

**GIVE THEM SOMETHING TO
THINK ABOUT, DON'T TELL
THEM WHAT TO THINK:
A CONSTRUCTIVE HETERODOX
ALTERNATIVE TO THE CORE PROJECT**

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Economics must change. In the light of the traumatic economic events in 2008-09, that has become the conventional wisdom, both within the economics profession and without. Two questions inevitably follow. First, what degree of change in economics is appropriate: should it be limited and incremental (the mainstream view) or genuinely transformative (according to most shades of heterodox opinion)? Second, how should the necessary change be enacted; should it be from the top-down or from the bottom-up?

In response to the Global Financial Crisis, the Institute for New Economic Thinking (INET) was created and tasked with transforming the discipline of economics from the top-down. At its inception INET identified two key problems considered responsible for conformity within economics. First, there is an internationally homogeneous, narrow, and technically-oriented content of the economics curriculum, which has failed to engage students in terms of real world issues and lacks pluralism. Second, an inability of, often young, economists to secure funding for innovative research which might diversify the field and create the basis for progress (INET 2011a and 2011b). INET has already provided significant funding for many new research projects within economics.¹ It has also initiated a process to develop a new open access

1 As of July 2014 INET has reported (from a 2010 base) grant awards of more than US\$22 million; <http://ineteconomics.org/grants>

curriculum for economics: the *Curriculum Open-Access Resources in Economics* (CORE) project.

The CORE project, however, has attracted significant criticism from heterodox economists (*e.g.* AHE, 2014). Critics note that there is a mismatch between the founding commitments of INET and the scope of CORE. Though not yet completed, the CORE project seems to be proposing limited changes within a conventional framework, rather than a genuine challenge to mainstream conformity. Because it seems to exclude heterodox approaches, it raises a question about the capacity of the curriculum developers to deliver a pluralistic learning experience for students. As such, it seems destined to disappoint contemporary student movements such as Post-Crash Economics, who have identified their own curriculum concerns (see Post-Crash Economics Society, 2014). We argue that there are three possible heterodox responses to the CORE project: active engagement, critical observation, and the construction of alternatives from within heterodoxy – from the bottom-up. This third approach potentially makes good on INET’s claims and the implicit commitments of the CORE project.

Heterodoxy is, by its very character, pluralist. It is not a single position or theoretical body as such. Rather, it involves recognition of unity in difference and tolerance of diversity (Lawson, 2006; Lee, 2009; Mearman, 2011; Martins, 2014). Heterodoxy encompasses a range of schools of thought. Implicit in the commitments of heterodoxy is that our knowledge of reality is fallible and contingent, both because theory is not reality and because reality is a cumulative historically-conditioned set of processes within which change occurs. It follows that one cannot discount that another theory, or alternative methods of inquiry, are defensible as ways to investigate an economy. Heterodoxy is intrinsically pluralist because of this recognition.

Heterodoxy is also associated with *objectivity as a value* rather than the method-based objectivity sought by mainstream economics (see Arnsperger & Varoufakis, 2006; Morgan & Rutherford, 1998; Milonakis & Fine, 2009; Chang, 2014). Objectivity as a value acknowledges that evidence and argument are the basis of potentially more adequate accounts of some aspects of social reality, including the economy. By contrast, objectivity of method proceeds outwards from the primacy of fixed methods and propositions. Proponents of mainstream economics find it difficult to reconcile objectivity of method with alternatives,

which they marginalise as not science in the appropriate sense of technique (Caldwell, 1986).² Objectivity of method has further implications for pedagogy. One teaches the canon, but one finds it difficult to assimilate alternatives since they challenge the fundamentals of the mainstream. There is a tendency towards didacticism, which results in a student experience which can be summed up by the credo: *telling them what to think, rather than giving them something to think about*. Applying objectivity as a value, heterodoxy starts from the presumption that one should begin by nurturing the critically aware student, according to the principle: *give them something to think about, don't tell them what to think*. Critical interchange can follow from this constructive pluralism, which potentially benefits both students and academics (Dow, 2008). Ultimately, diversity indicates the health of a discipline rather than being a sign of fracture and confusion. Heterodoxy is therefore a solution to the general problem identified at the outset by INET, that conformity of mind-set prevents creative and critical thinking (INET 2011a; AHE 2014).

