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ECONOMIC HISTORY AND THE FUTURE OF
PEDAGOGY IN ECONOMICS

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Working Paper 22-09

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Economic History and the Future of Pedagogy in Economics*

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Abstract

Economic history is integral to the study of economics and economies. Besides providing students with a valuable long-run perspective on the modern world, the field also helps them to better understand the contingency of economic theory. Despite a newfound interest in economic history among economists, teaching and learning in economic history at undergraduate level varies enormously across the UK. We review the different types of economic history provisioning in UK universities, account for the trends we document, and set out viable options for reform. We advance the idea that the teaching of economic history can be integrated into other higher-level undergraduate field courses, an approach we call “Teaching Economics With Economic History”. We end by focusing on economic history teaching within the context of business schools.

Keywords: economic history, pedagogy, undergraduate curriculum.

JEL Codes: A22, B20, N01.

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1. Introduction

There is a paradox in university-level economics teaching in the UK. Economics graduates achieve extremely good labour market outcomes as measured by earnings premia (see, e.g., Belfield et al., 2018). But students and their employers voice concerns that the contents of their degrees are irrelevant and “out of touch” (see, e.g., Coyle, 2012; Earle et al., 2016). While the mixture of transferable skills and quantitative methods taught in UK economics programmes helps to explain the former, the continued dominance of formal approaches to economics teaching is no doubt the cause of the latter. This pedagogical paradox needs to be urgently resolved to enable professional economists to more fully address society’s most important problems. Economics graduates may be earning lots of money, but are they useful to society?

We examine the scope for augmenting the way important economic ideas are communicated by introducing economic history into undergraduate teaching. We think lessons from economic history provide invaluable insights into the big global challenges of today’s world, whether it is trade wars, financial crises, migration pressures, climate change or extreme political uncertainty. We set out how economic history can complement other empirical branches of economics to help reform the dominant paradigm in economics pedagogy. We explore the benefits and costs of introducing economic history across the curriculum, including its integration into other field courses.

A recent paper by Fishback and Hauptert (2022) concentrates on the teaching of economic history within the distinctive US higher education system and notes the way economic history can be taught to both history and economics majors. This paper has at its core a review of undergraduate economics provisioning at UK universities. In the UK system at the undergraduate level, economic history is today more integrated into economic rather than historical pedagogy. Yet this integration is far from universal or complete across the sector.

In this paper, we document the degree to which economic history is (not) currently being incorporated into typical UK undergraduate BA/BSc degrees. We use our review of economic history pedagogy to motivate the ways in which we propose economic history’s “supply side” can match its potential “demand”. The latter relies on ideas from the field of action research; the paper’s co-authors each have experience of solving immediate problems in economics teaching through the introduction of ideas from economic history and this paper reflects on their practice.

A particular focus of our paper is the study of economics in the context of business education, and how economic history can help to resolve the uneasy relationship which

economics has developed with other business management disciplines. Buckley and Casson (1993), who coined economics as an “imperialist social science”, argue ‘successful imperialism requires that only the core assumptions remain unchanged—the more specific assumptions must be altered to accommodate the special features of the new situation’ (p. 1041). Clearly, we want economics to be taught in a business school setting, and not just in economics degrees. The issue is: what type of economics is appropriate and useful?

We think it is a type of economics which takes on board the lessons from economic history. The study of economic history provides economists with the knowledge and toolkit necessary to alter the specific assumptions referred to by Buckley and Casson, to better integrate their analysis of market and non-market interactions into the wider social sciences, and ultimately to more peacefully co-exist with others in the business academy. We see our agenda as compatible with scholars in the history of economic thought who advocate “Teaching with Historical Perspectives” (Tavasci and Ventimiglia, 2018).

This paper builds on a long series of contributions on the relationship between economics and economics history. We highlight just a few. McCloskey (1976) famously asks and answers (in the affirmative) the question ‘does the past have useful economics?’, while Romer (1994) argues economic history has become ‘an integral part of the entire discipline’ of economics. Temin (2016) documents the assimilation of parts of the economic history research agenda by development economists, while Margo (2018) discusses economic history’s integration into mainstream economics more widely by focussing on shared methodologies and publication strategies. Mokyr (2003) argues that economic history stands at a ‘busy intersection’ between disciplines and should never become a ‘closed field’, while Abramitzky (2015) reviews how economic historians have attempted to appeal to broader economics audiences by adopting their lexicon.

