

## **Using Economics and Literature to Understand Changing Perceptions About the Individual's Relation to Society**

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When we teach principles of economics, we commonly assert that economists assume individuals are primarily motivated by rational self-interest and then we carefully explain how a market system will lead us as if by an invisible hand to create maximum values given our limited resources. While some students are convinced by this approach, many are simply not engaged by this line of thought. Similarly, when English professors discuss the impact of political economy on the nineteenth century novel and vice versa, they are met with a good deal of indifference on the part of literature majors. As professors, when we encounter skepticism we often ask ourselves whether there is another way we can tell the story. Fortunately, we have had several opportunities to try an alternative approach. We (an economics professor and an English professor) have team taught a course that combines readings by economists and novelists. This approach has proven very successful in stimulating students to think about larger issues that traditional courses are not able to address.

Our course traces the development of modern economic ideas by juxtaposing writings of Adam Smith and other economists with novels to demonstrate how similar issues were being discussed by contemporary writers as the discipline developed. While the emphasis of the novelists and economists were often different, students begin to understand that they were often grappling with

similar issues. That is, both novelists and economists were trying to understand how technological change and market forces were affecting the individual and society. They were both asking, "What is the role of the individual and what is the best way to organize society?" Of course, these questions are still vital ones and a course of this type can engage students to think seriously about these questions. This essay will describe the course content and relate some experiences and insights that may be useful to others attempting similar approaches.

Before we discuss content, however, we need to mention that the course was designed for an Honors program that offers seminar-style classes. Class size is limited to fifteen and students tend to have above average reading and writing skills. Hence, we could expect our students to be enthusiastic participants in classroom discussions; we were able to assign a significant amount of reading; we could require that students turn in biweekly reaction papers; and, we could assign longer papers in lieu of midterm and final exams.

On the first day of class we divide our students into small groups and ask them to consider what they think motivates individuals to behave the way they do in contemporary society and to match the motivations they list with a system of sociopolitical and economic organization that would best accommodate them. The exercise works well because it urges students to utilize their observations of contemporary socioeconomic behavior and political institutions, making them aware of the fact that they have a good deal to contribute to the classroom discussion even before they have had a chance to read any of the assigned materials.

The exercise also prepares students for their first writing assignment which asks them to identify Adam Smith's assumptions about human nature in *The Wealth of Nations* and to establish the connections between his assumptions and the economic program he advocates. Oral presentations of these papers provide an opportunity for the discussion of important concepts such as self-interest, human propensity to truck, barter and exchange, division of labor and its

attendant benefits such as dexterity, saving of time, and invention of machines. It becomes apparent that for Smith what is important is not self-interest per se, but the transformation of self-interest into qualities that encourage the development of commercial civic society with its primary benefits of advancement of technology and creation of wealth. We emphasize that Smith presents the social and economic benefits of a capitalist economy as unintended by individuals, but issuing from their interactions in the marketplace.

When students turn their attention to *Silas Marner* (1861), they read a story about a character (Silas Marner of the title) who, dehumanized by the betrayal of a friend and a community that are clearly the products of the Industrial Revolution, relocates to a village largely untouched by the market economy. The plot revolves around the healing of Silas Marner after he adopts and raises an abandoned child with the help of this new community. Many qualities praised by Smith, including hard work, dexterity, division of labor, and desire for self-improvement, are missing from the village of Raveloe. Instead, the narrator focuses on the neighborliness of the villagers, their tolerant religion, and their suspicious attitude towards self-interest. *Silas Marner* asks this question: when we construct a society on the basis of commercial exchange leading to development of material wealth, what do we lose in the process? Eliot draws our attention heavily to the losses and largely ignores the gains that Smith outlined.