This article puts the case for moving beyond active engagement with the CORE project, or its critical observation, in order to fulfil some of the original commitments of INET. After briefly setting out some key aspects of both INET and CORE to create a point of comparison, we provide an illustration of one constructive heterodox development based on the experience of teaching introductory economics at Leeds Beckett University. The illustration focuses on three of the key curriculum questions that have been highlighted by the CORE project: what is economics about, what/who are the main economic actors, and what can markets do? The illustration demonstrates how the dominant paradigm in economics can be genuinely challenged outside the confines of the CORE project.

INET – Creating Something New?

INET was instigated by George Soros, the well-known billionaire hedge fund manager. Soros has been a longstanding critic of mainstream economics. His own experience in financial markets has made him

2 This resonates with the positive-normative distinction found in many mainstream textbooks.

acutely aware of how institutions matter and just how uncertain events can be (though, of course, the febrile nature of human action is also eminently exploitable for personal gain, as his success in forcing Britain out of the Exchange Rate Mechanism demonstrated). Soros has set out his own alternative vision of economic reality in a series of papers and books (for example, Soros, 1998, 2008; and for critique, Lawson, 2013). At the time of the Global Financial Crisis, he was both highly motivated (on epistemic grounds) and well situated (by virtue of wealth and influence) to transition from critic to reformer. In 2009, he canvassed the opinion of a wide range of well-known economists and commentators (David Hendry, Anatole Kaletsky, John Kay, and the like), asking why economics had gone so seriously off-track and why it was so resistant to new ideas, especially, pointedly, those of Soros (INET, 2011a). Following these preliminary discussions, 25 leading economists were invited to Soros's mansion in Bedford, New York in September 2009. As participants noted, the meeting had a confessional air 'in which many well-known and ostensibly powerful economists expressed their dissatisfaction with the "dysfunctional" state of the discipline, including the inability of even some leading economists to move the discipline forward' (AHE, 2014: 2).

INET was founded with genuinely transformational aims; specifically, to accelerate change within the discipline by widening funding for critical forms of economics and for younger academics. In so doing, the intention was to reduce the dependence of academics on traditional sources of funding and to provide more autonomy within the regimented departmental system in universities, in which what and how one researches are highly constrained (see Lee *et al*, 2013). As such, INET placed a premium on exploring fundamental real world problems, such as climate change, poverty alleviation, inequality reduction, and the promotion of long-term sustainable growth. INET offered 'the promise of a free and open economic discourse' (INET, 2014). Its mission statement focused on 'nurturing a global community of next-generation economic leaders' (INET, 2014).

The CORE Project

Given that INET set itself the task of transforming economics, it is no surprise that it has also committed resources to curriculum reform. The

principal vehicle for this is the Curriculum Open-Access Resources in Economics project (CORE), a multinational and ostensibly interdisciplinary collaborative project. Its declared aim is to develop a set of integrated online course materials covering all aspects of economics, which individual academics can tailor to their own needs for their own courses (Birdi, 2014; CORE, 2014). The work has been ongoing for several years and was first showcased in prototype form in 2013. The project is under the leadership of Professor Wendy Carlin of University College London. CORE is ostensibly a transformative project, recognizing a basic problem of realism in economics and a related problem of pedagogy. This was made clear in November 2013 at an early workshop (convened at the UK Treasury), which introduced some of the materials and the general scope of CORE:

The global adoption of very similar curricula and methods that can be taught anywhere by a ‘modern-trained PhD’ lacking knowledge of real world economies seems to have produced the same dissatisfactions, whether it’s among students at the university of Chile or UCL, faculty at Bogazici University, Turkey, or the British Treasury and Bank of England. Students are embarrassed by their inability to use economics when engaging in debates about current policy issues... The existing core curriculum is designed as if all students were to become graduate students in economics yet it teaches an outdated and sometimes even incorrect version of economics (CORE, 2013: 1).

The team acknowledged that much of the teaching of economics focuses on the technical; that this resonates with few undergraduates; and that it renders them unable to express an opinion of any greater insight regarding economic affairs than a member of the general public. Put succinctly, the content of mainstream economics curricula is small in great things and great in small things.

CORE situates its materials as a response to these general issues. CORE begins from the point of view that there is a need to reshape ‘what’ is taught and ‘how’. Specifically, in terms of the ‘what’, the new curriculum seeks to address five key questions (CORE, 2013: 3):

- What is economics about?
- What/who are the main economic actors?
- What can markets do? (...and what can’t they do?)

- How can public policies improve economic performance?
- How do economists produce knowledge?

