



Munich Personal RePEc Archive

# **Reforming Undergraduate Economics Education in India: A Case for Inter-disciplinarity**

George, Justine

Dept.of Economics, St Paul's College, Kalamassery

22 October 2018

Online at <https://mpra.ub.uni-muenchen.de/90033/>  
MPRA Paper No. 90033, posted 18 Nov 2018 07:49 UTC

# **Reforming Undergraduate Economics Education in India: A Case for Inter-disciplinarity<sup>1</sup>**

**Justine George<sup>2</sup>**

## ***Abstract***

*Since India is a nation of unique diversity, with its economy and society driven by many agencies, institutions and beliefs, the application of economics as well as other social sciences is required to address the various socio-economic problems in India. This approach of inter-disciplinarity has to be followed in the graduate curriculum of economics which has been severely criticised by the academic community as neither job-oriented nor able to understand the full extent of the nature and problems within the Indian economy. This article tries to initiate discussion in kerala context on various grounds such as pedagogical changes, evaluation of course and curriculum, resource constrains and issues of politics and bureaucracy are all inevitable part of the reformation of graduate curriculum of economics.*

## **Introduction**

The objective of studying economics is to develop multiple perspectives on economic problems and thereby understand the holistic nature of the economy in such a way that human beings can effectively engage with the global economic scenario. Since India is a nation of unique diversity, with its economy and society driven by many agencies, institutions and beliefs, the application of economics as well as other social sciences is required to address the various socio-economic problems in India. This approach of inter-disciplinarity has to be followed in the graduate curriculum which has been severely criticised by the

---

<sup>1</sup>This paper is an outcome of the meeting on reconstructing graduate curriculum economics held at the School of applied economics, Cochin University of Science and Technology (CUSAT), Organised by Centre for Budget Studies, CUSAT. I am extremely thankful to Dr. M K Sukumaran, Director of Centre for Budget Studies, CUSAT, Dr. S Muraleedharan, Dr. Martin Patrick, Dr. Vishaka Varma, Dr. S Harikumar, Dr. Sunil Abraham, Dr. Nirmala Padmanabhan, Nithin Thomas, Reshmi, Siby K M, Siby Abraham, Vinil K V and other participants for sharing insightful thoughts in the meeting. For helpful comments on an earlier draft, the author is indebted to Arun C Adette, Binil Kumar, Siby K M and Stalin P C.

<sup>2</sup> Justine George ([jusgeorge@gmail.com](mailto:jusgeorge@gmail.com)) teaches economics at the Department of Economics, St. Paul's College Kalamassery.

academic community as neither job-oriented nor able to understand the full extent of the nature and problems within the Indian economy.

This article tries to initiate discussion on various grounds concerning the reformation of the graduate curriculum of economics in the Kerala context. The discussion article is divided into six sections with each section giving importance to a particular area. Section 1 is a discussion on the need for inter-disciplinarity in the graduate curriculum of economics, and the pedagogy to be followed. It further discusses the system of evaluation and feedback followed by a look into the various resource constraints. It also touches on to the subject of the conditioning of the structure of higher education by politics and bureaucracy.

## **II) Restructuring of graduate curriculum and the need for inter-disciplinarity**

Economics is a unique discipline where there is no strict controlled experiment possible; therefore theories in economics cannot be empirically tested as accurately as theories in science. The nature of economics can be understood by the statement of Keynes that even famous physicist Max Planck found it difficult to understand [as cited in (De & Thomas, 2018)]. The present curriculum of economics does not offer even an imperfect answer for any given economic problem. It has to be admitted that there are no universal answers in economics or in any other social science disciplines. At present, around ninety percent of students who opt for the graduate course in economics generally have no intention of continuing with formal study of the subject. Most economic graduates go for diverse jobs such as business, administration or other options generated in the service sector at the end of their course. In such a turn of events, what must be the nature of curriculum designed for a heterogeneous community of students? The present higher education scenario is dominated by the affiliated system in which the curriculum and courses are prescribed by the university but the actual instruction is carried out in the affiliated colleges.

Economics as an academic discipline began to be taught in India during the late nineteenth and early twentieth century British colonial period, the period marked by the rise and domination of neo-classical economics as the main theoretical frame. Indian universities adopted the British model where the emphasis was mainly given to the neo-classical economics. No much effort was taken to indigenise the curriculum of economics in order to address the realities faced by the Indian Economy. This blind adoption of the colonial

conventions has resulted in problems like inefficiency of the affiliated college system, lack of inter-disciplinary research, lack of creativity and unnecessary bureaucratic influence.