These highlighted contributions have a US focus. In this paper we draw primarily on the UK context. By focusing on the UK context, we are able to address issues that are distinct from assuming that the American way is the default setting and that American pedagogy is the only model. Intellectually, best practice in economic history research is more easily shared than best practice in teaching. While the elite economic history journals are shared whichever side of the Atlantic an economic historian is on, the institutional structures in terms of teaching are very different.

This paper proceeds as follows. First, we provide some context by discussing the historical evolution of the relationship between the fields of economics and economic history. This brings us to the present, where we highlight the (negative) consequences of the recent

“empirical turn” in economics which has resulted in some re-engagement with economic history in research and teaching. We then review the specifics of economics teaching at UK universities today. This leads into our proposal for pedagogical reform: “Teaching Economics With Economic History”. After discussing the specific case of economic history in the business school context, we conclude the paper with a call to colleagues to help us advance our pedagogical agenda.

2. Divergence and convergence between economics and economic history

Economics and economic history are simultaneously two separate disciplines and one single subject. This disciplinary dualism becomes very apparent from looking at the history of the two fields, which is a history of constant disciplinary divergence and converge. A short history helps us to explain why the time is ripe for the re-insertion of economic history into mainstream economics curricula. We show that the disciplinary divisions which emerged one hundred years ago have come full circle; what was perhaps true for the 1920s is once again true for the 2020s.

The methodology of political economics being perfected in English-speaking academia by the late nineteenth century was highly deductive and involved generating, and possibly also testing, formal mathematical economic theories. Meanwhile, German-speaking academia had developed a more historical perspective on economic analysis. This approach, known as the historical school of economics, is associated with Gustav von Schmoller and Max Weber. It was critical of abstract theory and favoured a more inductive approach to economic reasoning centred around “thick” descriptions of historical processes. While the historical school made a few inroads in English academia (e.g., Keynes Senior; see Colvin and Winfree, 2018), it became rather niche and was considered heterodox in English-speaking university campuses by the 1920s. The die was cast; the split in the Anglosphere between what would become the separate disciplines of economics and economic history was the logical consequence of this approach.

A detailed survey of how the Germanic historical and Anglo-American approaches played out is beyond the scope of this paper. However, it is sufficient to note here that even prior to the “Cliometric Revolution” which began in the late 1960s, there were several competing ideas about how the interplay between historical studies and economic sciences should work out in both teaching and research. Indeed, the tensions of trying to balance historical and theoretical temperaments was a source of methodological concern for such towering figures as Heckscher, Schumpeter and Hicks (Mokyr, 2005; Cesarano, 2006).

At a more practical level, the tension also affected the day-to-day concern for keeping economic history within elite US economics instructions. Indeed, the path of economic history research and teaching followed until well into the 1950s was partly shaped by an ultimately unsuccessful desire to check the tide of excessive formalisation within economics. Yet while US economic historians could not achieve this check, they could create a quasi-independent “home” for economic history with enough visibility to secure funding from the Ford Foundation in 1957, to create Alexander Gerschenkron’s Harvard Workshop in Economic History (De Rouvray, 2004). Many of the themes cliometricians developed in subsequent research and teaching – American economic history, growth and development and the role of government – were inherited from this pre-cliometric set of scholars.

Greater formalisation in terms of rigor, precision and consistency after 1945, however, came at the cost of narrowing the scope of economic analysis. A side-effect of the change in techniques was that it shrunk the place of historical training within theoretical economics (Cesarano, 2006: 449). By way of illustration, a story goes that Walt Rostow and Paul Samuelson over lunch one day at MIT came to disagreement. Rostow made a claim that Samuelson bristled at, Samuelson retorted, “Walt, you may be an economist among historians, but you are [a] historian when you are among economists” (Temin, 2014). Rostow’s informal and inductive approach to economic history did not find favour with an increasingly deductive and mathematical approach to economics teaching and research at MIT. It was not just Rostow’s political role within conducting the Vietnam war that explains why he was not invited back to MIT on completing government service (Temin, 2014). MIT economics regarding the teaching and researching of growth had become exemplified by Solow’s formal model rather than Rostow’s anti-communist manifesto. Indeed, Peter Temin, an arch-proponent of cliometrics, was hired at MIT to replace Rostow in 1967.

In terms of teaching economic history, different countries broadly followed different models, but even within countries there were differences. So, in the wake of the expansion of higher education in the 1960s within the UK, economic history benefitted from the emphasis placed on social science within the new universities. Max Hartwell (1971) noted that most UK universities had separate economic history departments by the early 1970s, though some located these departments with a faculty serving economics students, and others serving social science students more broadly conceived (e.g., as was the case at Queen’s University Belfast). In some cases a separate department was created in an arts or humanities faculty (e.g., at Nottingham) and in others it was kept within a department of history (e.g., Dundee, Manchester, Reading and Southampton). Accordingly, in some cases economic history was

taught as a compulsory part of an economics degree during the first year of study (e.g., Cambridge, Warwick and York), while in others it was kept separate.