Because the CORE project is a work in progress, it is too early to make definite determinations regarding its full form and impact. However, the materials available so far and the discussions that have arisen indicate that those responsible for the CORE project have a highly constrained perspective regarding what would constitute real change within the discipline. Recognizing a problem in general is not the same as constructing adequate solutions (see AHE, 2014). The CORE materials seem to involve juxtaposing some new elements with the old, rather than transforming the old. So, for example, the neoclassical technique of isoquants are introduced as a basis for exploring technological progress, juxtaposed to a thin history of capitalism (a narrative of mainly improving human material welfare and rights that puts aside power relations and the struggle for those rights and that welfare). Concomitantly, a theory of returns is used, where labour is engaged in a process of substitution of work and leisure to maximise (though not optimise) utility, based on preferences. This sits uncomfortably with underlying claims that institutions matter and that history exhibits changes. The whole is deemed to be interdisciplinary, because some elements of history are introduced, and realistic, because some datasets are used. However, students are essentially being invited to agree or confirm that they have understood what is introduced to them. The material is not set up to enable them to look at a problem from multiple points of view and to genuinely question the grounds on which an analysis proceeds. The result appears to be a more technologically innovative (web-based and partially interactive) form of didactic presentation, which deviates little from existing mainstream economics.

The context becomes clearer when one considers the general atmosphere in which the CORE materials have been developed. It is one in which the failures of economics have been gradually side-lined, becoming somehow conditional successes. All that is needed is for economics to assimilate a few aspects of history and deviations from optimality, with a nod to some 'real world' examples, coupled with, perhaps, recognition of some alternative positions, such as Minsky's work on financial instability. As such, the innate conservatism of the economics profession seems to dominate the CORE project, undermining its otherwise potentially transformative intent.

What then should be the response of heterodox economists? Given the essentially pluralist character of heterodoxy, one should not expect a uniform reaction.³ There seem to be at least three legitimate responses to the project: to actively engage, critically observe, or construct alternatives outside its confines.

The initial response of some heterodox economists was to welcome INET and to seek to constructively engage with CORE. There is no obvious advantage for heterodoxy in not engaging with the project, nor does it make sense to simply obstruct it. However, some of those who provided early engagement, such as Lord Skidelsky, seem to have been marginalized. A particularly sceptical perspective regarding INET (and hence also CORE) is noted by Haering (2014). INET may perhaps be a ‘Trojan horse’, financed in order to strategically control any momentum for change within the discipline, and in ways that ultimately serve a financial oligarchy. This seems to rule out any positive contribution to change. Whatever the merits of this more sceptical perspective, we would argue that the most productive way forward is to work on substantive alternatives - specifically, to create paradigm-challenging, pluralist, and interdisciplinary alternatives.

In the next section we illustrate one way of doing this through an existing introductory economics module. Inherent in its delivery are a set of pedagogic principles (Morgan, 2014: 17):

- A boundary should be maintained between a teacher’s own position and what is conveyed to students. To do otherwise is to conflate the end-product of one’s own judgment with teaching the process of judgement. The latter should always be the goal.
- A teaching strategy should not become an invitation to confirm. An invitation to confirm is not an earned agreement; it may be mere channelling for concordance. Further, when technical material is introduced, one should not confuse confirming that the student has grasped the technique with an appreciation of its relevance and applicability.

3 The unitary claim made for heterodoxy is at the level of ontology and thus fundamental commitments rather than the specifics of theory or of recognized intent of academics (see Lawson, 2006). Others are sceptical of this claim, Ben Fine (2006) in particular.

- The *context* in which a body of substantive theory is presented is as important as the *content*. Context provides an opportunity to consider *what theory is and what it is intended to achieve*.
- It is as important to build space into the curriculum, as it is to build content into courses. Simply timetabling self-study based on a reading list is not sufficient. Genuine space for critical reflection and discussion needs to be designed-in rather than simply bolted-on.

We consider it of central importance to address learning in terms of the broadest possible concept of skills that a learner might acquire. One of the major problems of mainstream economics teaching is that it tends to conflate skills with technical proficiency, and then to reduce this to demonstrating adequacy in the construction and use of specific statistical techniques and model-building. In a broader context, skills are cognitive-practical proficiencies that can be of many kinds. As previously argued: 'It is also a skill to be able to look at things from several points of view. It is a skill to be able to listen effectively to other points of view and consider their value and to respond effectively and creatively to them, based on evidence but also reasoning that assesses the basis of the evidence and the assumptions that order the evidence and argument. It is a skill to be able to think laterally and imaginatively' (Morgan, 2014: 16; see also Mearman *et al*, 2012).

