

## Economics New Standard Model: Projects of the Economic Seminar

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It seems appropriate to contact the prospect active members of the economic seminar in its revised structure. I am presuming that there is no objection to identifying the group to itself at this stage, so we can begin communications? I shall contact you as a group as this goes up on the website. We are all old hands, so the seminar has to shift in its intent, as I described in my latest comment, no. 5 on the website. James Duffy is kindly working on the format of our collaboration and that will shape up in this month of November. The projects I have in mind will then avail of the new structure.

It would be good if each member of the seminar were able to tackle a problem of the list given in the previous entry, "Economics New Standard Model 4: a Shift of Aim." But this is not a necessity: some members of the group are just too burdened with normal teaching or whatever. I see no reason, if James has things set up in these next weeks, why we should not start rambling forward creatively before the end of November. Some people may thus be able to avail of Christmas leisure to help us forward.

It seems appropriate also to give you fore-warning, or fore-warming, about the second seminar of 2015, an autumn project. I suspect that I may have to change that seminar to something else. At all events I attach the notice re the Seminar as "Economics New Standard Model 6." It gives a fuller context to the present effort, for me my final effort to get economics out of the non-science nonsense in which it is stuck, held, protected. The fuller context, of course, is Lonergan's revision of the first question of the *Summa Theologiae*. A still fuller context is indicated in the short Appendix, added below.

The central aim of our effort in the present seminar is to push for a public exposure of economic departments, which in the main—as I have already pointed out—are devoted to studying the equivalent of refinements of gas laws, cooked up by pundits and not at all in the empirical style of Gay-Lussac or Van der Wahl. I will be posting some departments' course lists on the seminar web and others can add to that Blog. What we need is an informed view of the idiocy of the B.A. in economics.

How informed? Some of you have pushed re points needed in an introductory course. Some of you mentioned Lonergan's interest in writing an introductory text. It seems to me that it is too soon for this type of approach. For starters, we need to get to grips ourselves with the 'gas-law' metaphor and the 'swimming pool'

metaphor. Both lines help, and we could add, as I will, the parallel with planetary motion or with the applications of Maxwell's Equations. But the difficulty is that non-scientists have really no experience of the patient humble work that goes with the scientific effort involved.

So, how many of us have actually done the Newtonian shift from his laws, by means of differential calculus, to the solution of the two-body problem [e.g. earth and sun] of relative motion [and thus derived Kepler's laws!]? And I suspect that those who have done that have never envisaged the massive literature on the three-body problem. [If you fancy a larger context for all this, including a reach into the second seminar, see [Joistings 18](#), "The Field and Unified Field Theories: God and I", but my main pointing for now is to the quotation at note 23 re: Poincare's astonishment on finding that the three-body problem was not soluble. Note 24 there is also helpful: it points to a great exercise in the control of meaning: think of yourself as lecturing the answer to the little puzzle given there.] Again, Maxwell's equations are dandy, but bring them to bear on, say, such a simple object as a charged sphere. And now think of the swimming pool studied in elementary hydrodynamics and worked on empirically by flexing a board rhythmically at the short end of the pool to generate nice uniform waves. But what if you throw a stone into the pool? Finally, the gas-laws madness helps to see the road to simple-minded and brutal [whether Chinese or North American] modern context, so settled and coddled by lackeys at all levels: "when bureaucrats take power they intend to stay" (*For a New Political Economy*, CWL 21, 35).

Perhaps, in the end, you have a better symbolic indication of the present non-science by taking seriously my pointing in detail [the work e.g. of Patrick Crean referred to in the last site entry] or in broad sweep [See chapter 7, "The Global Future," *Piketty's Plight and the Global Future* (Vancouver: Axial Publishing, 2014), 57-63] the problem of understanding, not to speak of taking control of, global waters.

That problem of local details, when faced empirically by departments of economics will, very gradually, reveal the various layers of madness, indecency, greed, that clutch the hearts of cities and rural zones. One thinks easily of the layers of federal and provincial, state, county, taxes, but there are layers of financial distortions beginning with problems of fixed share-profits and the demand for positive quarterly profits and climbing into the mists of the dodges of derivatives, of commodity monies.

But I had best end my ramble. The empirical work will reveal the local idiocies, a revelation eventually effectively local, and is to bring us to see the wisdom of local

estimations of credit: but note that those local estimates have to be global: “a vast task.” (CWL 21, 105)

We are all busy, but what we can do in our common effort is to find that we do not understand the ‘swimming pool’ theory offered by Lonergan in *For a New Political Economy* (CWL 21) part three, or briefly in pages 113-134 there. Those references are to closed economy analysis. Getting a grip on chapters 13 and 19 [See chapter 5, “A Rolling Stone Gathers *Nomos*,” *Economics for Everyone: Das Jus Kapital* (Halifax: Axial Press, 1998), 135-162] is a whole other ballpark. Perhaps some among us can make an effort to spell out with better pedagogy these zones?

What we seek from the seminar is competent articulateness so that we can venture, journalistically, or in friendly fashion with those we know, to nudge people towards the science. I recall a department chair who caught on saying that he was helpless: you can’t shake the department members thus. But can you imagine a quiet re-direction of research and theses work so that “the discipline of economics get over its ... purely theoretical and often highly ideological speculation” [Thomas Piketty, *Capital in the Twenty-First Century*, translated by Arthur Goldhammer (Cambridge: Harvard University Press, 2014), 32]. Piketty walked away from that but ventured forward towards the empirical with shabby variables and correlations. Can we sow the seeds of a revolutionary yet simple scientific approach?

Part of the seminar-group’s effort could be, should be, a search for incursion-possibilities: James Duffy of course, our optimist, is poised to help it all go viral.

And in conclusion I would like to add a slight of hand: like turning wine into water at the end of a feast. Yes, that’s my odd order. I mentioned the second seminar, and its connections with this one. There is a problem with this one that it can be pursued, and its drive can be later pursued, without much push towards self-luminousness. What the second seminar is to uncomfortably do is turn the wine of Lonerganism into water by inviting a noticing that is equivalent to our noticing the hollowness of present courses in economics. Present Lonergan studies is not luminous in the ballpark that was Lonergan’s data: the ballpark of the inner word, with its bundle of names so easily tossed about in contexts of rich description and abundant reference. So you have the neat question: is Lonergan studies really as defective as present economic studies? If the answer is a tentative yes, then there is a long road ahead to the third stage of meaning.

**Appendix:** Being the entry sent to the Lonergan Newsletter for December, 2014.

The e-seminar on economics, "Economics' New Standard Model," gets underway on December 1<sup>st</sup>, continuing till the end of March, 2015. There is still room for participants: information is available on the website [[www.philipmcschane.org](http://www.philipmcschane.org)] but I can be contacted directly at [pmcschane@shaw.ca](mailto:pmcschane@shaw.ca). The seminars of 2015-16 will spring forward from *CWL* 7, 8, 9, 11, and 12. The autumn seminar, titled "The Minders' Reach for God," shifts Trinitarian theology into the context of subject-as-subject (*CWL* 18, index); the spring seminar, "Christ, Science, Futurology," will move towards collaborative structures of the Mystical Body. My Boston Workshop of June 2015, "Functional Collaboration," is to open the road to these seminars, gathering suggestions and questions.