

Making Economics a Transformative Experience

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Abstract

This essay focuses on Peter Boettke as an undergraduate teacher of economics. Hutt (1936), Buchanan (1996), and Klein (1999, 2001) argue that economists play an important role in educating citizens by instilling an understanding of the core principles of economics. I discuss the characteristics of an effective teacher in this regard. Peter Boettke embodies all of these characteristics and serves as an example to those who strive to be effective teachers of economic concepts and ideas.

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I. Introduction

I first met Pete Boettke in the fall of 1997, while I was a junior at Manhattan College in New York City. At the time, I was majoring in finance with a minor in economics. That fall, I enrolled in Pete's Public Finance course, which fulfilled an elective requirement for my minor. Prior to taking Pete's class, I had never considered dedicating my career to studying, researching, and teaching economics. That changed after having Pete as a teacher.

I always liked economics, but much of what I had learned during my first two years as an undergraduate seemed dry and irrelevant to the actual world. Pete's class changed all this. With Pete as a teacher, economics came to life. For the first time, economics made sense to me, and I could see how it applied to current events and everyday life. As anyone who has heard him lecture knows, Pete has a unique talent for effectively communicating economics through storytelling and the use of examples that resonate with students. One of the readings Pete assigned was F.A. Hayek's "The Use of Knowledge in Society." After reading Hayek's argument about dispersed knowledge and listening to Pete's related lecture on coordination, I felt that I finally had a grasp on what economics was all about.

The Public Finance course consisted of two take-home exams and a research paper. I can remember being extremely excited to write the first exam, and I spent a considerable amount of time writing and rewriting my answers. I still have the exam, and it serves as a reminder of a critical moment in my intellectual and personal development. When Pete returned the exam, I was excited to see the grade—100%—but was even more excited to see Pete’s message: “If you are really interested in this stuff come and see me.”

I took Pete up on his offer and visited his office during his next scheduled office hours. During that visit Pete gave me two things that were critical to influencing my future. The first was a copy of F.A. Hayek’s three volume work, *Law, Legislation and Liberty*. The second was the website for the Institute for Humane Studies (IHS). Pete explained IHS’s mission and encouraged me to apply for one of their summer seminars, an experience which led to my meeting Steve Horwitz, one of the seminar faculty members. I slowly read through the Hayek volumes and also did additional research on Hayek, which led me to Ludwig von Mises, Murray Rothbard, Ayn Rand, and Milton Friedman. During the semester, I had started an internship at J.P. Morgan in downtown New York City that involved a one-hour subway ride each way, providing me with the opportunity to read the writings of these authors.

Pete’s stay at Manhattan College was short. I took his spring semester course, Comparative Economic Systems, but after that one year at Manhattan, he moved to George Mason University, which continues to be his academic home. In spite of the brief time I knew him at Manhattan, his impact on me was profound and life changing. After taking Pete’s Public Finance course, I switched my economics minor to a second major. With a double major in finance and economics, I was offered, and accepted, a position in a two-year training program at J.P. Morgan. During those two years, I read economics incessantly, focusing mainly on Austrian economics. I also maintained sporadic contact with Pete. After working for a year, I became convinced that I wanted to pursue a graduate education in economics and dedicate myself to research and teaching. During the summer I attended the Advanced Seminar in Austrian Economics at the Foundation for Economic Education, organized and directed by Pete. I also began to prepare my graduate school application. The only program I applied to was George Mason because I knew I wanted to study with Pete. Fortunately, I was accepted and entered

the graduate program in the fall of 2001. Pete not only served as my teacher and mentor throughout graduate school, but also became a close friend.

It is no understatement to say that Pete Boettke changed my life. In fact, outside of my parents, no one has had a bigger impact on my life – in terms of influencing both my intellectual development and career trajectory. I don't know if Pete has influenced the lives of his other students to the same degree that he has impacted mine; however, I can say that Pete's effectiveness as an undergraduate teacher has been recognized throughout his career. In 1989, the students of the Golden Key National Honor Society made Pete an honorary member in recognition of his teaching at Oakland University. In 1995, Pete was awarded the Golden Dozen Teaching Award in recognition of excellence in undergraduate teaching from the College of Arts and Sciences at New York University. Since arriving at George Mason University in 1998, Pete has taught in the Honors College, which is reserved for the best undergraduate teachers.