The module is custom-built to introduce economics to first year Marketing and Marketing and Advertising Management students; it is their sole exposure to the discipline of economics on their degree courses. Students are encouraged to consider problems from multiple points of view to some given end. As such the intention is to 'give students something to think about, rather than tell them what to think'. In so doing the module addresses three of the previously noted key CORE curriculum questions in a pluralist and heterodox manner.

These concerns and principles are evident in many constructive contributions to heterodox teaching and curriculum development. Reardon *et al*'s *Introducing a New Economics* (2015) is a case in point. Reardon is also managing editor of the *International Journal of Pluralism and Economics Education*, which provides a platform for those actively constructing new ways of incorporating pluralist perspectives into the teaching of economics (see Negru, 2010). In addition, there is Steve Keen's Institute for Dynamic Economic Analysis

(IDEAs), whose founding objective is to restructure economics based on history, practice, and better use of datasets based on new financial models.⁴ Other contributions address *how* such change can be enacted – for example, through grassroots campaigns organised by activist student groups (Scharber, Harrington, Bhatt and Goodwin, 2014). Our own contribution is centred on a bottom-up exemplar of a heterodox introductory economics module taught at Leeds Beckett University in the UK, titled *Economics for Marketing*.

A Constructive Heterodox Alternative

The university-specific context and student experience

The university-specific context for the *Economics for Marketing* module at Leeds Beckett University was poor student ratings for an existing mainstream introductory economics module, titled *Economic Awareness*. It was a core module across the Faculty of Business and Law, delivered to approximately 600 students per year. It followed a standard format, based on the well-known Mankiw text (for comment on Mankiw in this context see Birks, 2014). Its microeconomic content taught the mainstream canon. In so doing, it promoted universal idealised assumptions for the construction of the basic logic of demand and supply, followed by study of deviations from the ideal to test different aspects of market variation and failure - *after* fundamental economic logics (universally applicable ahistorical single behaviours and motivations, rational calculation, methodological individualism, a tendency to equilibrium, etc.) had been absorbed and become a subconscious common sense. The very substance of the module invited a didactic approach where material was merely confirmed.

Students within the faculty who were not intending to pursue economics were required to take this introductory economics module on the grounds that it provided an additional and significant insight into their own chosen field. However, a series of module evaluation feedback and focus exercises revealed that they found the general approach and substance of the course alienating, unrealistic and, often, irrelevant (despite the best

4 Keen has recently taken up the post of Head of Economics, History and Politics at Kingston University, UK and plans to further embed a pluralist economics curriculum at that institution.

efforts of lecturers and tutors to address the inherent problems of the material). This view applied particularly to the approximately 150 students drawn from the B.A. Marketing and B.A. Marketing and Advertising Management cohorts. In 2010, the course leader for these cohorts requested that two of the authors of this article address the students concerns and develop a more tailored introductory economics module – to be called *Economics for Marketing*.

The authors saw this as an excellent opportunity to produce a more pluralist and heterodox introductory module, not least because marketing creates multiple problems for the basic idealised forms of economic rationale that are taught to early undergraduates. One of the authors also already had a longstanding interest in more complex accounts of how economic behaviour is influenced by institutions, including marketing. So, there was some confluence of interest and expertise from staff with the concerns expressed by the students. The confluence speaks directly to a key question raised by Scharber *et al* (2014): what elements of economics should be taught to students who are studying one or two economics modules as part of their degree award? As Scharber *et al* note, this is an important demographic that it is much larger than those who study just straight economics.

The authors chose to introduce the students to a more problem-based and critical way of exploring an economic context; specifically, one where particular institutions and historical processes are seen to matter. Given the emphasis on marketing students, the module has focussed on exploring the economic decision making of consumers and has encouraged students to consider different theorisations of economic behaviour and the inter-relationships between behaviour, choice and markets.

Issues of theory and pedagogy

In order to create a more critically aware frame of reference the module team presents both mainstream and heterodox perspectives (where behavioural economics can be interpreted as shifting between the two, based on how it is developed), and encourage students to compare and contrast them. The work of Galbraith (1958, 1967) and one of the authors (Sheehan, 2010) are taken as representatives of heterodoxy. The latter work challenges the idea that there is one universal economic problem of

scarcity, and proposes that different economic systems – of scarcity, sufficiency and abundance - face different economic problems, including the socialisation of different groupings to create and perpetuate forms of consumption (involving non-idealised agents and a significant role for marketing, with reference to structured economic consequences). From this point of departure, it is possible to discuss the possibility of different market forms and, hence, theoretical expressions: namely ‘corporate-guided markets’ for branded products and, within a more mainstream perspective, free markets for homogeneous products. The module still explains simple economic concepts with which any student who has studied economics will be expected to become familiar. For example, price elasticity of demand and supply and cross-price and income elasticity of demand are introduced. These can shed light on both market forms, though each is different.