We like to note, however, that Eliot presents the setting of the novel as that of a time and place not within the reach of the reader. The very first page of the work is sprinkled with phrases such as "In the days when," "In that far-off time," and "Ald times" that suggest a distant almost fairy-tale like past. This is a time, the narrator explains, when strangers were greeted with suspicion: "How was a man to be explained unless you at least knew somebody who knew his father and mother?" (p. 51). The contrast between the village of Raveloe and the urban life Smith envisions as essential to commercial development is stark. Smith explains why man cannot rely on

benevolence of friends and acquaintances and needs to work with those very strangers that the villagers of Eliot distrust:

In civilized society [man] stands at all times in need of the co-operation and assistance of the great multitudes, while his whole life is scarce sufficient to gain the friendship of a few persons ... man has almost constant occasion for the help of his brethren, and it is in vain for him to expect it from their benevolence only.... It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest (pp. 118-119).

Eliot's point in *Silas Marner* is not to suggest a return to a simpler time and place, but rather to remind her readers that perhaps the members of civilized society need friendship and benevolence no less than their rural counterparts.

After introducing students to economic ideas through Adam Smith, we stress what came to be known as classical economics and how it continued to grow and evolve through the ideas of Malthus, Ricardo, and the utilitarian philosophy of Jeremy Bentham and his associates, notably James and John Stuart Mill. From *John Stuart Mill and Jeremy Bentham: Utilitarianism and other essays* (1987), we assign Mill's essay "Bentham" (first written in 1838) and Mill's essay "Utilitarianism" (first written in 1861). These essays give a broad overview of Bentham's thought and express Mill's later, more developed view of utilitarianism. The students are divided into small groups to discuss what the utilitarian philosophy suggests about self-interest and harmony of interests, two of the cornerstones of classical economics. We also ask them to consider what the utilitarians believe motivates people to promote general happiness.

Reading these essays is a good background for the students' next assignment, which is Dickens' novel *Hard Times* (1854). After reading and learning about the utilitarians, it is clear that *Hard Times* is a merciless satire of the utilitarian philosophy. Dickens had particular

derision for Gradgrind's teaching of political economy. His portrayal indicates that students drilled in the methods of the economists will grow up to be cold, calculating fact machines who end up being selfish and deceitful. He represents students and adults inculcated with these lessons as being incapable of emotion and not knowing how to enjoy life.

The Dickens portrayal was a popular caricature of what the economic way of thinking did to the individual. In *Hard Times* the only character that turns out well is Sissy Jupe; she was the one who could just never make sense of the methods of the political economists. After noting that Dickens is highly critical of the social and educational policies of his contemporaries, we ask students to write a short essay describing the alternative to the utilitarian system that he proposes. What generally emerges from this is that Dickens did not really propose much of an alternative; he was mainly a social critic. A final look at Mill's essay on Bentham indicates that while it gave Dickens ammunition to deride the utilitarian mode of thought, in the end it belittles those, such as Dickens, who merely criticize. Mill indicates that what distinguishes Bentham from other thinkers is that whereas others were purely negative thinkers, he was positive: they only assailed error, he made it a point of conscience not to do so until he thought he could plant the corresponding truth (p. 137).

Up to this point in the course our readings mostly centered on the classical economists and their critics. The next portion of the class gives students a better flavor of the alternative vision. We assign Edward Bellamy's novel *Looking Backward* (1888) along with selected readings from Marx and Engels. It seems more difficult to introduce Marx with selected readings than the other authors we study, so we typically supplement this section with more lecture than elsewhere in the course. Among the readings that we find most useful for this section are the *Manifesto of the Communist Party* and Engel's *Socialism: Utopian and Scientific*. The latter is particularly useful as a quick introduction to socialist thought.

In the readings, one issue we urge students to focus on is how the socialist vision affects the individual. An essay assignment that we give the students asks them to discuss how Marx and Engels reply in the *Manifesto* to their critics= charges that a communist regime will destroy individuality and freedom. Students observe that Marx and Engels argue that working classes are neither free nor have the means to express any individuality; that quite the contrary is the case: *In bourgeois society capital is independent and has individuality, while the living person is dependent and has no individuality* (p. 485). A follow-up assignment that asks students to concentrate on how the issue of freedom and individuality is dealt with in Bellamy=s socialist utopia *Looking Backward* calls direct attention to the fact that abolition of private ownership raises the problem of central planning with its inevitable infringements upon individual freedoms and liberties. Students are quick to note the contradictions. Although Dr. Leete, the *socialist* guide and teacher, assures his charge Julian West that *there is less interference ... with personal liberty nowadays than you were accustomed to* (p. 100), it becomes evident that everyone is not assured to work in a job of their preference or live in a location of their choice. The text, of course, celebrates the benefits gained, particularly lack of poverty and assurance of relative equality.

