

THE ROLE OF CORE TEXTS IN HISTORY OF ECONOMIC THOUGHT

by

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Abstract

This paper compares the integration of core texts found in two widely used textbooks on the history of economic thought by examining the treatment of two well-known historical texts. The difference in approach between the two authors has pedagogical implications for the role of a history of thought course in the curriculum; in addition it echoes a much older and deeper debate over the use of core texts from the canon.

I. Introduction

Undergraduate degree programs in economics usually offer, and frequently require, a course in the history of economic thought. Although instructors typically employ portions of core texts in these courses, the central course text is likely to be a general textbook on the subject in which successive economic thinkers are viewed as (1) comparable to natural scientists who explore previously undiscovered principles about economies and behavior of economic agents; or (2) creators of progressively superior "tools of analysis"; but always (3) best understood from the perspective of current economic theory. Core texts are rarely integrated into textbooks except through short passages appearing in inserted boxes.

This note compares the integration of core texts in two widely known books that do a better job than most—*Economic Theory in Retrospect*, by Mark Blaug (1996), and *Development of Economic Analysis*, by Ingrid Rima (1996). Both books are lengthy, and perhaps better suited to graduate study, but can also be used in undergraduate courses. They differ in the degree to which they integrate core texts: Blaug provides lengthy synopses of some major works, while Rima offers multi-page passages from the same works together with brief summaries.

I compare these two approaches by examining the treatment of two well-known historical texts. The first, from the eighteenth century, is Adam Smith's description of division of labor in *The Wealth of Nations*; the second, from the twentieth century, is John Maynard Keynes' discussion of uncertainty in an article related to his best known major work, *The General Theory*. Rima provides passages from both texts along with comments, while Blaug gives a detailed synopsis of each book. Both authors go into ideas in greater depth than most textbook writers in history of economic thought, but direct exposure of the reader to original texts varies considerably between the volumes.

II. Core Text vs. Synopsis: A Brief Comparison

Book I, chapter 2, of Smith's *Wealth of Nations* contains a description of a hypothetical pin factory. Because the workers specialize in different tasks, they produce more pins together than they would without specialization. Smith's story exemplifies a hypothetical but concrete instance of a theme he follows throughout the book. The story also serves as the starting point in a long and circuitous line of reasoning that will encompass an encyclopaedic description of capitalism and an enduring synthesis of economic thought at his time. It is worth reading because it is well known, because the point Smith makes is important in his theories, and because it is a fine example of his writing.

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Rima presents most of this fairly short chapter in her book, followed by a much briefer explanation. Blaug, by contrast, tantalizes the reader with a description of specifically this part of *Wealth of Nations* as "a beautiful example of eighteenth century prose," (Blaug, 1996:35) but fails to reveal its beauty to the reader. When he does quote a section, it is to present a fairly abstract discussion of price determination, illustrated with an even more abstract supply-and-demand diagram, a conceptual device developed more than a century later. The advantage of Blaug's approach is that it helps someone trained in twentieth century economics to gain an understanding of an eighteenth century writer in twentieth century terms. The disadvantage is that it fails to communicate the subtlety of Smith's eighteenth century notions of market price and natural price.

In 1937 John Maynard Keynes published an article in a leading economics journal, the *Quarterly Journal of Economics*, summarizing his most important work, *The General Theory*, published the previous year. The article draws on ideas Keynes wrote about earlier in his life, and for some economists, it can be taken as a point of departure for understanding much of his work. It also contains some of Keynes' best known and most frequently quoted lines.

Blaug does not conceal his low opinion of Keynes' writing in *The General Theory*, calling it "one of the most difficult books in the entire history of economics," full of "crabbed" prose, obscure formulations and digressions upon digressions" (Blaug, 1996:651). As with *Wealth of Nations*, Blaug provides a chapter-by-chapter synopsis of *The General Theory*, followed by comments on how various later writers and schools of thought have adopted one chapter or another for emphasis.

