

The Role of a Liberal Arts¹ Education in Economic Development

Jeremy Cripps, PhD, FCA, CPA

Professor of Accounting

American University in Bulgaria

“The purpose of a Liberal Arts education is to open the mind, correct it, to refine it, to establish it to know; and to digest, to rule, to use knowledge, and to give the mind power over its own faculties”

John Henry Newman “The Idea of a University”²

The artist Leonardo Da Vinci, designer of aircraft, called himself an “engineer:” the mathematician Luca Pacioli, the Father of Accounting, who taught Da Vinci “perspective,” gave the world of business the information system we still use to determine the “bottom line:” the Renaissance master, Michelangelo, an “architect” gave us a variety of lines with the Pieta and the dome of St Peter’s Basilica in Rome. And, among so many other Renaissance masters educated in the liberal arts, Marco Polo, with his fellow Europeans, traded as they expanded business activity in Europe and created the wealth that fostered great artistic endeavor.

Two centuries later in Scotland, moral philosopher and customs official Adam Smith of Kirkcaldy continued the study of economics: James Watt, an engineer invented the steam engine and gave his name to electric power: McAdam, another Master of Arts, built roads to facilitate the distribution of goods for export and import and economic development.

South of the border,³ Adam Derby with the introduction of steel products, and Josiah Wedgwood, replacing wood and copper plates with china, began modern business development aiming with mass production to satisfy the consumers of our world.

What have all these people in common? Why do I bring them to your attention? They are my personal selection from hundreds of European artists and wealth creators. They, from among so many others, all enjoyed the benefits of a liberal arts education. They, among so many others, made economic development the business of the liberal arts.

What is the role of a Liberal Arts education? How can we learn about the relations between business, economic development and the liberal arts? How can we acquire and understand the interrelationship between the humanities, the sciences, and our future in Europe? How can we possess the truth?

With Forty years of experience I believe I have learnt some of the answers to these questions.

First let me frame my answers in a phrase my great teachers used to explain the liberal arts to me. The quest for truth I am told and I believe is like knowledge of a forest. Trees and shrubs and many types of undergrowth make up a forest. To understand the forest we must therefore learn about trees and shrubs and undergrowths; and as we learn of plants and biology and ecology we begin to become aware of the “idea” of a forest. The forest is not a simple idea. There are a plethora of facts to learn and relationships to understand. Trees and shrubs and undergrowths must interact to make a “whole” forest. In the same way each of the subjects we study at a liberal arts university, each of our studies, gradually combine to enable faculty and students to understand the ever changing nature of business and economic development. John Henry Cardinal Newman put it this way:

*“In order to have possession of the truth at all, we must have the whole truth:
and no one subject, no two subjects, no one family of subjects,
nay not even all secular science, is the whole truth...”⁴*

The liberally educated person begins to study the *artes triviales* or the *trivium*, the Greeks’ and Romans’ rhetoric, grammar, and logic. These are the ancestors of the English language three “Rs” namely **R**eading, **wR**iting and **aR**ithmetic. This first elementary group of subjects, the sciences of language, communication, and philosophy remain today the foundation of every education system.

The liberally educated person then continues study at the secondary and tertiary levels with the *artes reales*, the mathematico-physical disciplines known as the *quadrivium*. The Roman arithmetic, geometry, astronomy and music, being the natural ancestors of the many disciplines we include within the humanities, natural and social sciences, and lifelong (or professional) studies which make-up the curriculum of a modern Liberal Arts university.

The Arts are liberal because they are designed to train the “free” man. The aim is to prepare the student for life, not just for a livelihood. Ivan Vazov captures this freedom in his poem “Wakeful Nights.” He wrote

*And the fruits of toil I'd treasure
In the notebooks I had bought,
And my labour was a pleasure
And the nights were all to short.”⁵*

Ivan Vazov, to K Hristov

More precisely the purpose of our liberal arts education may, like Caesar’s Gaul, be divided into three principal skills:⁶

- Critical thinking
- Lifelong learning
- Understanding Life as a whole

Critical thinking skill:

The mind is like a muscle; exercise provides the increasing strength of mind needed to grasp complex human ideas. Exercising the mind in one area, literature or psychology, or accounting, strengthens the relationship between the disciplines.

Thus reading “The Inn at Antimovo”⁷ provides not just Dragota as “The Most Reliable Escort,” but insight into the psychology of Father Amphilocheus and the other monks and perhaps even a minicase study in monastery accounts.

Or reading “The Hanging of Vassil Levsky”⁸ provides interest and excitement for a class on history or comparative economic development or, as poetry is meant to do, a class on interpersonal communication.