When we ask students if they find Marx or Bellamy persuasive, a question that comes up frequently is how could rational individuals have such different views about how to organize society? To help students think about this question we have them read an excerpt from Thomas Sowell=s *A Conflict of Visions* (1987) where he suggests that the differences of opinion stem from radically different views about the nature of man.

In the final section of the course that covers F. A. Hayek=s *The Road to Serfdom* (1944) and Ayn Rand=s *The Fountainhead* (1943), we pursue critiques of socialist thought and policies. We ask students to write about Hayek=s definition of freedom and what he thinks constitutes the greatest obstacle to it. Students note that Hayek

believes individualism has gained a bad name by being associated with egotism and selfishness (p. 17), and that the ideal of security has overshadowed the ideal of independence (p. 145). Consequently, citizens welcome central planning and a strong government. According to Hayek, such collectivist thought is highly dangerous as it almost always leads to totalitarianism.

In *The Fountainhead* Rand's diagnosis of society's ills is similar to Hayek's. From Rand's point of view, too, individualistic thinking has suffered a setback. The remedy she offers is also similar; in the novel she presents a very strong individualist hero, Howard Roark, as the example all should emulate. In *The Fountainhead*, however, it is not central planning or government authority that determine individuals' choices; rather it is an amorphous and perhaps therefore more dangerous entity, namely public opinion, that shapes the destinies of the various characters. Newspapers, collective entities of all kinds (associations, groups, councils and organized group), and ambitious individuals who use them for their own end all help to formulate public opinion. In stark contrast, Roark displays a full awareness of his self-interest and acts according to its dictates. By Rand's definition, he is anchored in reality as he has not given up his identity to the collective body.

In this post Berlin Wall era, it is sometimes difficult to convince students that during the 1930s, 1940s, and later, many authors thought a gradual shift toward socialism was inevitable. We note that Rand and Hayek were actually among the few who were warning of the dangers to individuals of a complacent shift toward collectivism. Students recognize that the former Soviet Union and other countries flirted with socialism, but they suggest that was in other countries, not the U.S. And besides, someone usually adds, all that ended with the fall of the Wall, right? When we get this response, and we usually do, we like to turn the tables and ask our students, So it's all been settled then? Everyone agrees that free markets and democratic governments are the best way to organize society to promote prosperity and individual freedom?

As a final reading assignment we assign a few chapters from Francis Fukuyama's *The End of History and the Last Man* (1992). We design a group project that encourages students to respond to Fukuyama's argument that the concept of self-recognition has played a significant role in human affairs, but that the advent of modern liberal democracy has transformed attempts to seek recognition to such an extent that self-interest and reason have subordinated the most pernicious aspects of seeking recognition. Finally, we ask students to discuss Fukuyama's contention that "history leads us in one way or another to liberal democracy" (p. 287) and that this liberal democracy is stable and is, in fact, the end toward which history has always been progressing. The responses we get vary, but the discussion allows us to reflect again on the relationship between market societies and the individuals within those societies.

We have found this class very gratifying to teach because it challenges students and allows them to think deeply about why society is organized the way it is and about how this organization affects the individual. Student evaluations have been very favorable and include such comments as "[The class] inspires thought about subjects usually not addressed. [It] encourages self evaluation." Another student wrote, "This was an incredible class which pushed me to the limit intellectually." In the end, what is most rewarding about this type of class is that it brings to life fundamental economic and social issues and conflicts that are mostly absent from more traditional courses.

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