

# Is There Life after Samuelson's *Economics*?

## Changing the Textbooks

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Obviously, yes. Samuelson's text, imitated now in literally hundreds of versions since 1948, is only the most recent model, each with roughly a sixty-year reign. Before Samuelson came Marshall's *Principles*. And before that Mill's *Principles*, and before that *The Wealth of Nations*. It's been sixty years since Samuelson. With most of our colleagues in the Post-Autistic Economics community, we believe it's time to change. Mainstream economics—or as we prefer here to call it, "Samuelsonian economics"—has reached sharply diminishing returns. *Economics* and its many hundreds of knock-offs are not suited to the needs of the current generation.

Nowhere is the defensive scientific posture of Samuelsonian economics more evident than in today's introductory textbooks. Economics is a plurality of conversations, but with a few honorable exceptions today's textbooks don't deign to mention the fact. The actual economic conversation is heterogeneous. Yet the textbooks are startlingly homogeneous. The actual economic conversation is conducted by feminists and libertarians, empirical Marxists and postmodern Keynesians, historical institutionalists and mathematical Samuelsonians. But most of today's textbooks teach Samuelsonianism pure and simple, period. They are dogmatic, one voiced, unethical. At bottom the monological textbooks are hostile to the student: "Enter our restricted version of economics, oh ye pathetic undergraduate, or be damned!"

In *The Economic Conversation* we're trying a new approach.<sup>1</sup> We want to produce a book that reflects the actual conversation of economics, Samuelsonian to Post-Autistic. Our web site—[TheEconomicConversation.com](http://TheEconomicConversation.com)—intends to nurture an already worldwide community of teachers and students who believe there's more than one way to skin an intellectual cat---and that a fair and public hearing of the alternatives is crucial to the health of the economic conversation.

We don't expect to be the next Samuelson. Market share would be nice--- we openly admit to a profit motive!---but it's not our main goal. After all, that's one of the leading points in the Post-Autistic movement, that human goals are multiple and cannot be reduced in most cases to Prudence Only or to Mr. Max U or to any of the other formulas for sociopathy recommended by the Samuelsonians. If market share were our main goal, we'd write another Samuelsonian knock-off.

Our book, with a handful of honorable attempts by others of a post-autistic bent, means to be different. In ice cream terms we see our book as a Ben and Jerry's among the blandness of ice-milk Dairy Queens. The three of us reflect the international and pluralistic spirit of the community we are trying to nourish. McCloskey is a Chicago School free-marketeteer, though recently also a progressive Christian and a postmodern literary type and an activist in the GLBT community, too. Klamer was trained as an econometrician, moved on

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<sup>1</sup> forthcoming, Palgrave/MacMillan, early 2008: <http://www.theeconomicconversation.com>.

to history of thought and method, and is now an evolving European social democrat with substantial political activities. Ziliak, an economic historian and rhetorician with a background in welfare casework and civil liberties is committed to racial and social justice, leaning towards the market for some solutions and towards the state for others. The thing we have in common is “the rhetoric of economics.”

We come together in protest against the forced consumption of ice milk. Two-and-a-half cheers for the rich (if fattening) flavors of the real economic conversation!

A full-year introduction to micro and macro, *The Economic Conversation* presents the tools and principles of neoclassical economics as does any textbook---somewhat more open-handedly, we hope. But a fourth to a third of every chapter is written in *dialogue* form, Socratic dialogue, like a real economic conversation. The idea is to simulate a real classroom, a real seminar room, in the open ways advocated by Paulo Freire, bell hooks, and Jane Tompkins. Students at the university level need to learn how to argue sweetly but seriously. Dialogue does the job.

Participants in the dialogues are the authors themselves, joined by four students, with an occasional guest commentator. Most of what a teacher wants a student to leave an economics course with is forms of argument, not the definition of price elasticity of demand or the details of indifference curves. We therefore want the dialogues to be treated with rigor equal to that of the conventional sources of text, though differently. The learning that takes place in actual dialogue is different from conventional, monological learning of the Samuelsonian kind.

### **Economic dialogues**

When in the 4th century Plato claimed to be writing down the ideas of his teacher Socrates, he chose to do so by way of dialogues. The implicit argument is that knowledge—such as knowledge about beauty and love in the *Phaedrus*, or knowledge about virtue, rhetoric, and good government, as in the *Gorgias*—comes from the give and take of conversation. We learn from conversation, even if only an internal conversation within ourselves.