Whatever configuration was chosen, the UK's Social Sciences Research Council (SSRC) was important in initially identifying economic and social history as an appropriate social science within its remit in funding teaching and particularly research initiatives. Another aspect of the UK story supporting economic history teaching at university during the 1960s and 1970s was the steady growth of pre-university exposure to economic history within England and Wales, with the subject available as both a GCE O Level (taken at 16 years of age) and an A Level qualification (taken at 18). Between 1952-4 and 1968-70 the increase in pupils taking economic history were 2,222 per cent at O Level and 585 per cent at A Level (Coleman, 1972: 5). Economic history must have been facilitated as a university subject by a steadily growing cohort of undergraduates already exposed to it at school.

Australia and New Zealand followed a similar growth path to the UK model in the 1960s and 1970s. Traditionally, as at Melbourne for example, economic history was a compulsory course for undergraduate economics students (Clarkson, 2001). The similarity of place of economic history within British and antipodean economics pedagogy in part reflected the continued intellectual influence of British academics. At its peak there were ten independent departments of economic and social history in Australia (Lloyd, 1997: 257). For example, in 1968 a Department of Economic History was created at the University of New England. The Department offered courses in British, European, Russian, American, Japanese, Asian and Australian economic history, as well as thematic courses.

Just as Australian and New Zealand universities shared in the UK growth within economic history education, so they shared in its decline. By the 1990s, reflecting shrinking student enrolments, departments of economic history were closed and academics absorbed into larger departments of business or commerce (Boot, 1997: 158; Wright and Ville, 2017: 352). While institutionally the closure of these departments removed the protection of economic history teaching and research, it has survived by economic historians in Australia negotiating new institutional relationships with the parent disciplines of economics and history (Wright, 2022). Wright's (2022) discussion is particularly relevant to the UK example as she has set out in far more detail than any UK author the direction of economic history pedagogy in an era after the widespread existence of autonomous economic history departments.

In the case of the US there was no institutional equivalent like the SSRC ensuring that economic history was viewed as offering useful insights to social science students broadly defined. Nor was there a national set of examinations for schoolchildren in economic history

that would give them exposure to the subject. Instead, a pivotal set of meetings held at Purdue set the agenda. These meetings gained financial support from the Ford Foundation's economics funding, and Bob Fogel secured matching funding from the Mathematical Social Sciences Board (Hughes, 1971). The scope and methods within American-style cliometric research thus followed a different, more "economistic", character than in the UK. Economic history after the emergence of cliometrics in the 1960s tended to be viewed as a research field within economics. Inevitably, the teaching of economic history became consolidated within American economics education at both undergraduate and doctoral levels. At the University of Chicago or University of Washington, for example, economic history in research and teaching terms was viewed as yet another example of the "imperialistic" application of the economic method to historical topics. Faculty accordingly taught economic history courses in the cliometric vein, with fidelity to economic reasoning being crucial in evaluating historical interpretation (Ransom et al., 1982).

If we bring the teaching of economic history within the UK up to date, there has been a massive consolidation. Most separate economic and social history departments closed in the 1980s and 1990s, with remaining academics moved to the history department (as at Kent or Queen's and within Scottish universities), or in a few cases economics departments or business schools (e.g., Hull). Unfortunately, for economic historians in the UK, history students have decided economic history – no matter how informal the instruction – to be "too statistical" or "too dry" relative to other more humane branches of historical enquiry (Michie, 2001; Godden, 2020). This is unfortunate for the employability agenda of history students, but it means the academic labour market for economic historians in the UK is a much thinner and more focused one than in the 1960s and 1970s. It means there are far fewer possibilities for history departments to service economics departments with economic history teaching. Likewise, and probably related to the eclipse of economic history within university history education, economic history within the modern secondary level system has been marginalised; economic history is not available in today's GCSE or A Level. So, by accident rather than design then, economic history in the UK must now be entwined with economics education.

