformity of his stationary life naturally corrupts the courage of his mind, and makes him regard with abhorrence the irregular, uncertain, and adventurous life of a soldier. It corrupts even the activity of his body, and renders him incapable of exerting his strength with vigour and perseverance in any other employment than that to which he has been bred. His dexterity at his own particular trade seems, in this manner, to be acquired at the expense of his intellectual, social, and martial virtues. But in every improved and civilized society this is the state into which the labouring poor, that is, the great body of the people, must necessarily fall, unless government takes some pains to prevent it.” From [pp.604-605 of Book V Chapter 1 of Smith, A. An Inquiry Into the Nature and Causes of the Wealth of Nations](#): Alex Catalogue.

Point from [commentary on Mankiw Chapter 4](#): The market forces of supply and demand

One approach to equilibrium, rather than just “forces in balance”, or “a system at rest”, is “people’s plans are realised”. This recognises that economic decisions are made by individuals, and are based on certain expectations (such as the quantity they can buy or sell at a given price). If their plans are realised, their expectations are correct. If they are not realised, they are likely to revise their expectations and change their behaviour, so the outcome will change. If a system is at equilibrium, there is no incentive for change unless some determinant changes.

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