

Evaluating the CORE Project as paradigm shifting

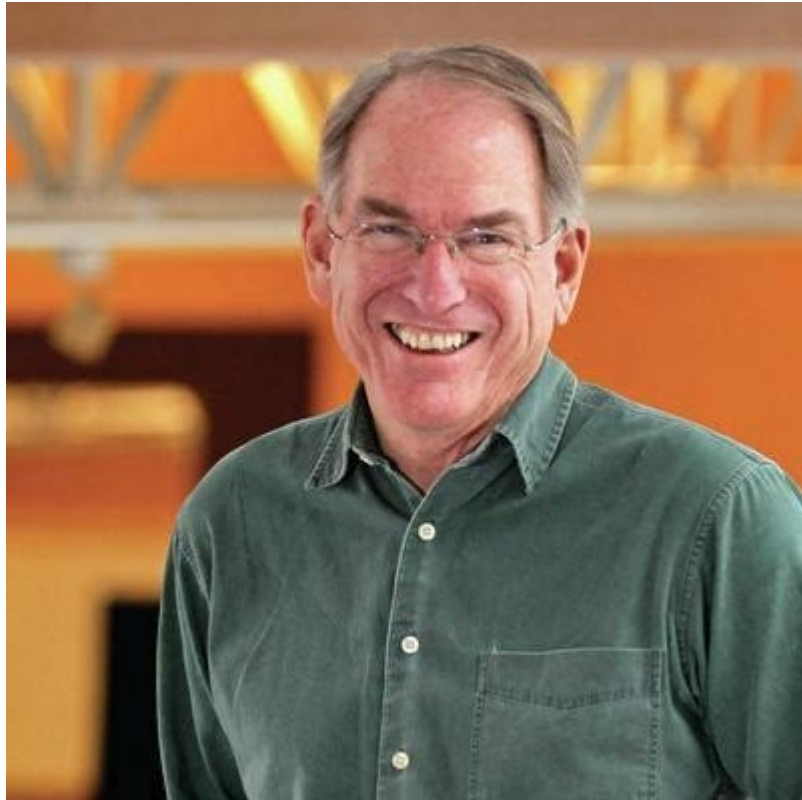
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The CORE project

- Changing the way in which we prepare teaching
 - An educational charity, successful in raising funds to develop novel teaching materials
 - For recent activities, see its [annual report](#)
 - Aiming at a revision of principles teaching in economics, post-crisis
 - Actively engaging with students in developing material
 - Main product – [online textbook](#), available for free in English, French, Spanish and Italian

CORE's self-evaluation

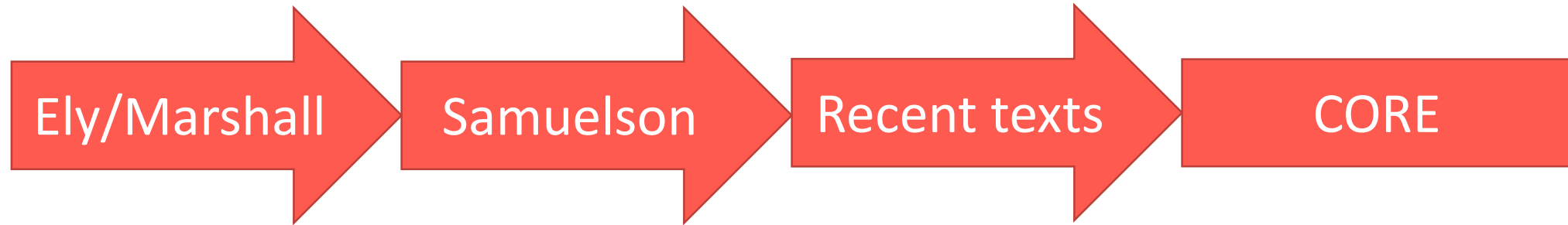
- Very clear from CORE workshop last year, project is driven by Samuel Bowles and Wendy Carlin



Their characterisation of CORE's work

- [What Students Learn in Economics 101: Time for a Change](#)
 - *new problems now challenge the content of our introductory courses ... mounting inequalities, climate change, concerns about the future of work, and financial instability*
 - *tools required to address these problems, ... strategic interaction, limited information, principal-agent models, new behavioral foundations, and dynamic processes including instability and path dependence*
 - *course integrating these tools into a new benchmark model can be accessible, engaging, coherent and ... successfully taught to first-year students*