Rima's treatment of Keynes is similar to Blaug's insofar as it traces the logic of Keynes' thinking in *The General Theory* and gives attention to the variety of interpretations the work has spawned. Her chapter on Keynes, however, is anchored by two extended passages, one from near the beginning of the book, and the other from the journal article just cited. In each case the extended passage becomes the starting point for a discussion that follows. This allows the reader to have at least some direct exposure to Keynes' writing in the context of the 1930s, if not the context of subsequent developments in economic theory.

III. Historical Digression: Ancient and Modern

The difference in approach between the two authors considered here has pedagogical implications for the role of a history of thought course in the curriculum, but in addition it echoes a much older and deeper debate over the use of core texts from the canon. The pedagogical issue comes down to the fact that students invariably find core texts from the past difficult to read and understand. Instructors and textbooks typically respond by pointing out that when students study these texts they develop skills associated with critical thinking, they become immersed in the tradition of the discipline, and they develop a deeper understanding of principles providing the basis of economic behavior. At the same time a textbook or course may either use core texts to focus the student's attention on historical context, or present the same text as anticipating subsequent developments in economic theory. The deeper debate recalls a divergence of views that took place at the time of the early development of economics as a social science in the seventeenth century, referred to at the time as the quarrel between the ancients and the moderns (see, e.g., Swift [1697]). On one side of the debate stood Renaissance humanists, who promoted study of ancient Greeks and Romans, along with an outlook on life that revered thinkers from the past. In the opposing camp were Enlightenment modernists, who created new intellectual frameworks emphasizing science, progress, and the future.

To proponents of science, knowledge was cumulative, improving over time by absorbing and replacing older ways of thought. Scientists like Copernicus, Galileo, and Kepler successfully challenged conventional beliefs in astronomy. Harvey, Huygens, and Newton made new discoveries and applications in physiology and mathematics. Whole new ways of thinking were developed by Bacon, Hobbes, and Descartes. Classic works were abandoned in favor of new ideas, thus depreciating the value of the humanities.

From the opposing traditionalist perspective, the new knowledge of modern science had little to offer

beyond mere system building and theorizing. Rather than revealing useful insights, science produced only creative confusion. From their point of view, the humanities arrived at truth through works that remain alive over time. Homer's portrayal of anger in Achilles and Sophocles' description of the tragic fall of Oedipus showed insights into thoughts and emotions that remain unsurpassed. Later writers could only add and elaborate employing modern settings and literary forms like the novel. These stood for the solidity of a longstanding tradition; the changing nature of scientific knowledge simply reveals its unfinished instability.

An enduring legacy of the quarrel between the ancients and the moderns is the distinction in academe between the humanities and the sciences. By the nineteenth century the impact of science on the curriculum was clear, but its introduction for the sake of practical applied learning was balanced with preservation of classics, thought to ensure rigor and mental discipline. The problem in drawing this distinction, however, was that not all disciplines could be classified as neatly as astronomy and literature. Philosophy, for example, sometimes looked like science, but at other times it more closely resembled literature. Ideas about economics were presented in mathematical form by William Petty and in literary form by Bernard de Mandeville. While mathematical reasoning has generally come to dominate economics, this dual character once present in all nascent social sciences continues a subterranean existence periodically brought to light by economists like Donald McCloskey (1985) and Warren Samuels (1990).

IV. Conclusion

If the goal of a course in history of economic thought is to have students learn to understand the development of economic theory as a more-or-less linear progression of ideas, then textbooks that single out particular contributions from past writers at the risk of distorting the overall vision of their authors is efficacious. Use of core texts may even hinder this goal. But if other goals are admitted and even allowed to displace this one, then core texts are indispensable. Two such alternative goals come to mind immediately--core texts expose students to the rhetorical style of economists, and core texts reveal economists grappling with immediate social and political debates of their times. The power of Adam Smith's condemnation of monopoly as well as his detailed historical knowledge of money and trade are best revealed through his writing and not through a gloss from a subsequent author who understands him primarily in terms of later events and theories. The pressing concern that Keynes shows for unemployment and the future of entrepreneurial capitalism in the context of the great depression is likewise best demonstrated by reading him as addressing those issues rather than as primarily a writer divorced from a specific historical context.

References

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