A growing disparity has always existed between the kind of economics that is observed in the real world and what is being taught at the undergraduate level. This situation calls for a change in the paradigms of teaching and learning, but no consensus has yet been arrived at as to the direction of change. Should we pursue a more theoretical kind of learning or one that is more applied in nature? The Indian system of economic education is more theory-oriented and filled to the brim with neo-classical theories with hardly any meaningful inclusion of other approaches like classical, political, Marxian or Institutional economy. One should not forget that we live in a world of non-competitive markets dominated by monopolies and oligopolies and do not really observe any sort of neo-classical competitive mechanism always resulting in a Pareto-optimal condition. Neo-classical theories are not just enough to understand the economic problems of the Indian economy, especially one that is characterised as being non-capitalist in nature, and is ill suited to the neo-classical prescriptions. Developing a critical mind in students is essential and this can be successfully achieved through the inclusion of heterodox theories in the curriculum, to avoid recreation the same kind of learning experience. The students must develop a critical insight as they must be in a position to develop logical skills through using the evidences from contending theories and be able enough to make independent judgments. While recognising the controversial nature of economics, it should be noted that neither controversies within neo-classical theory, nor controversies outside of neo-classical theories were absorbed in the curriculum. Even though neo-classical theories dominate the curriculum, the learning paradigm of neo-classical thought is not effectively taught in many universities and colleges within the country. Learning non-neoclassical theory allows the students to develop a border perspective of economics and can further lead to some enhanced understanding of the neo-classical theory itself. Therefore, introduction of such appropriate changes in the curriculum would the above changes suitably into the curriculum would enable the students to critically learn and evaluate the various facets of the ongoing debate, thereby portraying an accurate picture of the real world.

Socio-economic problems have always been incredibly dynamic in India and no single theory has been able to fully explain them. Insights from various social science disciplines and approaches have to be discussed side by side with the economic theories and thereby a multi-theoretic approach ought to be adopted to deal with the different kinds of

socio-economic problems. An Inter-disciplinary approach is a much warranted change that must take part in the restructuring of the curriculum. Economics as a discipline is not be taught independently; it should rather be introduced in an inter-disciplinary manner. This goal can be attained through blending elements from the social sciences with economics education. However, this does not necessarily mean the introduction of other subjects like history and political science as subsidiary papers into the curriculum. Subsidiary papers are already present within the curriculum, but they have always been taught independently; the students have never been able to find a proper link or connection among these subjects. In order to tackle the problem of the lack of inter-disciplinarity, the socio-economic problem has to be addressed first. The different theories and empirical evidences from the various disciplines of social sciences including economics need to be focused on. It should be remembered that economics was not taught independently, even at the Cambridge University. During the early decades of the twentieth century, economics was introduced as one of the subjects, part of a tripos programme (Chakravarty, 1986). From then to where we stand today, everything has changed and the evolution of economics as a discipline has attained a matured status. This status does not necessitate the study of the history of economics or methodological changes which were all very essential in earlier. It has now evolved into a situation where there is an over emphasis in the use of mathematics, statistics and econometrics.

The rise of neo-classical economics as the dominant theoretical frame was the starting point of this disciplinisation within the subject. Over disciplinisation has restricted the practice of taking insights from other disciplines. The growing disparity between the academic world and the real world can only be bridged by adopting an inter-disciplinary approach. We have to utilise the recent and valuable insights from biology, psychology and anthropology to understand the economic behaviour of individuals. Predominantly, what is happening in the present under graduate classes is that the learning of theories is becoming just recitations and the teaching of the applied characteristics are often done without any theoretical insights. The current economics curriculum is outdated by any measure and continues to be taught only because of habit and inertia which can be well explained with the help of the path dependency model developed by Paul A. David. He noted that the typewriter keyboard was designed in QWERTYUIOP form on the top of the row and this arrangement was developed to maximise the efficiency of type writers. Since then, technology has changed and new forms of efficient arrangement of keys have become available, however the

QWERTYUIOP form did not change to any other efficient model because of the 'lock in effect of history'(Arthur, 1989; David, 1985). In the same way, human resources such as teachers and academicians are already trained and developed in the earlier paradigm, and they would not participate for any change, even if they feel it is a progress in the right direction. As a rule, they strongly oppose such changes, which ought to be in the higher education sector, as they are highly sceptical of the adverse effects these changes can bring about.