Development of principles teaching



- All reflect concerns of their time
 - Ely: political economy, business, anti-trust and the role of government
 - Samuelson: demand management; neo-Classical synthesis of 'Marshall + Keynes - defined in 3rd edition
 - Recent texts: monetary policy, international economics, competition and markets, game theory and behaviour
 - *CORE*: Economic history and thought, comparative economic development, *still more* game theory and behaviour; innovation

The results from a total of 4,442 students from twenty-five universities in twelve countries over the years 2016–18 are summarized in a word cloud in figure 1.



Mapping student demand onto new coverage

- Students want coverage of:
 - **Inequality, unemployment,** poverty, scarcity
 - **Environment, sustainability, climate change**
 - Brexit, inflation
- But the book distinguishes itself with coverage of
 - Economic history and thought
 - **Comparative economic development,**
 - **Game theory and behaviour**
 - Innovation
- Is that all?

The ambition of the book

- Begins by placing growth in historical context
 - Early introduction on the labour supply decision – an important theme
 - *But then game theory and bargaining* – inter-dependence and institutions
 - Natural to turn to the firm as an institution
 - Reverse into market analysis after firm profit maximisation
- *Shift – micro to macro through the labour market*
(of course they do this)
 - So macro through unemployment, banks and money,
 - But then market failure, externalities and adverse selection
(squeezed out before? seems delayed)
- *The Economy*: economic aggregates
 - Unemployment as macro, fiscal policy, inflation and the Phillips' curve
 - Tie together unemployment, inflation and monetary policy
- Back to growth

We're not done yet!

- Chapters 17 – 22: Capstones.
 - From the Depression to the Global Financial Crisis
 - Globalisation and Trade
 - Inequality, globally and locally
 - The environment and climate change
 - Innovation, economies of scope, IP rights
 - Political economy and democracy
- *Why did OUP insist on these chapters being there?*

Where we found challenges

- Emergence of growth (Units 1 and 2)
 - Great story – and can get back to classical political economy
 - *But is it just scene setting?*
- Game theory (Unit 4)
 - Set up as a competition over resources, giving prisoners' dilemma
 - *What do we get from the techniques?*
- Firms and markets (Units 7 and 8)
 - Profit maximisation as constrained optimum
 - *Apparently MC, MR get in the way – but what about welfare?*
 - Assume market power – so perfect competition special case
 - *Missing pedagogy? Imposing consistency of model – not method?*
- Macro (Units 13 – 15)
 - *A mess – colleagues struggle to find a consistent story*