3. Economic history and the empirical turn in economics

While there is an increasing use of history in mainstream empirical economics, the apparent convergence of economic history with economics has in our view hit a stumbling block. On the surface it looks like economic history has been assimilated into fields like development

economics (Temin, 2016). But really what is being practiced is something quite different, and something we will here call “economist’s history” rather than economic history. We think this stems from a narrowing of the term “empirical economics” (see, also, Diebolt and Hauptert, 2016). Economists now understand the word “empirical” to mean purely econometric. This is a sad state of affairs, as it pushes out other types of economic evidence and modes of reasoning.¹

Rather than a narrow definition, we think that it is much more useful to view empirical economics as having three distinct, but overlapping, branches. The econometric branch is just one of these three, and is appropriate only where economic problems are quantifiable, and in contexts where quantitative data are useful and reliable. In this branch we include both structural approaches derived directly from formal economic theory, and reduced form approaches that evaluate variables in terms of observable exogenous variation. The other two branches, which should not be ignored, are experimental and historical. We discuss each of these in turn, in the context of teaching economics students.

Experimental economics is, of course, something economists are very aware of. We take a broader definition of experimental economics which includes laboratory, field *and* natural experiments. Laboratory economics is practiced only by a small subset of economists, usually with a theoretical bent. While controversial, field experiments are incredibly popular in fields like development economics. Meanwhile, in natural experiments economists ‘exploit situations where the forces of nature or government policy have conspired to produce an environment somewhat akin to a randomized experiment’ (Angrist and Krueger, 2001). Essentially, experimental and control conditions are determined by “historical accidents” which are outside the control of the investigators.

It is this last type of experiment which economist’s history has had most impact. Two highly-cited examples of such work are Acemoglu et al.’s (2001) study of the colonization, and Nunn’s (2008) study of the international slave trade. Both adopt instrumental variable strategies that exploit some plausibly exogenous historical variation in exposure to a set of institutions on development outcomes today. However, in the pursuit of discovering causal connections, these works compress history such that context becomes unnecessary, effect size unimportant, and intervening historical period irrelevant. We argue this has impoverished economics.

¹ Indeed, we fear a “cult of identification” has emerged in which the status of a specific subset of quantitative studies which allow for the so-called “clean” disentanglement of cause and effect is now reflected in university hiring decisions. The cost has been a narrowing of the questions that can be addressed by economists, and the neglect of exactly those types of evidence which are in many cases more appropriate to understand complex economic puzzles.

It is the third branch of empirical economics, what we are here calling historical, where the discipline of economic history has the most to offer. There is of course significant overlap with the other two branches; historical evidence can be quantitative and can lend itself to econometric analysis. But it can also take other diverse forms, including everything from court records to oral interviews. What unifies these types of evidence is that they are by nature inherently “messy”. An economist making use of historical evidence must piece together disparate sources, often from dusty archives. Rather than relying on experimental design, they must triangulate sources and use their own judgement as to the persuasiveness of their theoretical hypotheses. They must think about how their interpretation, their narrative, fits with alternative explanations of the facts. While closely related, economic history does not overlap perfectly with this third branch of empirical economics; the two are somewhat distinct in the way questions are set up – something we return to later in this paper.

While rare, economists do make use of historical evidence in this way. Ronald Coase’s historical studies regarding the lighthouse and Fisher Body perhaps offers the most well-developed case of an economist trying to make use of historical evidence to better understand real world economic activity (Coase, 1974; 2000). Coase’s “storytelling” approach offers a model where economic theory and historical evidence blurs. Attributing a theorem to him not only misrepresents his specific arguments, but it also misrepresents his general approach.² Another example is Genesove and Mullin’s (2001) investigation of the US sugar-refining cartel of the interwar period, which provides economists with unique insights into the conditions in which cartelistic behaviour can be sustained; the unique historical context, in which non-price setting cartels were not illegal, enables industrial economists to “test” their theories of market structure.

The historical branch is much harder to define than the econometric or experimental branches of empirical economics, and this difficulty of definition means a lot of thought needs to be given to how it is taught. In short, econometric techniques can be more easily taught than the cultivation of a historian’s craft. While none of us or our students are likely to be the next Ronald Coase, we can teach students to recognise stories that are more or less plausible given both elementary economic reasoning and the available evidence.

Such an approach to knowledge is admittedly contingent and contextual, but this is no bad thing as part of economics teaching must be to cultivate scepticism that an all-purpose

² McCloskey (1990) characterises all economics as essentially being storytelling. What we mean here is Coase’s specific engagement with the details of historical case studies, and his use of written prose rather than formal mathematics to tell his theoretical stories.

“economic theory of everything” can be said to exist. As Joel Mokyr has so lucidly argued, whereas earlier generations of economists, such as Hicks, hoped for a general theory of economic history that could be slotted into the economics curriculum, more recently economists have abandoned that pursuit (Hicks, 1973; Mokyr, 2005). Mokyr and other economic historians observe that economic history is anchored in facts, rather than the logical constructs of the “stylised facts” discussed by the earlier generation of economists.