Students are also introduced to some of the critical aspects of behavioural economics in order to consider the ways in which behaviour is conditioned (Ariely, 2009). They study material on relativity, anchoring and pricing; the zero price theorem; market versus social exchanges; arousal, procrastination, loss aversion and the endowment effect. Significantly, not only do these concepts differ from fundamental economic logics to which students would otherwise be introduced, but the context in which they are introduced resonates with the concerns of the particular student group’s own disciplinary concerns – how behaviour can be conditioned through marketing techniques. As such, students are encouraged to be engaged and to appreciate the relevance of economics (and its limits). In particular, students are invited to compare and contrast theory to some end – how economics can shed further light on marketing - but they are not in and at the same time merely required to confirm a theory or position.⁵

The contrast between mainstream and heterodox perspectives is addressed in the first lecture when posing the question: what is

5 Discussion can extend also to all aspects of all theory, since students bring insights from other modules specific to their discipline; they are encouraged to consider that no theory is infallible – a point inherent in being invited to consider several theories. This leads onto more fundamental questions for the better-able students regarding the purpose of theories and how they can legitimately be multiple. For further details about how the module is taught and assessed, see Sheehan and Embery (2014).

economics all about? Students are initially offered the mainstream perspective of universal scarcity. Then they are provided with an alternative paradigm that moves beyond the mainstream fixation with universal *relative scarcity* and considers the historical specificities of a system of *relative abundance* for some. We ask students to imagine a global economy divided into three broad economic sub-systems. Two of the sub-systems are only found in the developing world. Roughly 2.5 billion humans endure the very least-productive *system of scarcity* and may be called the *people of poverty* – the poorest of the poor. The next 2.5 billion people experience the *system of sufficiency*, which is more productive than the system of scarcity, though significant constraints still exist. Those who live in this system can be called the *people of adequacy*. As a group they experience distinctly better material conditions than the people of poverty.⁶

In both sub-systems there are serious constraints on what can be purchased. Both peoples daily face stark either/or choices, which we refer to as *simple opportunity cost*. The two peoples have no need to be persuaded to want. In both systems marketing is not a priority for the under-developed business sector (though marketing can and does occur, but it is not system defining). When the systems provide additional products the availability is quickly communicated to buyers by a network of personal relationships and through queues outside stores. The most difficult task for those operating businesses is to squeeze higher output from the meagre resources available.

The third sub-system – the *system of abundance* – straddles the developed and developing world; it is inhabited by the *people of plenty*, numbering around 2 billion.⁷ Self-evidently, persons of plenty enjoy

6 The peoples of poverty and adequacy are located in developing nations. The people of plenty include marginalised rural communities, refugees from natural and man-made catastrophes, and inhabitants of shantytowns surrounding megacities. The people of adequacy include owners of fertile land or small stores, those in low-level formal employment (clerical workers, nurses, police-officers), plus middle ranking members of informal social networks.

7 Persons of plenty stretch across all social classes in advanced industrialised nations. They make up a solid bloc in the Gulf States and a majority in Eastern European nations. There are concentrations in the urban areas in the Middle East, South Asia, South-East Asia, Latin America and the eastern seaboard of China. The category even incorporates the small affluent minorities of less

vastly superior material conditions than the other 5 billion people on the planet; they have a lot more of everything, except perhaps happiness. They live in a world saturated with branded products; they face a sometimes oppressive choice which involves complicated trade-offs, which we refer to as *complex opportunity cost*. The people of plenty face these ‘problems’ because the system of abundance has solved the problem of production; it produces a rich profusion of products, unparalleled in human history.⁸ The concept of abundance is, therefore, defined *relative* to the conditions in the system of scarcity experienced by the people of poverty. The concept of scarcity and choice is relevant, but its applicability is *conditional* rather than universal. It offers insights into the economic dimension of the human condition experienced by the vast majority of the global population. But it doesn’t pertain to the system of abundance and the people of plenty. That system and those people experience a distinctively different economic problem rooted in different institutions and requiring different behaviours. Students are encouraged to consider the significance of this and, hence, of economic contexts.

