

Existing “alternative” textbooks

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To determine the right way forward for an INET curriculum, we need a sense of what approaches have been tried. I have surveyed a number of “alternative” texts as one part of this. My focus has been on macro texts as they are easier for me to evaluate. This also reflects a sense among the committee members that macro is of a higher priority.

It is not yet clear what form we might pursue for an INET curriculum. The texts I am reviewing all (except Dasgupta, 2007) take the form of a standard textbook, though clearly filling distinct roles within that category:

<i>Text</i>	<i>Niche</i>
Blanchard (2000)	Not an alternative text. This was on my shelf and I wanted a more standard text as a point of comparison. Not being entirely fair by using the 2000 edition.
Cohen and Howe (2010)	Principles text for the Canadian community-college market. Low math, high-graphics, institution-focused.
Colander (2010)	Principles text for the U.S. undergraduate market. Consciously trying to fit “modern economics” (as distinct from neoclassical economics) into the form of a very standard principles book.
Dasgupta (2007)	Not a textbook at all, targeted toward autodidacts. Quality paperback binding, conversational, micro-oriented. I’m more interested in the form than the content, for our purposes.
DeLong and Olney (2006)	Intermediate text based around the flow-of-funds approach to the IS–LM model. Attempts to integrate growth theory and fluctuation theory.
Goodwin (2009)	Principles text for the developing world. Focused on standards of living, stability and security, and sustainability.
Michl (2002)	Concise intermediate text for the U.S. market. Focused on providing a macro basis for policymaking. (Included because I am teaching out of it, and certain of its features appeal to me.)

Approaches to disciplined eclecticism

The barrier we face is real and entrenched. Here is Blanchard, eleven years ago:

“The book is built around one underlying model, a model that concentrates on the implications of equilibrium conditions in three sets of markets: the goods market, financial markets, and the labor market... [T]he underlying model is always the same. My hope is that, as a result, readers of this book will see macroeconomics as a coherent whole, *not as a collection of models drawn from a hat.*” (Blanchard, 2000, p. *xix*, emphasis added)

The sneer comes through quite clearly. The ECC has concluded that this is wrong, because the processes and institutions of the economy of the real world are sufficiently complex that no simple model can hope to be helpful at all times. Indeed, no real

economist relies on a single model all of the time. Such pedagogy wrongly conveys the impression that we are dealing with Truths. Colander (2010), in the most erudite of the alternative macro principles texts in the bunch, is quite deliberate about his intention to connect a variety of perspectives. From his “Preface for the student: alternative perspectives”:

“Economics as a Method of Reasoning, Not the Truth

[T]o encourage questioning everything, I don't present models and insights of economists as the truth (the field of economics is far too complicated to have arrived at a single truth) but as a set of technical hurdles, reasoning processes, and arguments that students should know, and that will help prepare them to deal with economic issues. Economics primarily teaches you how to approach problems; it does not provide definitive answers about what is right and what is wrong. It is a method, not a set of truths.” (Colander, 2010, pp. *xxiff*.)

The sentiment is exactly one of the tenets of the ECC. His response to this pedagogical challenge is also compatible with ours:

“In my view, it is the modeling method, not the models, that is most important to teach our students. In my presentation of models, I carefully try to guide students in the modeling method, rather than having them memorize truths from the models. I carefully emphasize the limitations of the models and the assumptions that underlie them, and am constantly urging students to think beyond the models.” (Colander, 2010, p. *xi*)

How does this play out in the text? “Questions from alternative perspectives” appear at the end of each chapter. In discussions of the business cycle, inflation, long-run growth, and so on, the issues are clearly presented as subjects of active debate. The alternative perspectives Colander returns to often are Austrian, Religious, Feminist, Institutional, and Radical (e.g. Colander, 2010, p. 120).

Cohen and Howe (2010) have their own way of handling the issue of multiple perspectives. The macro text is framed around two dialectics: individual vs. aggregate on the one hand, and Say's law vs. Keynes on the other. The key rhetorical strategy for keeping the various theories in play in the discussion is to sum up each side with a short phrase or expression that it might shout at the other side:

“[I]f left alone by government, do the price mechanisms of market economies adjust quickly to maintain steady growth in living standards, full employment, and stable prices?