Yet another indicator of Pete's ability to effectively communicate economics to undergraduates is his continued work, along with David Prychitko, on Paul Heyne's textbook, *The Economic Way of Thinking*. The first edition of *The Economic Way of Thinking* appeared in 1973 and was written by Heyne to serve as an alternative to the existing textbooks available to undergraduates. The emphasis was on clear writing that communicated the economic way of thinking to students in a logical manner. As Heyne noted in the Introduction to the 7th edition, "very little indeed of what might go into a complete and current compendium of economic theory is actually useful in enabling us to make sense of the real world and to evaluate policy proposals" (1994, p.x). As the book's title indicates, Heyne's goal was to teach students how to think like an economist and to provide them the tools to apply this logic to a wide variety of topics. The fact that Heyne, prior to his death in 2000, invited Pete to continue with his vision of *The Economic Way of Thinking* is further evidence of Pete's ability to effectively teach economics to undergraduate students.

The purpose of this essay is to focus on Pete Boettke as an undergraduate teacher of economics. Hutt (1936), Buchanan (1996), and Klein (1999, 2001) argue that economists play an important role in educating citizens by instilling in them an understanding of the

core principles of economics.¹ In what follows, I discuss what I think are the characteristics of an effective undergraduate teacher in this regard. Pete embodies all of these characteristics and serves as an example to those who strive to be effective teachers and communicators of economic concepts and ideas.

II. Teaching as a Transformative Experience

To understand Pete as an undergraduate teacher, it makes sense to consider his own experience as an undergraduate at Grove City College. Pete attributes his own conversion to economics to his undergraduate professor, Dr. Hans Senholz (see Boettke, 2002). According to Pete, Senholz's lectures were a "...transformative experience for me" (2002, p.31). I think this is a good way to describe my own experience as an undergraduate and also our goal as teachers of economics. A successful teacher of economics is able to transform students into critical thinkers by equipping them with the core tools of the economic way of thinking. As Paul Heyne wrote, "Almost all the genuinely important things that economics has to teach are elementary concepts of relationship that people could almost figure out for themselves if they were willing to think carefully" (1994, p.x). Economics, properly taught, provides students with an analytical lens through which to understand human behavior, alternative institutional arrangements, and the implications of alternative policies.

Creating a transformative experience for students is easier said than done. Many undergraduate students find economics to be daunting and confusing or have been turned off of the subject due to an ineffective teacher. This is unfortunate, because economic illiteracy is the cause of so many misguided policies regarding a wide array of issues. What makes a teacher effective in providing a "transformative experience" for students? Based on my own conversion to economics as Pete's student, I believe there are five interrelated characteristics.

The first characteristic is passion. In order for an economics course to be a transformative experience, the teacher must show passion for the subject. Students can tell when a professor is

¹ For an alternative view regarding the role of the economist, see Stigler's (1982) argument that economists have little to offer to citizens and should instead focus on their academic pursuits. For a critique of Stigler's position, see Kirzner (1983).

passionate about the subject being taught. Passion is contagious, and students feed off the excitement of their teacher. In exciting students about economics, an effective teacher inspires students not only to study the subject during the semester but also to become a life-long practitioner of the economic way of thinking. This is exactly the impact Pete had on me. Pete's passion for economics was evident from the first lecture and made me want to learn more about economics both during class and outside of class. In order for the teaching of economics to be a transformative experience, teachers must be enthusiastic about learning and sharing with students what they learn. This might seem like common sense, but we have all experienced teachers who are boring and unable to engage students in the course material. In many cases this is due to a lack of passion on the teacher's part.

Though important, passion alone does not make an economics teacher successful. A successful economics teacher is also active in the research community as well. In fact, the importance of research is closely connected to one's passion for economics. In order to share new knowledge with students, the teacher must continually learn, remaining in a sense, a lifelong student of economics. For professors, this learning process is carried out through research, which is an important input into producing a transformative experience for students. From this standpoint, teaching and research are complements and not substitutes. The choice to be a good teacher or a productive scholar is not an either-or decision, but is instead a marginal choice like any other. More time spent on teaching-related activities does mean less time for research, but this does not mean that one cannot be a good teacher *and* a productive scholar. The challenge is finding the correct balance between the two. Pete has effectively found this balance, as he continues to be an active scholar and a successful teacher. In fact, in the case of many of his graduate students, myself included, he has effectively combined both by serving as a teacher, mentor, and co-author.