Furthermore, consider how Mokyr’s insights relate to teaching institutional topics. Mokyr notes that no single set of multi-purpose tools has arisen to analyse institutional change analogous to the supply and demand curves used to teach about markets (Mokyr, 2005: 201). Contrast that historically rich approach with the alternative view that economic history represents merely the application of economic models to historical datasets (Solow, 1985; Crafts, 2018). In this alternative interpretation, producing economic history does not represent a need to balance the historical with the economic methods. Instead, it represents merely an imperialistic extension to the economic past.

The danger is if economists go too far, as Solow warned, they just make economic history into applied economics with inferior datasets.³ Teaching students that we need to make judgements regarding balancing economic thinking with historical evidence is no bad lesson to teach. Indeed, in an era of “employability” it is entirely natural to teach students that there are far fewer readymade answers to economic questions than we suppose. Increasing the capacity to make sound judgements is an important objective of higher education, and one which employers value. The challenges our students will face throughout their careers, such as the implications of technological revolutions on the workplace, will require them to learn how to apply insights in different contexts rather than reach for general pre-existing readymade solutions. Economic history’s ability to allow students to learn how to develop judgements more than justifies its place in economics education.

The potential “employability value” that the study of economic history offers in helping students develop their ability to make judgements is just one highlighted here. There are potentially many others besides. The focus on judgement is one we share with Dow (2009) regarding the role of teaching the history and methodology of economics as it relates to pluralism. Dow places less focus on employability, but she noted that in modern (i.e., post positivist) social science there is a recognition that different methodological approaches exist, and that (contra logical positivism) there is no ultimate, readymade set of rules to demonstrate

³ The opposite danger is that historians are too fond of outliers that may not be representative of the past.

which is best. This commitment to diversity and reflection without readymade rules, she argues, constitutes a healthy form of pluralism; in unhealthy forms the problem is that pluralism degenerates into a call that ‘anything goes’ (Dow, 2009: 47). Dow thus sees debates between different intellectual positions – which could cover methodology, theory or policy – as ways in which students can learn to healthily develop their own capacity for judgement (Dow, 2009: 46).

4. Current UK pedagogy in economic history

We consider the existing ways in which economic history contributes to the curriculum in the UK context, revealing gaps in its provisioning and thus scope for reform. The delivery of economic history teaching at UK universities today varies enormously. We conducted a review of the curricula of all UK universities offering economics programmes, focusing on their single-honours BA/BSc Economics degrees and their joint honours or major/minor BA/BSc Economics and (Economic) History degrees. We started with the University and College Admissions Service (UCAS) website, the single university application portal for UK universities. We then delved deeper into the curricula of each programme using each institution’s own website.⁴ The results of our review are summarised in a series of tables, below. We discuss the main findings in what follows.

Our point of departure was the joint degrees, Table 1. If there is anywhere in UK academia that economic history would, or should, be taught, then this is surely the most obvious place. 21 institutions offer some sort of joint degree programme. They range in type; most are joint degrees where economics and history each comprise 50% of modules taken, but some universities weight the modules in favour of either economics or history. We then note where economic history is being taught as stand-alone modules and at what level(s) of the degree programme (first, second or third year). Our most striking finding is a group of five universities (Aberdeen, Buckingham, Liverpool Hope, Northampton and Strathclyde) which offer some type of joint degree have no stand-alone economic history module.

We next turn our attention to standard single-honours programmes in economics (either BA or BSc). First we look at the Russell Group of research-intensive universities, Table 2. Of the 24 universities in the group, 22 offer single-honours programmes. 15 of these teach

⁴ Our review was initially conducted in August 2019, and updated in April 2022. It is worth noting that some reviewed institutions have very poorly constructed or uninformative websites. These were complemented with other sources, such as accessing student-facing “intranet” sites or sourcing publicly available external examiners’ reports.

economic history to their undergraduate economists, seven of which in the form of compulsory modules. Most universities teach economic history as part of their first-year sequence, and the course content tends to be the origins and development of the modern industrial economy, with a special focus on Britain's changing role within the world economy. Russell Group universities which teach economic history to higher-level students instead tend to teach it as a topics and methods course, where the focus of the pedagogy is just as much the methodology as the chosen research topics themselves. A few universities teach economic history and the history of economic thought as integrated modules. LSE is, as one would hope, the outlier, offering a suite of economic history modules across the curriculum, all service-taught by members of the UK's last remaining independent economic history department. Seven Russell Group universities have no stand-alone economic history module (Birmingham, Durham, Exeter, Liverpool, QMUL, Sheffield and Southampton).

