



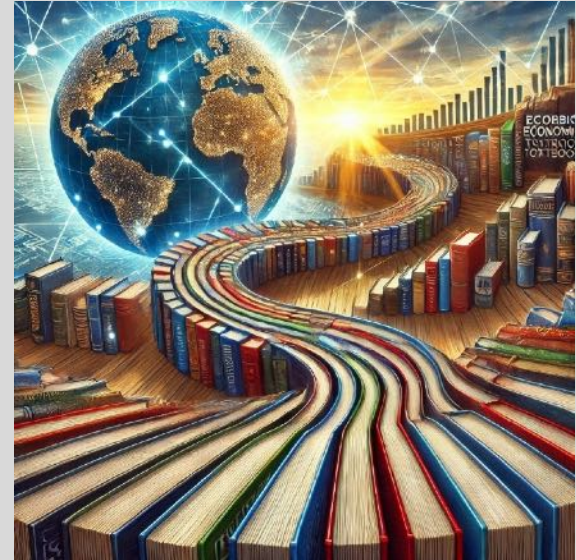
***Welcome to the second station!***

***For many, it is difficult to imagine that a globally standardized canon of teaching has prevailed in economics. Gravity is the same everywhere, whereas economics is diverse and changeable, culturally and historically shaped.***

***How did this ?***

# The path to a global teaching canon

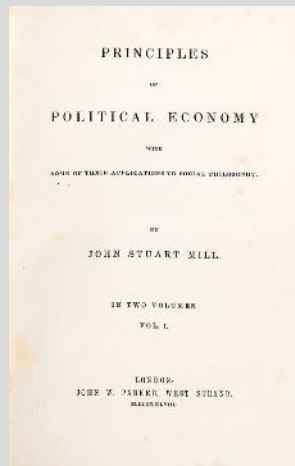
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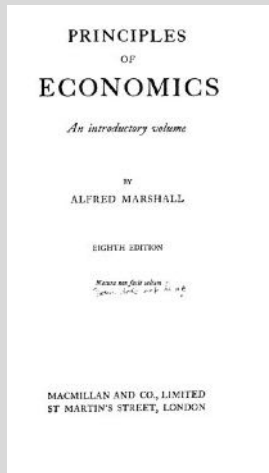
## Three powerful textbooks

Nowadays, economics students all over the world learn from almost identical economics textbooks. How did this come about?

This can be traced and discussed on the basis of three textbooks.



Principles of Political Economy  
(1848) John Stuart Mill



# John Stuart Mill and the "Principles of Political Economy"

In the 19th century, a whole series of **textbooks** on **political economy** were published in **England**. One of them prevailed and shaped political economy for generations.

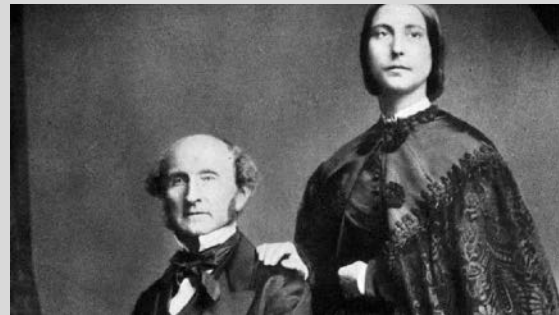
The "**Principles of Political Economy**", published by **John Stuart Mill** in 1848.

What was special about this book?



## Why did Mill's textbook prevail?

- **Contemporary and comprehensive:** Mill offered an up-to-date, neutral and easily understandable overview of the economic knowledge and ideas of his time.
- **Practical eclecticism:** Mill combined valuable aspects of different theories into a larger overall picture
- **Bridge between camps:** Mill avoided ideological polarization. For him, the search for truth was a common, natural process.
- **Methodological clarity:** He separated facts from assessments and thus created trust and a basis for constructive debates
- **Social responsibility and market economy:** He combined the idea of the free market with demands for education, equal opportunities and tax justice.



"John S. Mill with his daughter Helen Taylor, who supported him after her mother's death in 1858 until his death 15 years later"

## The loss of the political



*While Mill's textbook was strongly anchored in the **social reality** of his time, about **40 years** later, Alfred Marshall's book heralded a radical **paradigm shift**.*



## The dream of physical science

At the turn of the century, economic education underwent a paradigm shift with the introduction of mathematical models. Inspired by the success of classical mechanics, economists such as Walras and Jevons applied physical models to economics. Utility replaced energy and individuals replaced atoms. **The idea behind this was make human behavior explainable and predictable independently of political or social factors.** These approaches made it possible to depict market equilibria and created a new, quantitative perspective on the world.