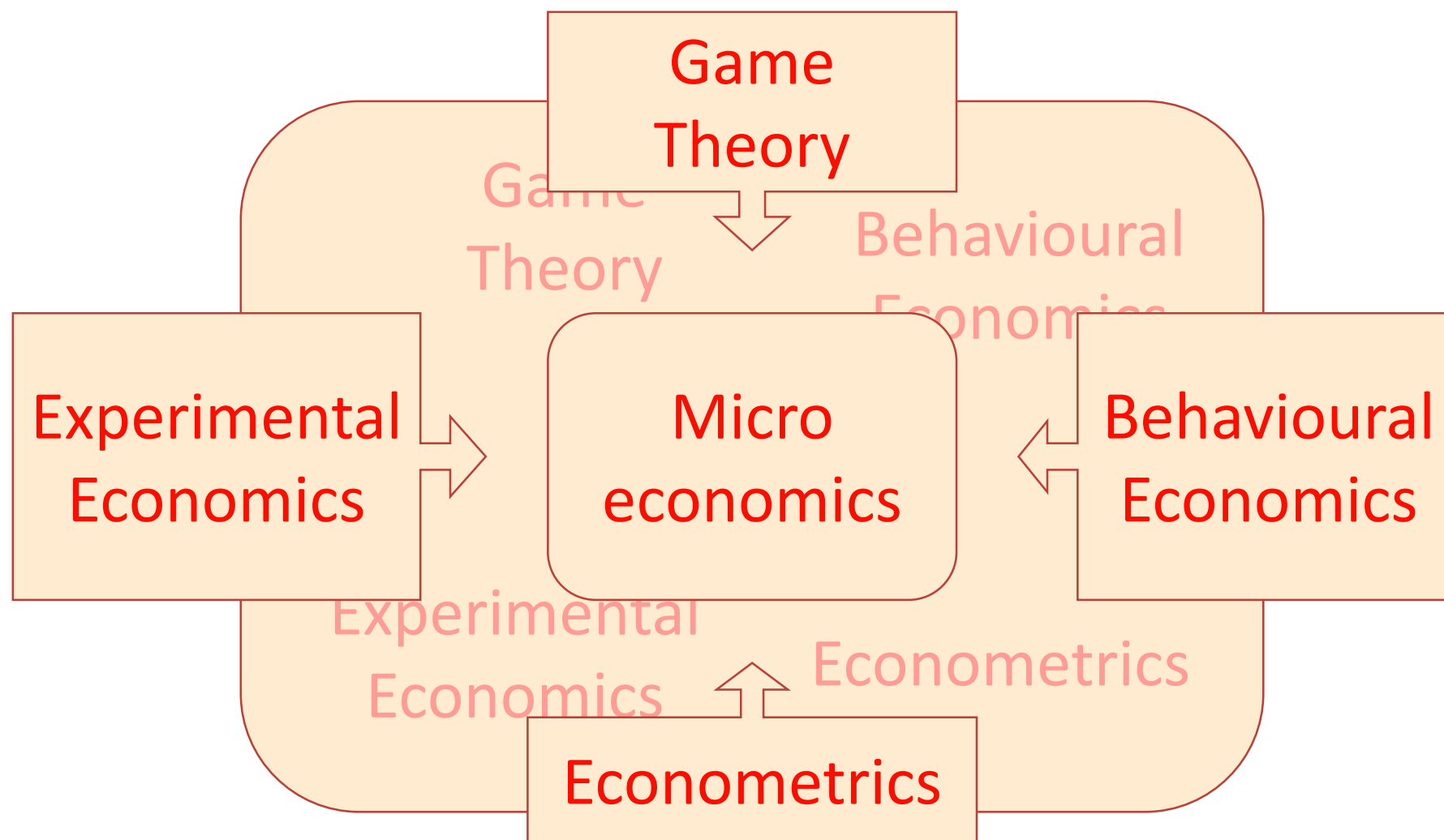
Pluralism in economics

- Bowles and Carlin claim to be pluralist – following Samuelson
 - Taking ideas from different intellectual traditions
 - Then synthesising them *somehow*
 - (Neoclassical synthesis never had good microfoundations)
 - Oppose *pluralism-by-juxtaposition*: based on introduction of different schools of thought
 - Oddly, claim that bargaining models are implicitly Marxist
 - Argue that competing ends can't be reconciled with Marshall
 - But that ignores the arguments of classical political economy

The paradigm problem

- Earlier versions of Bowles & Carlin claimed a paradigm shift
 - Central to Kuhn's thinking was the *incommensurability problem*
 - After scientific revolution, purposes of science change
 - Changing mode of inquiry (Austrian *praxis* and econometrics?)
 - Previously important questions vanish (distribution across classes)
 - Discussion between revolutionaries, *ancient régime* difficult
- So marginal analysis – with Marshallian synthesis may be revolution
 - So might Keynes' conception of the macro economy.
 - But since then?

Recent synthesis is normal science



Is this the next *Samuelson*?

- Lavishly produced
 - Free online + tie in with academic publisher
 - Interesting add-ons, e.g. OWiD access
 - Widely adopted across many countries
 - Engaged many leading economists
- *But*
 - Written by committee – without a clear author/editor
 - Perhaps lacks clarity of purpose – surprised to see claim that environment was at centre of arguments
 - Structure is (deliberately?) challenging for adopters
 - (Social) Democratic conception of the economy?

Or is this a cuckoo in the nest?

- CORE is an educational charity
 - To whom is it accountable?
 - What is its hiring policy for academic writers?
 - How open is it to criticism and review?
 - From whom does it get funding? What does it offer to do for funding?
 - How does that limit its freedom to develop material?
- Market for textbooks naturally oligopolistic
 - Large well-funded entrant causes substantial effects
 - Will competition be in quality or price?
 - Does it retard small scale entry and innovation?