A critical question of economics for marketing students

A primary interest of economists is theorising about what drives an economic system. Looking at Galbraith’s and then Sheehan’s take on this encourages students to think about how a given discipline, such as marketing, can be contextualised by the concerns of another discipline (and how that discipline itself can be critical within itself). A particular form of economic growth is the defining characteristic of the system of abundance, though it is punctuated with occasional recessions. System-wide growth is driven by the expansion of effective demand, especially consumer spending by the people of plenty. However, this system faces an over-riding systemic threat. Once the problem of production is solved, and the life-experiences of persons of plenty are saturated with branded

developed nations. This means that persons of plenty, adequacy and poverty can be found living in the same mega-city.

8 An aspect of this solution is provided by transnational corporations that operate global production networks (Dicken, 2011). These corporations are the prime movers of the global economy, connecting the three economic sub-systems in a variety of ways. For further details on the interactions between the systems of scarcity, sufficiency and abundance see Sheehan (2010).

products, the threat of *under-consumption* becomes the dominant economic problem. Under-consumption occurs when affluent consumers slow down their rate of consumption relative to the potential growth of the system's productive capacity. Underlying this threat is the fear that persons of plenty will tire of, or become guilty about, ever greater consumption.

To counter the threat that the ability to produce outstrips the willingness to consume, the system necessarily calls forth (and one can thus use the phrase *spontaneously* generates) the institution of marketing, which gives priority to consumption.⁹ This institution is much broader than merely organizations commonly recognized as marketing entities; it is a gigantic, global network of diverse groupings – embracing corporations, agencies, media and designated professionals. It colonises propaganda mechanisms to produce a glut of commercial messages with a common purpose: to prioritise spending.¹⁰ As a former Chief Marketing Officer of Coca-Cola has argued, the:

[J]ob of marketing is to sell lots of stuff and to make lots of money. It is to get people to buy more...product, more often, at higher prices...[T]hat's what it's all about, what it has always been about, and what it will always be about (Zyman, 1999: 13).

Students are invited to place marketing and advertising in context (but also to consider the limits of a theory of systemic shaping of choice). For example, a concept such as corporate guided markets, as a response to the perpetual threat of under-consumption, contrasts markedly with the conventional wisdom offered by marketing academics (Kotler & Armstrong, 2013). Hence, students are encouraged to think about what they have been taught in other modules, as well as bringing that experience to their understanding of economics. The approach is one that is genuinely critical and interdisciplinary, and student-focused. It is easy, of course, to state this in a paper on pedagogy, pluralism and heterodoxy.

9 Formally, an institution is an organised grouping engaged in shared activities that require similar attitudes/mind-sets, and which operate propaganda mechanisms that instigate a socio-cultural setting and, where appropriate, socio-cultural change (Mead, 1964; Potter, 1954).

10 The institution engages in multiple activities: product design, differentiation and development; active persuasion utilising mass media; the design of the managed market-place; and brand management (Sheehan, 2010).

Ultimately, however, it is something demonstrated through the active commitment of lecturers and the experience of students. What we suggest here is that good practice regarding interdisciplinarity and the promotion of critical thinking is more clearly consistent with heterodoxy. The whole is more conducive to an effective form of pluralism.

Interdisciplinarity, effective pluralism and student engagement

To encourage students to appreciate what difference an economic system may make, students are introduced to ideas drawn from cultural studies and anthropology. In terms of the concept of ‘persons of plenty’, they are introduced to the idea that socialisation matters for economic activity. Although one can construct models of rational calculative homogeneous agents, these do not tend to resonate with real human socio-economic behaviour; if they did, marketing would simply be redundant, or provide no more than a necessary link in the chain of completing information sets. A different way of looking at this is to suggest persons of plenty are born into and inhabit a consumer culture, driven-on by the institution of marketing. To foster ever-expanding spending the institution shapes drives and values and encourages social inter-action that is saturated with branded products. The institution also perpetually heats up the culture. For a *hot* consumer culture – that is, one subject to unending refinement, revision and evolution - constantly provides new reasons for affluent consumers to spend (Sheehan, 2014a).