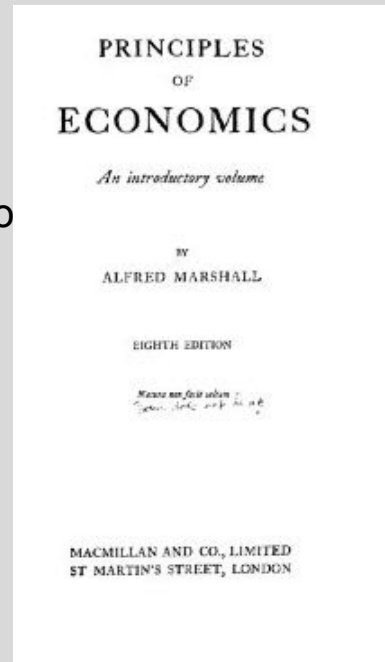
Alfred Marshall's "Principles of Economics" (1890) popularized this method and promoted the transition from a text-based science to mathematical analysis.



## From political economy to economics

At the time of Alfred Marshall's "Principles of Economics", the mathematical approach was so new that he needed the first 40 pages of his textbook to justify it.

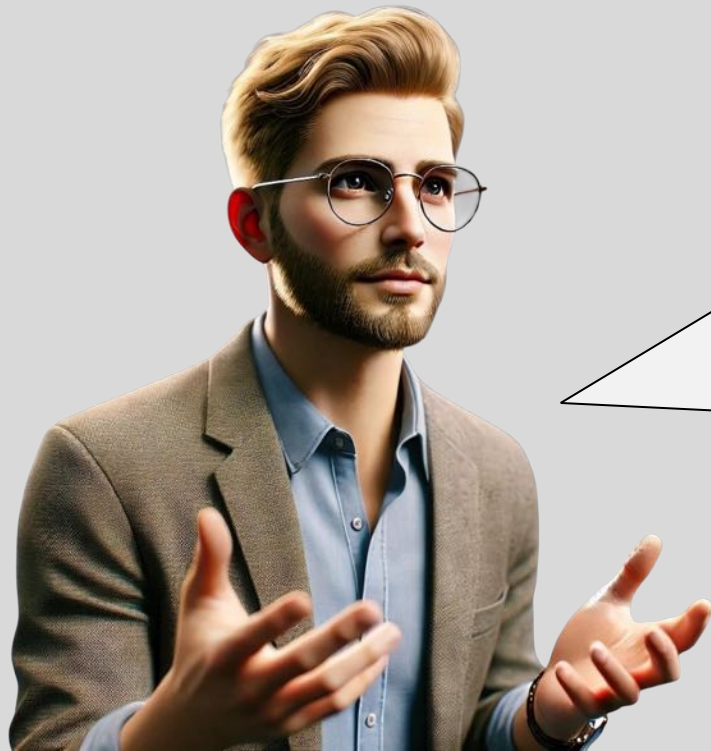
The methodologist in the background, John N. Keynes, called for the for J.S. Mill to distinguish between positive science, which "value-free" and mathematically analyzed, and normative science, which makes judgments. However, the positive science no longer consisted of concrete ways and means of economic organization, but rather in the statements of mathematical models. Marshall's work marked the transition from "political economy" to "economics". He detached the discipline from its political context. His textbook spread from Cambridge in England throughout the British Empire and the United States of America and defined the economic field until the 20th century. It laid the foundations for microeconomics and modern economic analysis.



Principles of Economics  
(1890) Alfred Marshall



## Political economy becomes economics



*Marshall's textbook marks the transition from **practical science**, the concrete problems to a **mathematical** one that strives for pure truth. Science.*

*The globally standardized  
However, the **teaching canon** should still develop...*

## A way of thinking like an economist - worldwide!

With his book "Economics", Samuelson fundamentally changed the self-image of economics once again. Starting in the USA, his textbook spread in 19 editions from 1948 to 2009, first in the western world and then worldwide after 1989. He completely detached economics from its historical and institutional perspective and presented it as a purely abstract and mathematical model world.

Individuals are hypothetically introduced as the unit of analysis, with households as consumers on the one hand and companies as producers on the other. Both are expressed by mathematical functions. Aggregated, the market emerges as a mechanism of complete competition that produces optimal results.

Political intervention, monopolies or minimum wages tend to be portrayed negatively by Samuelson, as they distort the "natural equilibrium" of the market. Today, almost all textbooks follow his style. The best-known author is G. Mankiw.