Next up are the other UK universities, Table 3. Economic history provisioning at these 31 universities varies enormously. At one extreme lies Reading, which offers optional economic history modules at every level. At the other lies a group of 14 universities (Aberdeen, Aberystwyth, Aston, Bangor, Bath, Buckingham, Chester, Coventry, Lancaster, Loughborough, Portsmouth, Stirling, Strathclyde, UEA) which do not currently teach economic history. Four universities (Northampton, Kingston, SOAS and UWE) teach economic history as part of more heterodox courses in political economy or area studies. Like the Russell Group, universities which offer economic history to upper-level students deliver this as part of a topics and methods course.

What explains the heterogeneity in economic history provisioning across the UK? It occurs to us that there are four overlapping possible explanations for this heterogeneity: (1) historical legacy; (2) staffing issues; (3) university politics; and (4) government research evaluations; . Each of the three explanations rest in some degree of the path dependence of specific organisational histories and local academic politics more than any more general or universal methodological considerations.

The first explanation for the variety in provision is that in some cases (e.g., LSE or Glasgow) the persistence of standalone economic history modules reflects a continuity of former economic history/economic and social history departments. But this is not a complete explanation. The case of Aberdeen illustrates it is possible for a university to have once had an independent Department of Economic History (c. 1969-89), but for no trace of this to remain on the curriculum. Aberdeen's Department of Economic History was created as a "spin out" from a Department of Political Economy (Michie, 2001: 237). The original plan to absorb

economic historians back into the Department of Economics fell afoul of academic politics. Most were instead absorbed by the Department of History, while a minority were transferred to other universities (Lee, 2001). In one case (Clive Lee) the unhappy merger with history led an academic, holding the unique title Professor of Historical Economics, to move subsequently into the Department of Economics. Initially economic history survived on in various courses, although it was relabelled as “applied economics”.

The experience of Aberdeen is an important one because it shows some of the complexities of keeping economic history alive within an economics department. The Aberdeen experience illustrates that staffing issues and priorities may additionally help explain the diversity in economic history provisioning. Some “plate-glass” universities employed economic historians within their economics departments from their very foundation to the present day. So, for example, while Essex, York and Warwick have never had independent economic history departments, they were universities that from their foundation in the 1960s have had continued economic history teaching within their economics departments.

University politics may help explain why economic history varies in its provisioning. This observation is necessarily somewhat speculative, but from published interviews and written accounts it is not difficult to discern how attitudes towards the research and teaching contribution of economic history may have shaped the scope provided for economic history within the curriculum. For example, the University of Durham between 1974 and 1985 hosted an independent Department of Economic History. However, in response to financial stringency leading to departmental mergers, the department faced being absorbed into another. The economic historians favoured absorption into the economics department. They had shared a building with economics and had a long-standing relationship. Moreover, some economics faculty were sympathetic to the idea; Denis O’Brien, one of the Professors of Economics, was a distinguished historian of economic thought.

However, it was not to be as the economics department’s leadership regarded economic history as marginal and they were much keener to build up accountancy instead (Michie, 2001: 239). The immediate result was that economic history merged with history, with the subject subsequently detached from economics. At Durham the marginalisation of economic history within economics was self-reinforcing: without academics able to “supply” economic history to students, there was no student “demand” to be served by economic historians and this lack of demand in turn justified the marginalisation there to persist, as Table 2 indicates. In contrast, accounting remains a feature of Durham’s single honours degree in Economics.

The fate of economic history at Aberdeen and Durham chimes with the extensive and detailed discussion Wright (2022) provides regarding the Australian experience. She noted that in the wake of departmental closures, the survival of economic history teaching and research depended on the adaptability of economic historians to steer uncharted waters in which the safety of a separate departmental “port” could no longer be relied upon. As in the UK case, successful adaptation generally required that economic historians migrated to business schools. In the remainder of this paper, we will turn attention towards economic history pedagogy within the environment of business school economics teaching.

The last explanation influences the other three and concerns the impact of the UK funding councils’ Research Excellence Framework (REF) and its predecessor assessment exercises. Ostensibly a way in which government funding is allocated to universities, these evaluations of university research also input into popular university rankings that influence university applicant preferences. Much like other interdisciplinary research fields, economic history publications are potentially eligible to be submitted to different disciplinary panels. University administrators have a choice to make as each academic’s output can only be submitted to one Unit of Assessment. This means a choice between Economics and Econometrics (UoA 16), History (UoA 28), and Business and Management Studies (UoA 17).