Here, students are encouraged to grasp that all economic activity has a context; that context extends to the role of the state in creating conditions for the expansion of market-based activity. This provides a focus for students to further consider the dichotomy between ‘the market’ and ‘the state’. They are then exposed to the possibility that corporate-guided markets are established through carefully-crafted laws. First, the judicial branch of the state defines what constitutes property, a pre-requisite for all market forms. Through corporate litigation, the judicial branch incrementally reforms the definition of property, which often has advantageous consequences for business, helping to constitute its possibility and potentials. Courts, for example, have replaced the primitive sense of property as a physical thing with the conception of property as a marketable asset (Commons, 1924). A diverse category of ‘assets’ now counts as property, recognised through copyrights, patents,

trademarks and licences.¹¹ Intangible property underpins corporate-guided markets; and the most valuable marketable asset is a globally-recognised brand. The exercise of the rights over marketable assets requires that owners and would-be owners transact – buy and sell, borrow and lend, hire and hire out, rent and lease. To facilitate this exchange, there must be a third party that can adjudicate in cases of dispute – through the civil courts. And in cases of alleged criminality, such as theft or fraud, criminal courts (and ultimately the police and prisons) intervene between the transacting parties. The state as an adjudicator, one might argue, is an essential pre-condition for widespread guided-market activity. Since students typically express the simple dichotomy between a state and a market as forms of economic organization and provision, exploring the interconnections tends to result in a new degree of awareness and critical questioning by students.

At this point, we have also found it is useful to encourage students to consider the question: what can markets do? From a mainstream point of reference, a market is simply a price signalling framework within which economic actors resolve an allocation problem, creating an emergent outcome (uncoordinated yet somehow coordinating). However, a corporate-guided market for a branded product looks quite different and this is particularly relevant for marketing students. We ask students to reflect on the purpose of their discipline as a professional activity and in the context of an economy. What could corporate-guided markets do? Students quickly offer an alternative construction to the mainstream position based on their own disciplinary position. Corporate-guided markets do *not* restrict demand to the available ‘scarce’ supply of products. In a system of abundance where the dominant economic threat is under-consumption, every corporate-guided market is designed to *ratchet-up* spending for products. A corporation cannot restrict itself to simply thinking of marketing as another management activity. To succeed it needs to think beyond this and to place its marketing function within a broader network of influence and attempts to control its environment.¹²

11 Marketable assets include the goodwill of a brand name, product technology, securitised assets, digitised music, e-books and the like.

12 The system-wide impact of corporate guided markets, and the institution of marketing, is to ratchet-up the level of effective demand; it’s like a spontaneous, if imperfect, form of demand management (Sheehan, 2010).

For example, brand managers within corporations are motivated to continually address the threat of under-consumption (though they may not use this language or articulate it in terms of a global concept) by perpetually seeking to develop new branded products and instigating new corporate-guided markets, working with and within the institution of marketing. Hence, the analysis of this market form might be usefully expressed from the corporate perspective of brand managers. Sheehan, for example, explores this market form under seven headings: the target consumers; the branded product – its design, image and provision; active persuaders and the mass media; the managed marketplace; proposed prices; porous boundaries and continual evolution.

One major advantage here is that the approach is conducive to the use of case studies to which students can readily relate. One case study relates to Coca-Cola's successful introduction of a new corporate-guided market for *Diet Coke* in 1982 (Sheehan, 2014b). Another focuses on the limits of corporate power and influence - *New Coke* launched in 1985, which was a significant failure in the US despite the best efforts of Coca-Cola to shape the environment of consumption. While the use of such cases can and was pursued within the old universal form of the module based on Mankiw, they tended to be experienced by students as oddities, add-ons or juxtapositions. From the point of view of mainstream economics only, such case studies seem anomalous - perhaps not even economics at all. This is curious when one considers how deeply they resonate with the concerns and interests of actual students.

Final comments regarding 'Economics for Marketing' as an introductory economics module

Our introductory module highlights a number of useful elements in course design and teaching. Students are introduced to a range of positions, and the materials developed are specifically relevant to the concerns and interest of sub-groups of students. Moreover, students are encouraged to approach the material in a critical fashion, to draw on their work and experience in other modules, and to consider interdisciplinary insights to be useful and thus valid. They are not left with the impression that modules and disciplines are hermetically sealed units, and thus less than the sum of their parts. They are encouraged to consider how theory can be historically conditioned and how theory can develop to explore

particular problems. They are further encouraged also to consider that the problems can be looked at differently, based on different concerns (*e.g.* those other than marketing, and based on different degrees of generality – an economic context for marketing). As such, they are implicitly being introduced to the insight that there are many ways to consider social reality; constructive pluralism is intrinsic to the way the module is developed. It flows in a coherent and consistent fashion from the use of heterodox approaches where objectivity is first a value rather than a method. Though one of the authors is committed to the theory of corporate guided markets, the module itself is neither didactic nor indoctrinating. A boundary is maintained: students are encouraged to judge material rather than simply confirm a position.

