

HOPE, PLURALISM AND POST-CRASH ECONOMICS

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The effects of the 2007–08 financial crisis continue to be deeply felt, in the United Kingdom as elsewhere. After being asked to shoulder unsustainable levels of *private* debt, the state has pursued austerity programmes designed to give ‘confidence’ to holders of *public* debt. The resultant disassembly of state welfare provision has had the effect of pushing low-income households into ever more debt, edging the UK closer to the conditions which precipitated the last crisis. Dozens of academic economists have publicly criticised the government’s plans to run a surplus in ‘normal’ times, plans which would tip households into further debt, as having ‘no basis in economics’. Perhaps the endurance of the profoundly flawed notion that governments, like households, must ‘tighten their belts’ in lean times has less to do with academic economics, and more to do with economics as presented by media outlets, or with the tendency for news programmes to call economists working for private financial institutions as their talking heads? Perhaps, but the academics who have criticised ongoing austerity programmes for being based on ‘bad economics’ (or no economics at all) are, for the most part, not to be found occupying positions in those very few institutions which exert an overwhelming influence on hiring and publishing in what seems to be a uniquely insular, hierarchical and concentrated discipline.

It was the apparent failure of these mainstream academic economists not only to ‘predict’ the financial crisis, but also to draw on theoretical perspectives which could account for the crisis or explain it to their students afterwards – combined with justifiable concerns about the extent to which influential economists were making money from consultancy work in financial services – that precipitated global calls for reform in economics education. The International Student Initiative for Pluralism in Economics draws student groups from over thirty countries together in a commitment to work against the narrowing of curricula that took place in the lead up to the crisis, and towards a truly pluralist pedagogy in economics that would ‘ultimately create a space in which solutions to society’s problems can be generated’. In the UK, the ISIFE-affiliated group Rethinking Economics has been working with a sympathetic academics on the development of a pluralist economics

degree programme, which will be launched at Goldsmiths College next year – an advance on the CORE programme launched last year, which while introducing ‘new’ topics such as ‘inequality’, and emphasising ‘real-world’ data, was not designed with pluralism in mind. Another UK-based ISIFE affiliate, the Post–Crash Economics Society, has been developing a ‘Crash–Course in Citizen Economics’ through which to expand not only participation in technical economic discussions, but also participation in the administration of democracy through the economy.

‘What is taught shapes the minds of the next generation of policymakers, and therefore shapes the societies we live in,’ affirm the signatories to ISIFE’s international student call for pluralism in economics. Certainly, the relation between dominant schools of economic thought and specific policy decisions is never entirely linear, and cannot be completely captured in the broad-brush assertion that modern economics constitutes ‘an ideological prop for capitalism in general and neoliberalism in particular.’ But, as Peter–Wim Zuidhof observes, in the last few decades there has been a shift from subject-matter-based to ‘principles-based’ economics textbooks, marked most clearly by Gregory Mankiw’s bestselling *Principles of Economics*, which presents adopting principles like ‘markets are usually a good way to organize economic activities’ as part of what it means to ‘think like an economist’. This is not without significance, Zuidhof argues, since ‘the principles genre with its call to think like an economist is also inclined to transform economics into a counsel of neoliberal government. Where in the liberal mode, economics’ main role is to critique the efficacy of government policy, the principles text instead invites government to think like economists too’. If neoliberalism is understood not as the valorisation of ‘free’ markets, but as the re-organisation of social life according to a crude kind of market rationality, then pluralising the parameters of what it means for future policymakers to ‘think like an economist’, beyond organising social life around ‘market principles’, does indeed appear to be a hopeful move.

There are, nonetheless, reasons for tempering one’s enthusiasm for movements which seek to ‘make space’ for plural perspectives. Max Haiven and Alex Khasnabish have written at length about the extent to which movements built on ‘making space’ imply that existing organisations are properly grounded to begin with, and need simply to ‘open up’ or be ‘more accepting’ of

difference. They advocate instead the grounding of movements in practices of 'making time' for anti-oppression, a project that is inevitably endless. Without wishing to dismiss Haiven and Khasnabish's acute insights, it is perhaps fair to argue that despite using the language of 'making space', few in the movement for economic pluralism would be likely to defend the notion that existing economic (or academic) organisations are properly grounded; there is a widespread appreciation of the extent to which pluralism in economics *education* may invite diverse approaches to economic (re)organisation. Equally, one might share [Stephen Shukaitis' wariness](#) of 'alternative' economic formulations which develop models of utopian social realities, only to 'get involved in conflicts over theoretical systems and interactions that may or may not occur when the new vision hits the pavement of actual existence'. The movement for pluralism in economics cannot, then, be a substitute for the work that is carried out by, for instance, the [Community Economies Collective](#), who make visible and amplify [already existing 'diverse' economies](#), to which ethical negotiations over the limits of necessity, consumption, surplus, and the commons are fundamental. Nonetheless, as long as life-chances are at least partially determined by the administration of a *national* economy, pluralist education for future policymakers, *and* initiatives like the Crash–Course, become a necessary part of realising democratic participation.

In conversation [with Mary Zournazi just over a decade ago](#), about the need for hope in the face of 'neo-liberal – or economic rationalist – forms of capitalism that operate today', Ernesto Laclau and Chantal Mouffe described the emergence of a collective will, or the 'relation of equivalence' between diverse demands (whether for water provision, employment, or perhaps today, debt relief) as a 'moment of hope'; an empty signifier which cannot be fulfilled, but which brings together and sustains other relations in a social movement. 'What we are arguing,' continued Mouffe, 'is that to conceive of a pluralist democracy as something that can be absolutely fulfilled indicates the end of pluralism... If you value pluralism, then you will have to be alive to the idea that the impossibility of democracy [where everyone agrees] or some final goal is not an impediment, or something negative'. In the same vein, the movement for pluralism in economics can be viewed as a 'moment of hope' that sustains and brings together a diversity of demands for social change in a context shaped by policymakers

who have been taught that 'thinking like an economist' means not only a commitment to market principles, but a [rejection of doubt and indeterminacy](#). That this moment of hope is animated by a student-led dissatisfaction with economics curricula is not incidental. Indeed, [as Paulo Freire argued](#), hope – a *critical* hope – is precisely what makes us educable.