Paul Samuelson, the founder of today's canon of teaching, once said:  
*"I don't care who writes a nation's laws if I can write their economics textbooks..."*

But how was Samuelson's textbook able to establish itself as a standard work?

I. *The need for standardization.*



After the **Second (World) War** increased the  
The number of **students** worldwide  
increased rapidly. Qualified **teachers**  
were in short supply. **Samuelson**  
developed a **clearly structured**  
**textbook** that presented complex  
content **in a way that was easy to**  
**understand** and could be used by a  
**large number of students.**

How was Samuelson's textbook able to establish itself as a standard work?

II. *The apparent neutrality of numbers.*

*During the Cold War in the McCarthy era, theories that advocated **state intervention** came under pressure.*

*Keynesian textbooks such as the by Lorie Tarshis have been political attacks.*

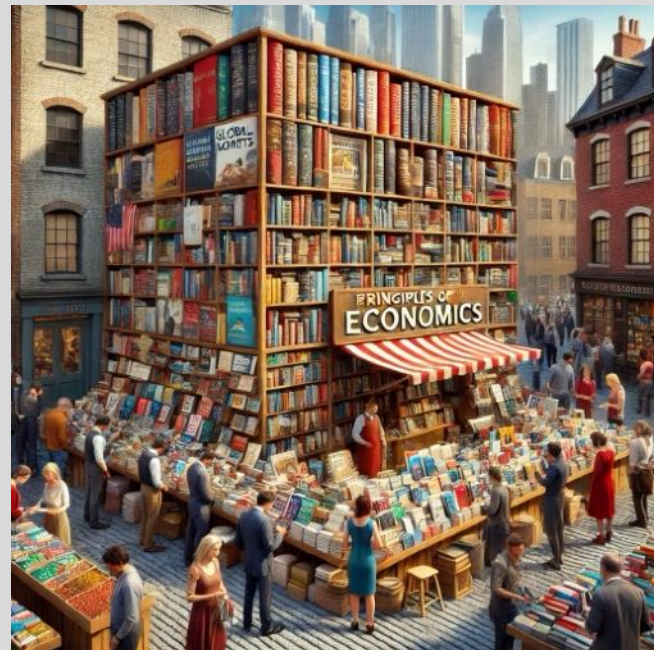
*Samuelson used **mathematical and technical representations** to create the impression **political neutrality**.*



## Textbooks as a market item

The global textbook market is now dominated by a few widely used textbooks and defines chapter by chapter what taught each week. Publishers supply the slide sets for the lecture directly to teachers so that they only have to insert their own university's logo.

