Teaching Economics at University in a Post-(Non)Truth World
Post-truth

- “Objective facts are less influential in shaping public opinion than appeals to emotion and personal belief”
- https://en.oxforddictionaries.com/definition/post-truth
The growth of the university system, since the enlightenment, has been partly founded on the objective of advancing the age of reason/science, i.e. truth-seeking, for the purposes of better understanding, and the discovery of solutions for the many intractable problems facing humanity. Yet if the science is perceived to be suspect then the appeal of populist ideas, with questionable logical foundations, will increase. Economics as a subject is susceptible to this since many of its core ideas can be seen to poorly reflect realities or ethic. This presents the modern university with substantial challenges for teaching and learning.
Should we just simply correct the bad science?

- Correcting the bad science will help but it must be credible.
- Since the crash there is increasing dissatisfaction with capitalism per se, and being lied to by the political classes (including the media and academia). This dis-resonates with people’s sense of reality that is characterised by devaluation, lack, exclusion and minimal empowerment. Without credible alternative narratives the post-truth populism of the likes of Trump starts to appeal.
- The modern university thus has a task ahead to both a. correct its mistakes and b. restore (for some) the popular trust in science.
Academia needs to be able to combat the likes of Trump and his claims of fake news

- Bullshit thrives when there is a market i.e. where producers of bullshit gain political office or influence and the consumers get the alternative narrative to the lies from the political class (Ball)

- Trump, for instance, takes on Rupert Murdoch and the New York Post for their depiction of his Iowa rally in January 2015. They claimed failure, he claimed they lied about the success. The Trump supporters that do not trust the media feel encouraged by someone presenting a perceived truth.

- Tali Sharot in *The Influential Mind* gives another example of Dr Ben Carson versus Trump (presidential primary). Despite the science backing Carson, on the subject of autism, Sharot surprisingly found herself being influenced by Trump. Academics need to be wise to the psychological factors at work.
Can economics be a credible discipline when so much political interest is at stake?

*Truth can never be told as to be understood and not be believed*

WILLIAM BLAKE
Yet, despite political opposition there is growing discontent amongst students and academics, who are pushing for change

- Manchester University Post-Crash
- Institute of New Economic Thinking
- Rethinking Economics
- RSA Promoting Economic Pluralism
- Association for Heterodox Economics
Orthodox economics remains unrepentant

- Mainstream economics continues to be taught as the correct foundation for students in the top universities across the world. But, in the words of the 2017 Nobel prize winner for literature, if the foundation is built on sand:
  - “what's good is bad what's bad is good, you'll find out when you reach the top, your on the bottom” and……
  - do we really want to learn “what I’ve gotta unlearn’ ?
When and why did the political class, and their deferential academics, first misrepresent (or even lie about) the realities of capitalism?

- Machiavelli argued that lying was often a useful tool for leaders.
- Possible private benefit but does not scale up in Kantian sense.
- Capitalism incentivises and/or requires non-virtuous behaviours.
- The political class therefore has an imperative to lie or obfuscate the failings of the system, and over-emphasise the positive, in order to ensure the legitimacy and survival of the system.
capitalist jobs for economists

- Robinson (1962) argues obfuscation became economist’s job.
- Sometimes the ethics needed to change e.g. Calvin and usury.
- Berdyaev *Pre-Death Thoughts of Faust*. Young ‘truth-seeking’ Faust makes a pact with the devil (the European Enlightenment) in exchange for riches and status but then ends up regretting the ‘draining of the swamp’ and the ‘material mastery of the world’.
- Aspiring careerist in the political class inevitably drifts in ethics.
Enclosure, merchants and markets: the early stages of capitalism

- Orwell writes of the transformation of common lands: “They simply seized it by force, afterwards hiring lawyers to provide them with the title deeds” Orwell, Tribune, 18/8/44.
- The rise of mercantilist class, enclosures and growth of markets.
- Polanyi – from reciprocal giving to rational utility maximization.
- Perelman – enclosures as a political project and the alternative contemporary narratives to Adam Smith capitalist operation.
- Mandeville – nature to pursue self-interest, necessary condition.
non-virtuous aspects of the economic system

- Propensity to waste, production for the sake of production.
- Creation of a reserve army of unemployed.
- Planned obsolescence.
- Various forms of alienation and class contradictions.
- Psychological and sociological impact of competition.
- Inequalities and the undermining of human value
- Ecological degradation
The rules of the game
Marx’s summary of the subject of economics (and changing language) in the late 1840s

- “It was thenceforth no longer a question whether this theorem or that was true, but whether it was useful to capital or harmful, expedient or inexpedient, politically dangerous or not. In place of disinterested inquirers, there were hired prize fighters, in place of genuine research, the bad conscience and the evil intent of apologetics”.

Some examples of mainstream economic concepts and theories that inaccurately reflect realities

- Scarcity.
- Money multiplier.
- General equilibrium models.
- The rational economic agent.
Conclusion and recommendations

- Setting context as a foundation for learning.
- Provide a basic history of capitalism.
- Outline a brief history of the discipline.
- Adopt the scientific method.
- Clarify fundamental assumptions of schools.
- Teach in a pluralist mode (i.e. multidisciplinary).
- Critically consider theory as an explanatory tool.
References

- Mandeville, B. 1989 [1714], *Fable of the Bees: Or, Private Vices, Publick Benefits* (Hackett, Indianapolis)
- Marx, K. (1976 [1867]), *Capital: Volume One* (Penguin, St Ives)