That seems right, and many other great teachers have followed Plato's lead. Two thousand years after Plato, Galileo presented his scientific ideas as dialogues between imaginary characters:

Sagredo: Will you not then, Salviati, remove these difficulties and clear away these obscurities if possible: for I imagine that this problem of resistance opens up a field of beautiful and useful ideas; and if you are pleased to make this the subject of to-day's discourse you will place Simplicio and me under many obligations.

Salviati: I am at your service if only I can call to mind what I learned from our Academician [that's Galileo referring to himself] who had thought much upon this subject and according to his custom had demonstrated everything by geometrical methods so that one might fairly call this a new science.

Galileo Galilei, *Dialogues Concerning Two New Sciences*

(New York: Dover, 1638 [1954]), p. 6, trans. by H. Crew and A. de Salvio.

But by the nineteenth century the dialogical form had fallen out of favor as a method of scientific persuasion, replaced by so-called objective and neutral “observation,” “testing,” and “writing up the results” in the now-standard format. Newton originated it, as a rhetorical device to shut critics up. A century later Gauss perfected it in mathematics: he was called the “fox” because like a fox wiping out his tracks in the snow with a bushy tail, Gauss gave none of the indications natural to dialogue of where his ideas came from or where they were going. It was just theorem and proof, theorem and proof. You may recognize it in the pages of the *Journal of Economic Theory*: “Consider the following setting” or “It is obvious to any rational mind that.” The numerous enemies of the anti-dialogic form call it the “rationalist [or empiricist] monologue.” The “method of science” you were supposed to learn in high school now follows the rigid outline of the empiricist monologue, embodied in such documents as the *Publication Manual of the American Psychological Association*, from scientific question to (alleged) scientific answer. Hypothesis and finding, hypothesis and finding. No conversation, please: we’re Scientists.

The suppression of dialogue has been a pity, and has made learning how to argue difficult. Commenting on the form of argument is called of course “rhetoric.” By “rhetoric” we do not mean “deceptive speech” or “flowery language,” a point better grasped in Continental languages than in English. We mean the art of real conversation, real argument with real human beings. Why do you believe what you believe? The dialogues show economics, in other words, to be a controversial and conversational subject, thoroughly “rhetorical” (though of course “Consider the following setting” is a rhetoric, too), where people start in disagreement with one another, and seek to persuade more or less reasonably to an end of at least mutual understanding.

Our student interlocutors are four. *Paul* is as he puts it “a middle class suburban kid,” and a business major. He seeks the middle of the road in most matters. He is self-confident, perhaps too self-confident, and is in university strictly to further his goals in business. *Bayla* came to the United States from Eastern Europe. She’s older than most students, and wants after university to work in the fashion industry. Having come out of a region damaged by Communism, she’s a fervent believer in capitalism--maybe too fervent. She celebrates the entrepreneur. *Maria* is the only child of a single mother who immigrated from Mexico and now owns an organic-food restaurant in a working-class Latino neighborhood of Chicago. Maria is troubled by the injustices of the current economic system, and calls attention to the plight of minorities, especially women. She’s religious. *Rodney* is definitely not. He is more radical in temperament than the other three. A leader of the debate club in college, in love with anything British (he plays the English game of cricket, of all things: he learned it young from a doting Jamaican uncle), he’s also a budding intellectual. He loves the argumentative character of economics. According to Rodney, an African American who sees himself as a budding politician, the capitalist system is wrong, and radical changes are needed.

Thus the *dramatis personae*.

### **Argumentation in Economics**

How to argue economics is illustrated in the dialogues. For example:

Maria: I don't know who to believe about foreign trade.

McCloskey, *turning to the other three*: Ultimately you-all need to believe what you can persuasively defend to yourself. But it's only sensible to get some knowledge of economics before venturing an opinion, yes? Do you believe for example that the United States should protect itself against foreign competition? Lou Dobbs, the American TV journalist on CNN, certainly thinks so, and says it every day.

Paul: I think we should. My dad is an executive in a factory that makes parts for cars, and the foreign competition is killing him. Asian suppliers are subsidized by their government and aided by an unfair exchange rate. That's not right. If the U.S. government doesn't do something, my father will have to start firing people. And maybe he'll get fired.

Bayla: Wait a minute. What about the Americans who buy cars? If we stop the import of inexpensive foreign parts, we'll have to pay more for cars produced here, right? Free trade sounds good to me.

Rodney: What about the workers that Paul's father will lay off?