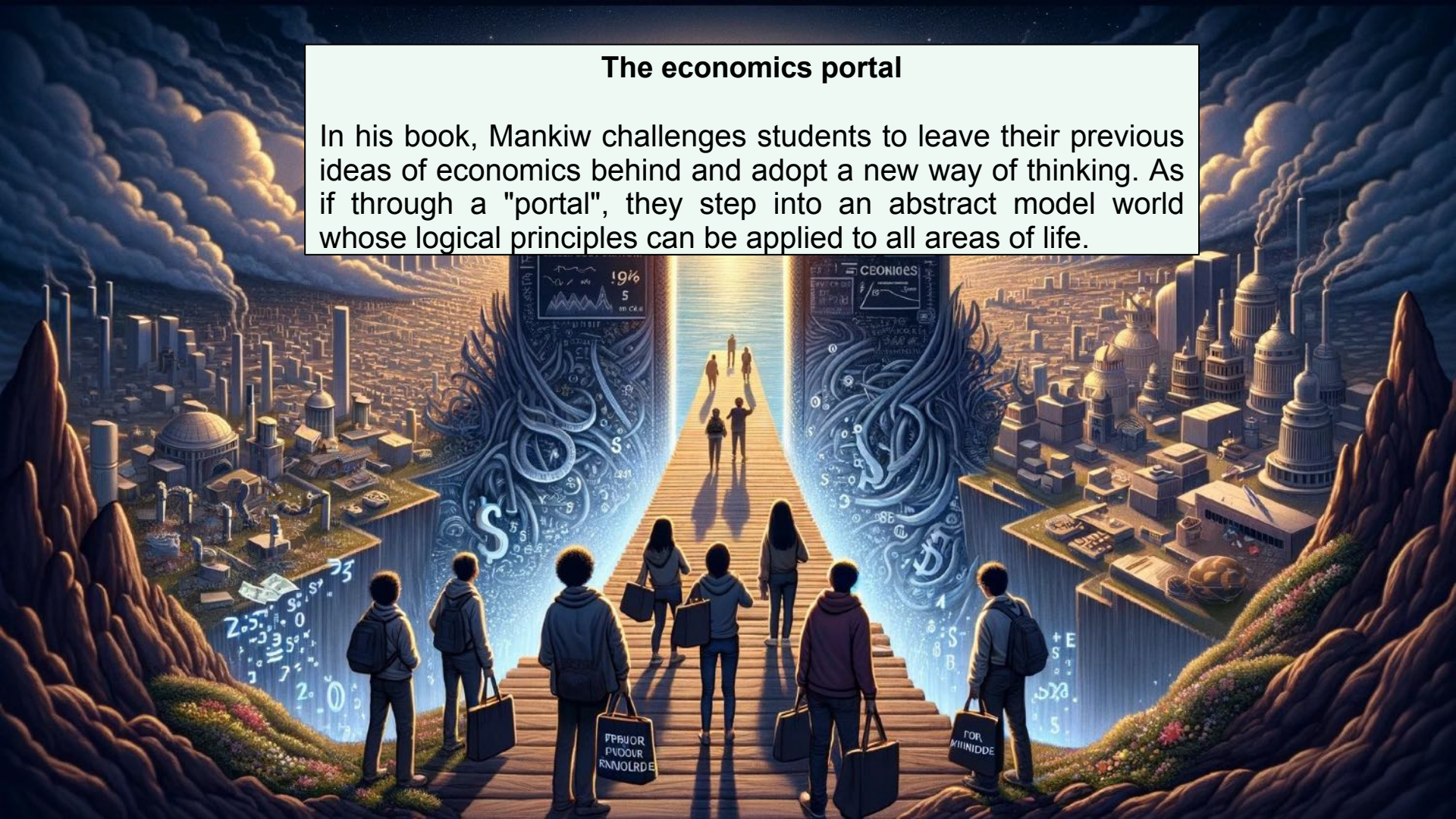
The textbook market itself is not a free competitive market, but rather a monopoly or oligopoly, depending on the country. In most cases, the two market leaders cover over 80% of the national textbook market. Gregory Mankiw, one of the most popular authors of Samuelson's replicas, is said to have over **42 million US dollars** from the sale of his textbook.





## The economics portal

In his book, Mankiw challenges students to leave their previous ideas of economics behind and adopt a new way of thinking. As if through a "portal", they step into an abstract model world whose logical principles can be applied to all areas of life.



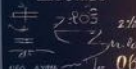




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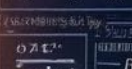
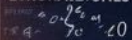
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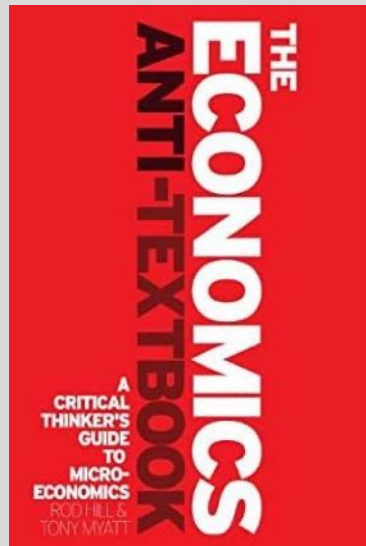
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## Criticism and evaluation of the textbooks

Economic science has been viewed critically for over 200 years and is often subject to fundamental rejection. Samuelson's textbook in particular has triggered a debate of its own: In addition to supporters, there are numerous critical companion works that analyze controversial topics in detail.

The discipline is divided between orthodox proponents of the textbook canon and heterodox economists, whose share of professorships in German-speaking countries has now fallen to around **3 percent**.

At the same time, the number of critics within the mainstream is growing, as many research findings - such as the positive effects of minimum wages or taxes - contradict traditional textbook content. There are now many informative studies on textbooks, their distribution and their content in German-speaking countries.



Example of a critical review of orthodox doctrine: "The Economics Anti-Textbook" (2010) by Roderick Hill and Tony Myatt



## Time for a change in economic education

Economic education worldwide conveys a uniform perspective that is strongly geared towards efficiency, maximization and markets and, in principle, be applied to all areas of life. However, it no longer reflects the current state of research. In the 1980s, more than two thirds of the research articles in the five most important scientific journals were still based on this perspective.

As early as 2011, this figure was only around 10%. It is therefore time to bring about a change in economics teaching as well: It needs to integrate more diverse perspectives and current findings in order to better prepare students for the challenges of the present and future. You can find out how this change can succeed in the next station.