In my accounting courses we use history, why and how the Gutenberg Bible printing presses moved from Heidelberg to Venice, where Pagnino published Pacioli⁹, author of debit and credit coincidentally in the year that whisky was first distilled in Scotland.¹⁰ We examine the spread

of liberal arts to universities and note the correlation between post-Renaissance education and post-Renaissance economic development in Europe.

As the mind is exercised on mathematics, music, poetry, philosophy, and computer programming that muscle develops order. The brain, like the athlete's body, needs structure and habit. The athlete who trains hard completes many exercises to gain strength in particular athletic events. So the mind needs a variety of subjects who contribute to strength of mind each in a slightly different and yet essential way.

And, as the athlete trains muscles with a diverse body of exercise, so research, discussion, examination and analysis train the liberal arts mind. Opinions, attitudes, values and beliefs are tried and tested in theory and in practice. As the liberal arts mind develops so opinions and attitudes and values and beliefs depend upon the individual's own worthy evaluation of argument and evidence.

The graduate of a liberal arts institution no longer relies on the authority of parents, peers or professors. The graduates of liberal arts education "know themselves."¹¹

The graduates of liberal arts institutions recognize good judgement depends upon thoughtful and a rather extensive acquaintance with many areas of study and above all the ability to think and articulate thought independently. Especially the liberal arts graduate can think and articulate independently in the face of pressures, distortions, and mythical truths.

Two examples: Competent and less competent thinking on economic development.

1. Competent thinking:

The businessmen at Sevlievo have put together the world's leading Production Company of white china products and related hardware and fittings. Here liberal arts graduates understood the potential of native skills, suitable environment, enthusiastic personnel, the accumulated wealth of 'free' people in and around Sevlievo. Now at Vidima, Bulgarians are out-producing their competitors in Europe, and their product is both quality and price leader. These people understand economic development.

2. Less competent thinking:

The macroeconomists at the World Bank and the IMF in contrast have acted like technicians adopting unreliable models to project economic activity. They have yet to achieve as much in the way of economic development as their counterparts at Vidima. Indeed their record¹², including recent inappropriate advice in Malawi,¹³ which led to famine, they themselves agree, is inadequate. The World Bank at its recent 2002 conference in Monterey recognized that “much of the money that it has supplied has been badly used.”¹⁴

Thus the first practical advantage of a liberal arts education is the ability to think.

The skill of Lifelong learning:

Knowledge builds upon knowledge. When we learn something we tend to remember how we learned it, the process and the source. At a liberal arts university we do not simply acquire a giant pile of facts, we acquire the skills that will enable us throughout our lives to handle growing giant piles of facts. As we research commentary on language and literature on the World Wide Web, we acquire research skills we can apply to history and political science. When we write a report on and learn about systems of organization and behavior we can use them as analytical tools to learn how economic development organizations can improve and have improved interpersonal functions to increase productivity. We can apply the theory we learn to case studies and discover practical solutions to existing problems.

In this liberal arts process we see the critical difference between simply “feeding” the starving and taking the time to teach them “how to grow food.” We cannot survive on a single meal; we need food for energy all our lives.

One of the great lessons I try to instill in my students is this inter-disciplinary (liberal arts) approach to dealing with life’s problems. I call this question the DADDY of them all. This is because; taken from the business guru Peter Drucker, I believe in a five-stage approach to the decision-making all questions require.

- First the question must be **D**efined. Too often we fail to define (to think out) the question upon which we are asked to decide.

- Second, and very carefully, we need to **A**nalyze (think around) the matter requiring decision.
- Third we **D**evelop (think out) a series of appropriate options.
- Then a (thoughtful) **D**ecision can be made.
- Finally, where appropriate, a decision made must be followed up (thought about) to ensure it has been **I**mplemented

Two examples: Rose Oil and Government.

1. Comprehensive term thinking:

The economic development of Bulgaria's ancient rose oil industry requires definition of the market today and the future of that market. In Kazanluk and Karlovo we see the price of a kilo of rose petals rise and fall. Factors in this market include the maintenance of rose plants, the gathering in of petals, the process of distilling the oil from roses, the investment in modern distillery equipment, competition from Turkey, marketing to the parfumeries of Europe and many opportunities to extend the process to the production of lavender oil and other related flora. Successful producers, like the distillery at Enio Bonchev¹⁵ have taken appropriate long-term strategic actions.

2. The absence of term thinking:

Some years ago my Bulgarian students accompanied me to the Customs and Excise in Sofia. As we recovered their textbooks and my papers from the Customs warehouse we encountered a Byzantine process, which paraded inefficiency and a great poverty of thinking. My students observed that the introduction of a relatively simple computer system would significantly improve import and export throughput. The simple addition of credit card payments for appropriately charged duties would add the level of disclosure and transparency which entry into Europe now requires. Expediting the import and export of goods would also provide positive impact on economic development.