Microeconomics, Macroeconomics, International Economics, and Public Economics are often taught through textbooks written by foreign authors such as Gregory Mankiw, Hal R. Varian, Dornbusch & Fischer, Dominic Salvatore, Joseph E. Stiglitz and others. Case studies and data are presented in these books as they were experienced in the developed countries, and an Indian student finds it very difficult to relate it to the Indian context. As a result, teachers are forced to spend more time on these leading text books (De & Thomas, 2018). Ideally, the introductory course should include historical development of the world economy in general and appropriate national economy in particular.

Presence of an academic nexus is one of the many reasons for the static nature of graduate curriculum in economics. The nexus is the complex relationship among academicians, teachers, researchers and publishers. Academic nexus is not just a national or regional phenomenon as they exist internationally and decide all academic aspects, ranging from curriculum, teaching, learning and even research. The impact of text book writers and their ideology is the determinant factor for deciding the frame of the curriculum. Take for instance, the impact of Samuelson's book *Economics*, which has a worldwide impact on the discipline of Economics. His approach of unquestionable neo-classical economics has generally influenced the subject of economics over the last century. Nevertheless, Samuelson and his book largely popularised the subject and the book has now reached its 19<sup>th</sup> edition, has sold over four million copies and translated into more than forty languages. The era of Samuelson is over, but his impact on the discipline of economics has not yet faded. Gregory Mankiw is the new Samuelson; he is an economist at Harvard University and recently received an advance of 1.4 million dollars from a publisher in connection with writing a basic textbook. In the same manner, some text books or publishers actually dominate over the discipline.

At the national and sub-national level in India, the nexus is between publishers of guide materials and academic officials. These guide publishers have a strong hold in the

selling of study materials; often these guide materials are referred to as text books among academicians. More often, these guide materials are substandard, and a number of factual errors can also be noted. Even teachers prescribe these materials to students as text books for their course. To save academics from this guide mafia is a difficult and complicated task as there is an intertwined relationship existed among teachers, writers of guide materials and students. Alternative study materials should be made available in the market and at a preferably lower cost so that it may be favoured over all substandard materials. An issue that surfaces over here is the question of who will prepare all those text books with the right calibre. First of all, do we need such a kind of single text book for each course in the under graduate education? Given the academic condition, the answer would be yes, we do need such a kind of text book, although teaching any course in economics with only one text book is not an ideal condition. One likely and practical way to solve this dilemma is to prepare a bundle of photocopied materials from different standard text books and popularise them among teachers, academicians and well-wishers. This approach will help to reach out and make the materials accessible to those who really want quality upgradation.

An introductory text book released recently, titled *The Economy: Economics for a Changing World*, addresses some of the issues which we have raised. This book is a collection of contributions by twenty economists from different parts of the world under the directorship of Wendy Carlin, Sam Bowles and Margaret Stevens. It sets a standard as an introductory text book and is greatly relevant in India, where economics is taught as a context-less, universal and ahistorical discipline. In a much deeper sense, economic development of developing countries is often constrained by certain contextual factors and without understanding the context, the idea of development is difficult to conceive in the developing countries vis-à-vis the developed countries. Another book that can be part of curriculum is *Wealth and Illfare: An Expedition into Real Life Economics*, by C. T. Kurien, a noted Indian economist. The book addresses the problems of Indian Economy through a non-neoclassical approach and takes into account the information issues, network effect, and various issues of production, consumption and distribution to understand the economy in a better way.

*Economics: A Primer for India* is a well suited reference book for the graduate curriculum of economics. Written by G. Omkarnath of the University of Hyderabad, the book can be prescribed either under the compulsory reading list or for some specific Indian economic issues. The book follows a unique pedagogical approach and uses historical

information, data and institutions to understand the working of the economy. Theories are embedded in the empirical discussion of Indian economy, which enable the student to understand the empirical reality of the economy without specially introducing the theoretical part in the first place.

Appropriate content on Indian Economy must be available; but it should be constrained by the quality of research on various issues of the subject. The gap between the academic and real world can be bridged only by appropriate research on the Indian economy.