Stockhammer et al. (2021) argue that REF has influenced the research focus of universities submitting to UoA 16 towards scholarship that can be published in mainstream high impact journal outlets. Unfortunately, much of what economic historians do does not lend itself to such journals because they typically start with a historical puzzle rather than an economic question. Stockhammer et al. (2021) find the submission bias in favour of mainstream scholarship is much less present for either UoA 28 or UoA 17. We speculate here that economic historians working in some economics departments may have become marginalised because of the REF process. As most UK academics have dual research-and-teaching workload allocations, this marginalisation may have spilled over to influence the wider undergraduate economics curriculum structure, with knock-on consequences for the supply of economic history PhD students and, down the line, new lecturers able to teach economic history.

Table 1. 21 *UK universities offering joint degrees in economics and (economic) history*

University	Degree type	Stand-alone EH module(s)
LSE	All	All levels
Cardiff	Joint	All levels
Glasgow*	Joint	All levels
Manchester	Minor	All levels
Oxford	Joint	All levels
Reading	Joint	All levels
Edinburgh*	Joint	Levels 1 & 3/4
York	Joint	Levels 1 & 3
Dundee*	Joint	Level 1
Leeds	Joint	Level 1
NCH	Major or Minor	Level 1
Essex	Joint	Level 2
Huddersfield	Joint	Level 2
UCL (SSEES)	Minor	Level 2
SOAS	Joint	Level 3
St Andrews*	Joint	Level 3/4
Aberdeen*	Joint	None
Buckingham†	All	None
Liverpool Hope	Joint	None
Northampton	Joint	None
Strathclyde*	Joint	None

NOTES: * = Scottish universities run four-year undergraduate MA programmes, typically with a broad first year and interchangeable modules in the 3rd and 4th years; † = new two-year programme rather than legacy three-year programme; Joint = degree with approx. 50% economics component; Major = degree with 2/3 economics component; Minor = degree with approx. 1/3 economics component; EH = economic history; SSEES = School of Slavonic and East European Studies.

Table 2. *Economic history teaching in single-honours undergraduate economics programmes at 22 Russell Group universities*

University	Availability	Level(s)	Course description(s)	Delivering department(s)
Cambridge	Compulsory	All	Britain (Level 1); Long-run growth (Level 2); Interwar (Level 3)	Economics
Cardiff	Compulsory	All	Long-run growth (Level 1); Britain (Level 2); World economy (Level 3)	Business
Leeds	Compulsory	1 & 2	World economy with Britain-focus (Level 1); Postwar Britain with HET (Level 2)	Economics
Newcastle	Compulsory	1 & 2	Long-run growth with HET (Level 1); Britain (Level 2)	Business
York	Compulsory	1 & 3	World economy (Level 1); Financial crises (Level 3)	Economics
KCL	Compulsory	1	World economy with Britain-focus	Political Economy
Warwick	Compulsory	1	World economy with Britain-focus	Economics
LSE	Optional	All	World economy (Level 1); Topics, methods & area studies (various, all levels)	Economic History (service)
Edinburgh*	Optional	1 & 3/4	Britain (Level 1); Twentieth-century with HET (Level 3/4); Environment (Level 3/4)	History (service)
Manchester	Optional	1 & 3	HET with topics (Level 1); Topics & methods (Level 3)	Economics
Nottingham	Optional	1	Long-run growth	Economics
Bristol	Optional	2	Topics & methods	Economics
UCL	Optional	2	Long-run growth	Economics
Glasgow*	Optional	3/4	Postwar Europe	Social Sciences (service)
QUB	Optional	3	Topics & methods	Business
Birmingham	None			
Durham	None			
Exeter	None			
Liverpool	None			
QMUL	None			
Sheffield	None			
Southampton	None			

NOTES: See notes under Table 1; additionally: HET = history of economic thought; service = service teaching provided by different department/school/organisational unit to that running the economics degree; where multiple modules are available, typically the Level 1 module is compulsory while in other years they are optional; economics is not taught as a single-honours undergraduate programme at Oxford or Imperial.