The second practical advantage of a liberal arts education is the lifelong ability to think.

The idea of Life as a whole:

A liberal arts education is of necessity a general education. A general education supplies a context for all knowledge and especially one's chosen area of specialty. Every discipline may

only provide a partial view of knowledge; yet who is to know when something we learn will suddenly become useful. At school I had the good fortune to learn ancient Greek. “What was the point?” I probably wondered when my translations of Herodotus were rightly criticized. Yet here in Bulgaria that knowledge enables me to read the Cyrillic alphabet. When I visit museums in Khurdjali and Varna and Sofia and the Thracian tombs in the Rose Valley and see quotations from Herodotus, somehow the exhibits are more beautiful and real.

The liberal arts provide each student with a map of our universe. We learn the relative disposition of ideas and things, we gain a systematic view of reality, an understanding of hierarchies and relationships, and, as we go down the high road to globalization, how matters are and, perhaps more important, how they may be changed.

As abstract as this benefit may seem to the student, it is just this orientation that provides a stable foundation for a sane, an orderly, and a most enjoyable life. Niccolo Machiavelli wrote of the liberal arts advantage thus:

*When the evening comes ... I enter the realms of history. Here, always welcome,
I enjoy reflection, reflection which is personal, reflection for which I was born.
I speak with history's greatest and ask the reasons for their actions.
And they, because of their humanity, answer me, and for hours
I feel no boredom, I forget every worry, I relax completely.”*

Niccolo Machiavelli, 1513

The psychologist who would fully understand the variety of mental problems his patients may suffer needs a wide-ranging general knowledge if he is to recognize some problems are biological, some spiritual, some the product of environment, and so on. Just so the businessman who seeks a happy and productive workforce. Both require study in biology, theology, and sociology. Language, literature, accounting, communication, and a decent conversational understanding of the arts add to the depth of one's business competence.

Four Liberal Arts thinkers.

1. Marie Curie:¹⁶

Double Nobel Laureate Curie was educated at the liberal arts Sorbonne. A teacher for her livelihood, she became interested in the discovery of radioactivity, pursued this interest to discover polonium and radium. More important her life's work was to promote the use of radium to alleviate suffering and to identify its therapeutic properties.

2. Christiane Nusslein-Volhard:¹⁷

The Nobel Laureate was influenced by Goethe and her parents music and painting. She made her own dresses. She wrote, "I was intensely interested in things, obsessed by ideas and projects" she described "fond memories" of visits to her grandparent's farm and "missed having someone knowledgeable in plants and animals." She admits to being lazy, but notes how "school education was good and interesting, especially German literature." She recollects testing a new theory about evolution after reading Darwin in class. Study of the whole world and the liberal arts eventually led to a Nobel Prize in physiology (Medicine).

3. Jody Williams:¹⁸

Ms. Williams holds a BA (Liberal Arts) from the University of Vermont, and Masters degrees in Teaching Spanish, ESL (English as a second language) and Advanced International studies. Her interest in humanitarian relief projects in Latin America began with education projects in Mexico and Nicaragua-Honduras. Her holistic approach led her to found the International Campaign to Ban Landmines, which now has more than 1,000 NGOs and drives an unprecedented international effort to ban landmines and particularly to focus attention on the impact of armed conflict on children.

4. Dorothy Crowfoot Hodgkin:¹⁹

Another product of liberal arts education, Mrs. Crowfoot Hodgkin initially combined archaeology and chemistry analyzing glass tesserae from Jerash in the Sudan where her father, an archaeologist, and her mother, an expert on early weaving techniques and botany, were working in the Egyptian Education Service. Her interest eventually turned to the chemistry of metals.

As with my initial list of exemplary liberal arts students, each of these Laureates personify the realization that life itself is a whole. For our lives are not divided in specialist academic disciplines. This then is the third purpose of a liberal arts education. The purpose is to ensure the liberal arts provides the foundation of a broad education. Upon this broad reliable foundation the liberal arts student then gains an opportunity to choose for her/himself one or more areas of specialization in which s/he may enjoy a livelihood for all their life.

Two examples: The holistic approach to economic development.

1. Comprehensive economic development:

After the Second World War instead of a concept similar to the World Bank's "structural adjustment," the British Chancellor insisted on a "constructive compromise."²⁰ The policy reconciled multilateralism with private-enterprise capitalism. The British insisted on maintaining and investing in essential health educational and welfare facilities whilst at the same time concentrating on increasing productivity and redirecting trade. Their actions paved the way for an eventual multilateralism, but only after an appropriate period of adjustment. Note that the period of adjustment lasted significantly less than the twelve years 1990 to 2002.