### **III) Pedagogy**

If there is consensus regarding the content, then the concern is on how it should be taught or what kind of pedagogy should be adopted. Regarding the content, proper linkage must be attained between the content taught at school and college levels. To achieve this linkage, both college teachers and school teachers should be part of the discussion (De & Thomas, 2018). This allows the curriculum developers to take account of the ground-level realities of teaching. Teachers must always remember that things should be made simple and uncomplicated as much as possible when they are engaged in the teaching process, but they must also be vigilant not make it too simple as a way to improve the efficiency of teaching. Utmost care should be taken while adding or deleting topics, and also when emerging areas in the subject are being discussed. A logical order of subjects in the syllabus must be attained and in particular cases minor rearrangements can also be made among the contents within each subject. Most importantly, economics is mostly taught as a body of knowledge that has progressed linearly and without any sort of internal conflicts (De & Thomas, 2018). Vital skills such as creativity and data analytics are to be developed among students. Separate interactive tutorial sessions must be conducted as part of pedagogical change. Like any other discipline, there is a constant interplay between theories and facts in economics, and by the end of the course, students should learn to think like an economist. A reverse kind of pedagogy must be adopted in the learning mechanism. Conventionally, the concept is introduced first and its application is brought in later. Only by taking into consideration the special nature of the Indian economy shall it be fruitful; the problem is to be understood first and then the various concepts to familiarise the problem are decided. Finally, different theoretical frames are applied to understand the problem from different perspectives. To



understand this process, we can take the example of the familiar issue of unemployment. The problem of unemployment is introduced first; the different concepts to define unemployment are brought forth and finally, different theories to understand unemployment from multiple perspectives are ushered in. Empirical estimation of employment will prove more fruitful in the understanding of unemployment. It allows the student to understand why one should learn a theory in order to comprehend economic problems from distinct perspectives. Language issue, a major hurdle in the path, must be sorted out. Teaching of economics, generally lectured in the degree classes in English, is a bit difficult to understand for Indian students, who have done their prior education in vernacular. The selection of the regional languages as the medium of instruction would not easily solve this problem as the question of teaching in the national language is a more complicated matter in India where the Constitution recognises fourteen regional language and many of the states prefer to adopt their regional language over other languages. However to make students internationally competitive, the medium of instruction should be in English. Regional language also could be judiciously used to make the students understand the concept,.

Methodological questions are to be raised in the curriculum and by the end of the course a student should be able to realise the importance of methodological pluralism. It is important to ask what kind of a standpoint a teacher should take, should she or he act as an autocrat or a facilitator. It is better to be a facilitator and not make value judgements or a moral stand immediately, rather, introduce and explain the problem from multiple perspectives. For example, maximisation principle, free market principle, and the idea of rationality are all taught unquestioningly in the curriculum (Varma, 2012). This is not the right kind of approach as far as the nature of economics is concerned, which is often controversial. As a pedagogical change in the direction of inter-disciplinarity, the elements such as historical existence, causes, dynamics and consequences. should be given ample space within the curriculum. The diversity of epistemological perspectives must be recognised. By this process students can get a better understanding of Indian economy and society. Apart from this, it is important to inculcate good writing habits in students through curricular means. Writing should be instituted as one of the chief learning objectives in all courses. In order to maintain a dynamic curriculum, feedback opportunities should also be provided for students. Feedback is the check and balance feature which is needed for a dynamic curriculum. At the end of each course, feedback should be taken from students in a structured manner and the result of this feedback should be used for improvements.

#### **IV) Evaluation**

The evaluation part of the Under Graduate programme is largely centred on the written external examination conducted by the university. Internal assessment consists of internal examinations, class assignments, and project work; but the total weightage only adds up to a mere twenty five percentage. Most of the time, external examinations conducted by the university only test the memory of the students. Patterns of questions are always conceptual, and students are expected to write the factual explanations. The analytical questions are mostly not seen. If by chance, an analytical question appears, the evaluation would not be based on their analytical capability of students. Generally, serious care is not given to the quality of internal assessments such as class tests, home assignments etc. Reform is needed to correct both internal and external assessments. Broadly it is argued that, there should be an increase in the proportion of internal assessment in the total assessment for the programme, but unless the quality of internal assessment is improved, an increase in the proportion of internal assessment would further worsen the condition.

