

# **The Current State of Economics as a Discipline: The Teaching of Economics Introduction and Some Suggested Readings: Can Economics be Grounded in Reality?**

W. Robert Needham

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**Introduction:** Tony Lawson and Steve Keen and Fullbrook below contain more extensive references than the list given here. To get an easy introduction to the topic, however, I recommend starting with Post-Autistic Economics Network: <http://www.paecon.net/>. Indeed, you can get yourself signed on as a member. The first twenty or more issues of PAE Review are available there, and they are free.

You might also find my home page useful: <http://economics.uwaterloo.ca/fac-needham.html>. There are many items, listed there, both contemporary and historical, that are of relevance to this and other related topics.

The topic has a long history, which, pessimistically [that is without change or substantive disciplinary reform] does not bode well for the advance of economics as a social science. What is required, briefly is that economists get a firm grip on reality and make it impossible for it to be said that mainstream teaching of *pure theory* (usually improperly labeled *neoclassical economics*) is the contemporary world's witchcraft, a parascience, [Amin, 1999]; the Nobel Economics prize is a comics prize, or joke, [Saul, 1996]; that economists suffer from mumpsimus, [Arouh 1987 and Robinson, 1979]; that they float hot air balloons, [Routh, ud, 1970 s]; lack vision [Heilbroner and Milberg, 1995]; engage in truth distortion [Wright, 1993]; and are playing repetitive little boys sandbox games, [McCloskey, 2000]; and are autistic, [Rankin, 2002, Ackerman 2003, Devine, 2003 and PAE Network since 2000 and continuing].

Institutionally economics (and other disciplines see for example Jacobsen, 2003) represent *disciplinolatrics* that are division[s] of knowledge masquerading as reason, [Kroker 1980], controlled and perpetuated by vested interests with a survivalist commitment to what they teach as economics [for example: calculus is all I have learned in this ECON Department] and in which they embed and indoctrinate pure theory, and, deliberately or not, avoid a professional commitment to the advance of economics as part of a truly social science [Polanyi, 2000].

**Some questions:** Where do you/we stand on the role of the universities and what do you/we expect from ostensible university sciences in contributing to the common good of society? What do we/you expect from university economists in this? What should we expect? Are economists exempt, for any reason, from meeting normal expectations? Analogous to cigarettes, should the pure theory of economics [again labeled neoclassical economics] have ascribed to it a warning, for example: *this product is dangerous to your health*? Is this a possible policy implication of describing economics as autistic?

If economics is not a normal science, and it is not, can that fact be used as an excuse for doing nothing (merely perpetuating what is now done)? This seems a basic question since you/we pay, through our taxes, the bill for the permanent incomes of tenured professors of economics.

How can economists teach *reality*? (Take a walk down main street anywhere and locally start at King and Union and walk north to the Waterloo County Stockyards. Try to describe what you see and experience everyday in the prices you have to pay. [Lee, 1994]).

Does this lecture contribute to advancing the common good of society? [Saul 1996] Is what is said true? Are its implications just?

I ask this because what I have tried to do is ground my thinking in the following:

Justice is the first virtue of social institutions, as truth is of systems of thought. A theory however elegant and economical must be rejected or revised if it is untrue; likewise laws and institutions no matter how efficient and well arranged must be reformed or abolished if they are unjust. The only thing that permits us to acquiesce in an erroneous theory is the lack of a better one [in economics teaching perpetuation of error is usually rationalized in just this way, there is said to be *no alternative*]; analogously, an injustice is tolerable only when it is necessary to avoid an even greater injustice. Being the first virtues of human activities, truth and justice are uncompromising. <sup>1</sup>

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<sup>1</sup> John Rawls, *A Theory of Justice*. (Cambridge, MA: Harvard University Press, 1971), 3, 4.

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