2. Less comprehensive economic development:

In East Europe many a capital market has yet to be co-ordinated. Piecemeal structural changes have been implemented, but not yet as a whole. Thus the privatization process too often lacked the infusion of skilled strategic management planning. The transition from central to individual corporate planning lacked the business experience which has had to be learned to enable capital investment in the private sector to fund economic development and attract foreign investment.

Throughout **Pro Archia** Cicero identifies the human need for knowledge of many disciplines. "Omnes artes," he writes "quae ad humanitem pertinent" (all the arts which pertain to humanity) have a common bond. They are joined as if by a certain family relationship. And this provides a vital holistic dimension to the individual's liberal studies. "To character" writes Cicero "the liberal arts add a certain methodical shaping that comes from learning, something indefinably extraordinary and splendid."²¹

This splendid relaxing and refining of the mind is most human and is most befitting to a free man. The liberal arts nourish youth and entertain old age; they adorn success and provide refuge and solace in adversity; they give delight at home, and accompany us in our travels and in the excitement of our lives.

The third practical advantage of a liberal arts education is the realization that life is holistic, that our lives work and leisure must be taken together.

Conclusion:

My purpose was to begin to define the role of liberal arts education in business.

I have endeavoured to identify the three overriding liberal arts principals. I hope I have shown that the liberal arts education process builds

- Critical thinking skills
- Lifelong learning habits, and the
- Understanding that Life is holistic.

Given these liberal art skills the graduate of the modern Liberal Arts university joins other liberal arts graduates and approaches business with what a basketball coach describes as “a full court press.” Such approach combines energy and commitment with skill and experience. This formula, as I have shown, seizes opportunity and breeds success.

Let me conclude now with the wonderful words of one of Bulgaria’s great authors. Here the poet describes for me the essence of the liberal arts.

*All now to work with devotion.....
Let each hour new times mark.
In life’s wild and raging ocean
Knowledge is our Noah’s Ark.”²²*

Ivan Vazov, Sofia, 1899

Endnotes:

¹ The Liberal Arts (**Artes Liberales**) are the oldest educational tradition. They are mentioned for the first time in the writings of Marcus Tullius Cicero (106-43 BC) in **Pro Archia** and the delight they provide in and for themselves are highlighted in the **Tusculan Disputations**.

² John Henry Newman, **"The Idea of a University"**

³ *Between Scotland and England*

⁴ John Henry Newman, *op cit.*

⁵ Ivan Vazov "Wakeful Nights" translated from Bulgarian by John Burnip in **Anthology of Bulgarian Poetry** (Columbus, Ohio: Slavica Publishers, Inc, 1990)

⁶ **"Omnia Gallia est divisa in tria parta."** Opening sentence of Julius Caesar's book entitled **De Bello Gallico** (The Gallic War) from **The Harvard Classics** (Boston, Massachusetts: Collier & Son, 1909).

⁷ Yordon Yovkov, "The Inn at Antimovo," **Anthology of Bulgarian Poetry**, *op cit.*

⁸ Hristo Botev, "The hanging of Vassil Levsky," **Anthology of Bulgarian Poetry**, *op cit.*

⁹ Luca Pacioli, **"Suma de Arithmetica, Geometria, Proportioni et Proportionalita,"** (Venice: Pagnino, 1494)

¹⁰ 1494 AD.

¹¹ Translated, the motto, engraved over the main entrance to the Temple and the Oracle at Delphi was adopted, according to his biographer Plato, by Socrates as a principal for his liberal arts academy.

¹² Detailed in evidence (Phillipines, Sri Lanka, Chile, Jamaica, Brazil, Zaire, Kenya, Turkey, etc.) may be found in Graham Hancock's **"Lords of Poverty"** (New York: Atlantic Monthly Press, 1998)

¹³ The World Bank encouraged the government of Malawi to reduce food stocks, within no apparent guidelines, just before the food crops failed. The result has been famine and starvation in 2002.

¹⁴ Reported in **The Economist**, April 2002.

¹⁵ Enio Bonchev, Ltd, Architect Milanov 50, Sofia 1000

¹⁶ Nobel Laureate for Physics in 1903, for Chemistry in 1911

¹⁷ Nobel Laureate for Physiology or Medicine, 1994

¹⁸ Nobel Laureate for Peace, 1997

¹⁹ Nobel Laureate in Chemistry in 1964

²⁰ Sir Stafford Cripps, "The Dollar Situation: Forthcoming Discussion with U.S.A. and Canada, Economic Policy Committee (49) 73 July 4, 1949 PREM 8/1412 pt II.

²¹ **"ratio quaedam conformatioque doctrinae"**

²² Ivan Vazov "Now to Work!" **Anthology of Bulgarian Poetry**, *op cit.*