Bayla: Can't they find other work?

Paul: Maybe---flipping hamburgers. And what's going to happen if other countries take *all* our jobs away?

Ziliak: "All" the jobs? Think about it. Does that seem plausible?

Bayla: Yeah, it's crazy to imagine "all" the jobs going. And why think only of Americans? What about people in China and Brazil? They need jobs, too.

Paul: Come on. Trade is like a war: it's us against them. You have to play tough or you lose.

Klamer: Really? Why is selling people cars "like a war"?

Rodney: I think it is "war" from the business point of view. And guess who's going to lose the most? the workers, not the bosses.

Bayla: I don't believe that. Trade makes everybody better off.

McCloskey, *summarizing, and picking up a piece of chalk*: Great discussion! You've made the standard points for and against free trade. You are all making arguments, as

you expect economists to do. But look back on how you argued. *She moves to the blackboard.*

### What's an Argument?

The conversation of economics resembles, in some regards, a court of law. True, in the conversation of economics there is supposed to be no final judge or Supreme Court--though the Establishment of Samuelsonian economics tries to usurp the role of final arbiter, packing its editorial boards with conventional Samuelsonians who dogmatically defend their turf. But let us talk of the ideal speech situation. If after serious thought and thorough research you are convinced that low taxes are best for the United States, you are supposed to face the task of making your case—your *argument*—as though to a judge and jury. In other words, you need to present arguments that persuade your audience, whether that audience consists of family and friends, the students, the professor, or the community of economists and policymakers. We said "ideal."

A syllogism is one simple form of argument, though hardly all of argument. Argument depends on stories, metaphors, appeals to authority, context, interests, power. It is *not* a realm of first-order predicate logic alone, ever, nor among humans should it be.

Aristotle noted that most arguments take the form of an "enthymeme" ("EN-thu-miem"), an incomplete or not-quite-air-tight syllogism. "Free trade is good" or "Taxes reduce output" are enthymemes, not-syllogistic arguments. The average French economists may find such arguments 45 percent true, the average American economist 80 percent true. Arguing an enthymeme is successful when the economist defends the 45 or 80 percent true as "true enough." Economics, like other sciences, works in approximations. "Good enough for government work," as McCloskey likes to put it.

That an enthymeme is not a syllogism is not damning---despite what some few of our colleagues in the Department of Philosophy might say. Stephen Toulmin (b. 1922), the great philosopher, rhetorician, and ethical theorist, long ago proposed a model of argument:

#### The Toulmin Model of Argument

(1) a **CLAIM** is made; (2) **DATA**, that is, facts to support it, are offered; (3) a **WARRANT** for connecting the grounds to the claim is conveyed; (4) **BACKING**, the theoretical or experimental foundations for the warrant, is shown (at least implicitly); (5) appropriate MODAL **QUALIFIERS** ("some," "many," "most," etc.) temper the claim; and (6) possible **REBUTTALS** are considered.

Source: Toulmin, Rieke, and Janik, 1984

Thus the claim "taxes always reduce output" might be supported by data from rises in cigarette taxes, conveying, too, a warrant in the form of a supply-and-demand model, together with backing for using such a model (for example, it has worked in past economic arguments; it works in experiments; a downward sloping demand curve is an implication of rationality), tempered by adding "usually" (admitting, for example, that second-best arguments might foul up the simple prediction), and defended by criticizing alleged rebuttals

(people are *not* rational; taxes inspire radical technological change in the cigarette industry; taxes are massively evaded).

The Toulmin model and the ancient tradition of rhetoric with which he works helps understanding economic arguments. But it goes further, to what we call "overstanding." The "warrants," the "backings," the "qualifiers," the rebuttals" are the stuff of serious scientific or political argument, well beyond the grotesque misuses of syllogism in existence theorems and *t*-tests. When the student begins to overstand she becomes a maker of argument herself.

### **Joining the Economic Conversation**

*The Economic Conversation* wants to practice what it preaches---which we readily admit is *not* easy. The textbook is, like the economic conversation itself, evolving. That's where you come in, dear reader. We hope to hear from you. Please visit one or more of the links on our web site (<http://www.TheEconomicConversation.com>).

How are the conversations working? What is going right and what is not? What should we add or delete? Please tell us. Frustrated neoclassicals, feminists and libertarians, empirical Marxists and post-modern Keynesians, and everyone in between and far beyond: let's get a serious conversation going about how economics ought to be taught.

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