#### **V) Resource constraint**

Resource constraint is a structural constraint and it is present everywhere in the education sector. In Kerala, the higher education sector is mainly dominated by aided colleges along with the government colleges. There has been an increasing tendency shown by the higher education sector in the recent past to cut down the number of teaching posts in the colleges. This was made possible by raising the minimum teaching hours in a week. Failure to appointment permanent teacher has resulted in an increase in the number of contract teachers. For contract teachers, the minimum qualification is fifty five percentage marks for the post graduate degree in the concerned discipline and selected candidates are normally appointed for a term of one year. Increase of contract teachers with low salary is one the reasons, if not the most important reason, for the degradation in the quality of education. Another major structural constraint is that the teachers are often not well prepared or trained for teaching. As per the UGC norms, the completion of PhD or National Eligibility Test (NET) is sufficient enough to become a teacher in colleges and universities. Teacher training is normally linked with the promotion of teachers and not intended as a priority for improving teaching capability. Teacher training courses are conducted by Human Resource Developing Centres (HRDC) under the guidance of the UGC. Courses are conventional in nature by and hardly any value addition takes place. As part of the policy changes of the

UGC, getting admission for these courses is difficult because the number of courses have been reduced substantially over the years due to lack of funds.

## **VI) Politics & bureaucracy**

Political interference on a daily basis coupled with bureaucratic inefficiency is the problem to be resolved. It would be difficult to explain to academicians in the west that the appointment of Vice Chancellors of the universities in India is nothing but a political affair. The influence of politicians is high; almost all the posts from the top, beginning with the Vice Chancellor to the last grade staff come under political play. University staff are highly unionised in Kerala leading to a situation of politicalisation of each issue affecting the functioning of the university system. Universities are over burdened with examination work; other works such as curriculum development, quality upgradation, research and development have to be either delayed or postponed. To upgrade the quality of higher education, the government has recently given autonomous status to some leading colleges in Kerala. This academic autonomy awarded to colleges in recent times endows great hope to the higher education sector. Autonomous colleges are expected to bring about an improvement in curriculum development, teaching, learning and research. Results are now published according to the time schedule of autonomous colleges, but areas like curriculum development and teaching learning still require quality assessment. The true purpose of academic autonomy is not possible even now, as there are policies restricting the academic improvement of these autonomous institutions due to political pressure. As per the agreement, they have been given academic autonomy with a space to amend the curriculum. Some of the autonomous colleges have completed their fourth year of academic autonomy. But a comparison of the curriculum of autonomous colleges with the affiliated university curriculum shows only minor changes; the fundamental issues still persist. Syllabus revision in autonomous colleges at given point of time can only vary twenty percent of the total syllabus and it has to be authorised by the committee approved by the university. The university adopts an unenthusiastic approach towards the affairs of autonomous colleges. The reason is that the university fears that giving full autonomy, without any sort of restriction, would eventually lead to loosing its subjective interest over the autonomous colleges (Mathew & Patrick, 2016).

## Conclusion

Economics as a discipline should not be taught independently in the curriculum rather it should be introduced in an inter-disciplinary way. An approach of inter-disciplinarity has to be followed in the graduate curriculum of economics, where insights of other social science disciplines have to be discussed alongside economic theories and a multi-theoretic approach for socio-economic problems have to followed. The nature of the graduate curriculum of economics is due to the path dependency which can be overcome with specific strategies. The problems generated by the academic nexus, issue of text books and other materials for the curriculum are to be taken care of. The nature of pedagogical changes, evaluation of the course and curriculum, resource constraints, and issues of political and bureaucratic interference all need further discussion and scrutiny.

## References

- Arthur, W. B. (1989). Competing technologies, increasing returns, and lock-in by historical events. *The Economic Journal*, 99(394), 116. <https://doi.org/10.2307/2234208>
- Chakravarty, S. (1986). The teaching of economics in india. *Economic and Political Weekly*, 21(27), 1165–1168. <https://doi.org/doi:10.2307/164882>
- David, P. A. (1985). Clio and the economy of QWERTY. *The American Economic Review*, 75(2), 332–337. <https://doi.org/10.2104/ha080079>
- De, R., & Thomas, A. M. (2018). Rethinking undergraduate economics education. *Economic & Political Weekly*, 20(3), 21–24.
- Mathew, N. M., & Patrick, M. (2016). *Autonomous colleges in kerala : An evaluative study* (Center for Public Policy Research (CPPR) No. 3). Kochi. Retrieved from [http://www.cppr.in/wp-content/uploads/2016/10/Autonomous-Colleges-in-Kerala\\_An-Evaluative-Study.pdf](http://www.cppr.in/wp-content/uploads/2016/10/Autonomous-Colleges-in-Kerala_An-Evaluative-Study.pdf)
- Varma, G. V. (2012). Some thoughts on the macroeconomics curriculum in India. *Economic and Political Weekly*, 47(3), 22–26.