The “Yes” answer, following Say's Law, claims supply creates its own demand. Will aggregate supply choices create enough aggregate demand (a match) so that the plans of the macroeconomic players are realized, or disappointed (mismatch)? And if aggregate demand and supply shocks disrupt an economy currently at potential GDP, will markets adjust quickly to restore steady growth in living standards, full employment, and stable prices? Or will markets fail to adjust quickly, resulting in long cycles of boom and bust, with inflation and unemployment?

Match is the World of Say's Law...” (Cohen and Howe, 2010, p. 143)

“Hands-off” and “hands-on” economists come up repeatedly as well.¹ Given the level the text is targeted toward, and despite the somewhat nauseating appearance of the book, the flavor of economic debate manages to come through rather well.

Organization

“I know and accept that if we are going to teach modern economics, it has to be done in the context of the standard textbook template, at least at this point. But recognizing the importance of the existing template is not a call for laziness and complacency in what we teach; it is a call for creativity. If we are to consider ourselves to be serious teachers of economics, we can and should be doing whatever we can to teach students modern economics, not some vestige from the past.” (Colander, 2010, p. *ix*)

Despite their different intentions and philosophical approaches, Blanchard (2000), Cohen and Howe (2010), Colander (2010), and to an only somewhat lesser extent Goodwin et al. (2006) all follow the same basic structure:

1. supply and demand;
2. aggregate supply and aggregate demand;
3. monetary policy etc.,

and all take quite a lot of time to get there.

DeLong and Olney (2006) de-emphasize micro, building quickly to growth models and then a rather non-standard IS–LM. Michl (2002) (admittedly an intermediate text, but this does not seem essential) cuts out all the fat and presents and elaborates an IS–LM model with far fewer words than any of the other macro texts on the list. There are almost no examples, and not more than 10 or 12 problems in each chapter, but for this price you get a lean, concise textbook.

I raise this issue because I am not convinced of the value of the monolithic textbook. I use Michl (2002) in my own class because I want my students to have something that they can toss in their bag. If it leaves the dorm room with them, it stands some chance of being looked at between classes. The text cannot be understood on the first reading, but it is small enough to read twice. I doubt whether any of the larger books gets read even once.

Another model for a concise text is Dasgupta (2007). OUP’s series of *Very short introductions* is targeted to those teaching themselves, a role otherwise filled by the *For dummies* series. This particular instantiation of the model takes a rather strangely micro-oriented approach. The style is narrative and conversational.

Conclusions

I do not think that attempting to produce INET textbooks in the standard format is likely to result in a change in the way that economics is taught and learned at the undergraduate level. Colander’s books are in their eighth edition, representing the product of years of work. They cover standard economic theories and a variety of

¹ I will also note without further comment another rhetorical strategy, the use of hockey metaphors: “[w]hen aggregate demand matches the aggregate supply choices made two Gretzky-like steps earlier...”.

alternative perspectives. They are replete with examples, discuss real-world institutions passably well for the level, and are up-to-date with discussion of the crisis and macroeconomic policy. Starting down that same path, could we reasonably expect to do better?

My own opinion is that less is more. Why have large textbooks? One reason would be that the text gets read and re-read, and becomes a reference to sit on one's shelf. But students have no lack of access to information today, much of it more up to date than their textbook. The idea of an Elly (1919) that will sit on their shelf as a reference forever is foreign. Only an online reference could serve that purpose for them.

Another reason would be that the big ideas of economics can only be built up slowly, from well-laid foundations. This, I think, is the graver error. Indeed, the students whom we wish to reach are far ahead of us in disciplined eclecticism. Marshalling different points of view to address the issue at hand is the way of the internet. Absorbing an article here, a wiki page there, a Facebook thread over there is the norm; a single voice for 600 pages is quite the exception.

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