Pluralism and heterodoxy underpin the pedagogy of the module. This influences how the module treats the topic of the elasticity of demand, for example. Price-elasticity of demand is illustrated through reference to real-world case studies about price promotions, seasonal sales and buy-one-get-one-free deals. Such case studies tend to indicate that price-elasticity is explicable in the context of a proposed price for a branded product, which can be varied by a corporation to maximise sales revenue. The same is true for cross-price elasticity - usually something of an afterthought in mainstream analysis - which is viewed through the corporate prism of maximising revenues across a portfolio of substitute and complementary branded products. The positioning is also implicit when students are introduced to elements of behavioural economics. Students are asked to consider whether behavioural concepts are more relevant to corporate-guided or mainstream market models. In almost every instance, students seem to prefer a corporate-guided context for behavioural concepts. Students also tend to express positive aspects of marketing (they are critical but not merely critics). They recognise that marketing activity helps persons of plenty make spending decisions: faced with abundant choice, affluent consumers might otherwise feel over-burdened and unable to make reasoned choices (Schwartz, 2004). For example, the proposed price for a leading branded product can act as a useful anchor when one must subjectively value a new product in the same product class.¹³

13 Behavioural economics has many mainstream applications. However, it is also used by heterodox economists. For example, Sheehan (2010) makes extensive use of behavioural concepts when outlining his analysis of cognitive consumption.

Note also that a mainstream approach is not discounted; rather it is conditionally utilised to explain two categories of phenomena which a corporate-guided market cannot address. First, it is applied to explain the operation of important global markets for commodity and energy products and currencies, where the assumption of product uniformity may be applicable. Second, students tend to find it resonates more where scarcity and insufficiency tend to be more prevalent. Though the basic logic and assumptions found in Mankiw may be problematic, students can find some insights within it.¹⁴

The *Economics for Marketing* module has run for three years. Ongoing evaluation indicates that students appreciate its tailored nature and its comparative and open approach to inquiry. Notably, on key evaluation criteria (module purpose, module content, content appropriateness and module satisfaction), ratings markedly improved in comparison to the former *Economic Awareness* module. The module also scores highly when judged against modules provided across the Faculty of Business and Law. Though it is in some respects self-serving to select a sample of responses, the following are typical:¹⁵

- *Overall, I am extremely impressed and find this the most enjoyable of all the modules I study.*
- *The module has been the best taught module on the degree. I thought it would be my least favourite.*
- *Wasn't a big fan of economics but enjoyed it. The module is extremely relevant to the course I study. Reading material interesting.*
- *As a beginner to economics I found it challenging but enjoyable. The module has been interesting and a pleasure to learn.*
- *Very interesting module. Hard, but interesting.*

A single case is insufficient for making more general claims. However, one can draw conditional inferences that others are free to accept/appreciate or ignore. Our teaching team contend that the positive student ratings are a consequence of the redesign of the module. Since the issues that resulted in this rethink are general to the discipline of economics (which is hardly controversial, given the existence and remit

14 This view is not without its critics; see the case of India (Kurien, 2012).

15 Archived versions of student feedback are available from the authors.

of INET and the intention, if not the actuality, of CORE), it seems reasonable to claim that this type of approach has broader significance. We contend that pluralism and heterodoxy, interdisciplinarity, and the pursuit of pedagogic principles are not just important in themselves: they can enhance the student experience. This does not rely on CORE to be a forerunner in transforming the discipline.

Conclusion

We have argued that the necessary change in economics education must be transformative in character. Change can come from both the top-down and the bottom-up. The CORE project represents a potentially important top-down initiative, although the jury is still out on its effects. We have argued that there are three possible responses to CORE: active engagement, critical observation, and the construction of grassroots bottom-up initiatives free from the confines of the project. Within heterodoxy, alternatives have always been available and more are being developed all of the time. Our example at Leeds Beckett University, *Economics for Marketing*, illustrates the strengths and potentials of pluralism and heterodoxy. The module gives students something to think about, rather than telling them what to think. Importantly, it challenges the conventional wisdom about how an introductory economics module should be designed. In so doing it provides pluralist answers to CORE curriculum questions: what is economics, what/who are the main economic actors, and what can markets do? We suggest that heterodox economists should, when opportunities allow, have the confidence to develop more bottom-up initiatives.

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