Clarity is the third characteristic of a successful economics teacher. In order for an economics class to be a transformative experience, the student has to understand what the teacher is trying to communicate. This involves more than simply communicating in clear English, although I have noticed that this is an issue for many professors. Clarity also involves presenting the material in a manner that students can comprehend. In this regard, clarity involves

speaking clearly *and* explaining things in novel and innovative ways. Only then will these lessons stick with the students after they leave the classroom. In this regard, Pete is a master. I can still remember his Public Finance lecture on the importance of stable and predictable rules for encouraging interaction and exchange. In order to get his point across, he asked us what would happen in a basketball game in which the referees could randomly change the height of the basket or the distance of the three-point line as they saw fit. The answer, of course, was that the game would break down. This example stuck with me well after I left the classroom.

Relevance is yet another critical aspect of effectively communicating economics to students. A good professor can make the most complex topics understandable to students, and making topics relevant to students' lives is one of the easiest ways to do this. As I mentioned earlier, Pete has a knack for storytelling. Part of what made his stories so compelling to me as a student was their relevance.

I remember one particular lecture in Comparative Economic Systems in which Pete brought an article from *The Economist* magazine to class. The article focused on how many of the transition countries had numerous semi-completed public construction projects that remained semi-complete following the collapse of communism. Pete asked us why this was the case and why private investors didn't complete the projects. The purpose of this example was to illustrate to us the importance of economic calculation and how the communist governments had grossly misallocated resources in the absence of any rational criteria of efficient allocation. Private investors didn't complete the half-built buildings because they weren't profitable. From there Pete was able to explain to us how government action under all economic systems suffered from the same calculation problem. The roots of Pete's focus on making his lectures relevant can be traced back to his own experience at Grove City College. Reflecting on this experience, Pete notes that "As a teacher of economics since 1987, I have often thought about my own conversion experience and realized that the power behind Dr. Sennholz's approach was the relevance he conveyed about economics for understanding the real world" (Boettke, 2002, p.32).

The purpose of the science of economics is to understand how the world works. From this standpoint, economics is always relevant to understanding the world around us. A good teacher of economics is able to combine this relevance with the aforementioned

characteristics of passion and clarity to empower students to understand how economics can assist them in understanding the world in which they live.

The final characteristic of a successful economics teacher is accessibility. This means more than scheduling weekly office hours. Accessibility refers to the ability of students to engage with professors both during class and outside of class. Some professors are more approachable than others and more willing to go out of their way to be accessible to students. As I indicated earlier, in my own case this involved Pete asking me to see him in his office and providing me with copies of books and information on seminars where I could further pursue my interest in economics. I still would have considered Pete an excellent teacher even if he had never done this, and he still would have had a profound impact on my life, but by going out of his way to provide me with additional opportunities, he shaped not only my worldview, but also my career choice. All professors have other obligations and cannot possibly devote all of their time to teaching activities. However, being accessible in the broadest sense is critical for creating a transformative experience for students.

III. Concluding Remarks

It is no understatement to say that Pete Boettke has been, and continues to be, one the most influential people in my life. This influence began as an undergraduate student at Manhattan College where I had the good fortune of having Pete as a teacher. When I think back to why Pete had such an influence on me, the five characteristics in the previous section come to mind. Pete made economics come to life for me. He made me want to learn and read more about the subject. He encouraged that desire by proactively seeking me out and providing me with guidance regarding how to pursue the further study of economics. For this I will be forever grateful.

In my view, Pete serves as an example to those of us who want to be effective teachers of economics. Unfortunately, the incentives we face as professors often work against this outcome (Klein, 1999). Although many liberal arts colleges place a premium on high-quality teaching, the same cannot be said about many larger universities, at which teaching is often underappreciated. Instead, these schools tend to place a premium on research that is published in journals

considered to be “high impact” by department members, but that is largely irrelevant in terms of improving the actual world. The unfortunate outcome is an equilibrium frequently characterized by mediocre teaching and mediocre research.

As a graduate student at George Mason University, I took several classes from Pete that were critical inputs into my intellectual development. Equally important was the advice he gave to us about the profession and our careers. Pete told us to always remember why we got into the economics profession in the first place. He told us to “look out the window” to find paradoxes in the world that we could resolve using economics. He warned us not to be boring, or as he would put it, “A PhD is not a license to be dull and boring.” Pete also taught us to view teaching and research as complements. Research is an input into teaching, and teaching is an opportunity to develop our ability to effectively articulate our understanding of economics to endow students with the ability to critically think using the economic way of thinking. If you are bored teaching, Pete would say, you are in the wrong business.

As a teacher and researcher, I continue to draw on the lessons I learned as Pete’s student. I strive to embody those characteristics that make Pete so effective in his many roles. These are the very characteristics that influenced me as a student and allowed me to be where I am today. My only hope is that I can have the same impact on students that he has had on me.

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