Table 3. *Economic history teaching in single-honours undergraduate economics programmes at 31 other UK universities*

University	Availability	Level(s)	Course description(s)	Delivering department
Keele	Compulsory	1	World economy with Britain focus	Business
Kingston	Compulsory	1	Heterodox approaches	Economics
UWE	Compulsory	1	Heterodox approaches	Business
Leicester	Compulsory	2	Twentieth century with HET	Business
Reading	Optional	All	World economy (Level 1); Topics & methods (Level 2); Business history (Level 3)	Economics & Business (service)
Dundee*	Optional	1	World economy	History (service)
Kent	Optional	1	Twentieth century Europe	Economics
Essex	Optional	2	World economy	Economics
Huddersfield	Optional	2	Postwar Britain	Business
Surrey	Optional	2	Financial & business history (Level 2); World economy (Level 2)	Economics
Swansea	Optional	2	Topics & methods	Business
Heriot-Watt*	Optional	3	Topics & methods	Business
Northampton	Optional	3	Heterodox approaches	Business
RHUL	Optional	3	Topics & methods	Economics
St Andrews*	Optional	3/4	Topics & methods	Economics
SOAS	Optional	3	Area studies	Economics
Ulster	Optional	3	Topics & methods	Business
Aberdeen*	None			
Aberystwyth	None			
Aston	None			
Bangor	None			
Bath	None			
Buckingham	None			
Chester	None			
Coventry	None			
Lancaster	None			
Loughborough	None			
Portsmouth	None			
Stirling*	None			
Strathclyde*	None			
UEA	None			

NOTES: See notes under Tables 1 & 2.

5. Teaching economics with economic history

So far we have considered the historical development of economic history teaching and research. Judging from conversations at conferences, it remains the prevailing view among economic historians that economic history has alas been marginalised from teaching, even if it has made something of a comeback in terms of research (Cioni, et al., 2020). Our review shows that this is not entirely the case, although there are significant gaps in provisioning. The question here is *how* to fill these gaps. The call for more economic history in the wake of the 2008 financial crisis is not the only call for altering the economics curriculum; there are other pedagogical developments going on with which we must interact (see Fischer et al., 2018; de Muijnck and Tieleman, 2021). While many, if not most, economically-trained economic historians would be comfortable with application of “mainstream” (however defined) economics to history, another approach to reforming economics teaching is more self-consciously critical of all things orthodox. Heterodox economists – leaving aside the issues of definition and scope – consider that it is essential to expose students to alternatives (Mearman et al., 2018).

Economics students need to be exposed to economic controversies during their study (Dow, 2009; Chang, 2014). Economics scholarship is after all shaped by vigorous debate. An economics degree in which students never hear of names like Robinson, Kaldor or Galbraith is somewhat impoverished. It is thus understandable that a range of perspectives are set out in attempts at introducing alternatives to mainstream economics education. However, we think asking students to study a range of schools of thought provides challenges as a piece of pedagogy, especially early in their curriculum. Indeed, it has been likened to asking students to taste nine different flavours of ice cream when they previously thought that vanilla was the only choice (Chang, 2014: 113). It is clearly the case that there is more than one way to “do” economics, but mapping these alternatives becomes like choosing between cocktails.

Learning that different economic theories say different things in part because they rest on different ethical/political values – a pluralistic insight – ensures that students will learn that economics is not a simple “science” in which there is clear right and wrong (Chang, 2014: 164). However, this pluralistic educational approach is not without its costs. There is a danger that pluralism can degenerate into relativism (i.e., the idea that each “perspective” is equally good), and moreover this relativism could confuse students (i.e., how can students know which model to select, when and in what circumstances) (Dow, 2009). In order to prevent students being overwhelmed, it will be necessary to guide them.

Not all is lost; problem-based learning (PBL), a pedagogy in which students learn about a subject by solving open-ended problems, can offer a solution. PBL can be modified to facilitate a model that balances a pluralistic outlook with historical insights, while minimising confusion. This so-called “Teaching with Historical Perspectives” (THP) approach has been pioneered in the area of integrating the history of economic thought insights into a conventional undergraduate education (Tavasci and Ventimiglia, 2018). THP may be considered a way to operationalise Dow’s (2009) arguments regarding pluralism. It attempts to place students in the shoes of great economic thinkers of the past and then try and retrace the steps (e.g., outlining the relevant academic debates) by which these thinkers offered interpretations and solutions to these real-world problems. The hope from THP is that students will see that time varying interpretations and responses have existed. THP can provide a pluralistic overview of a range of schools of thought, but always in the context of solving a particular economic problem located in the past rather than as a way of examining a more abstract economic idea. For example, students could examine the range of academic views that existed in response to the Great Depression.

THP equally offers transferable insights for those seeking to teach economic history. The approach can be usefully extended to economic history by recognising that economic decisions in the past, like today, are not merely the product of debates among “academic scribblers”; debates involve various bodies governmental and non-governmental. Franklin Roosevelt’s outlook is, after all, an important component of thinking about the Great Depression. Likewise, business leaders, lobby groups and trade unions all shape economic life. Understanding the causes and consequences of these debates requires students to confront economic history. We call this approach “Teaching Economics With Economic History” (TEWEH).

The pluralism/relativism argument is concerned with applying theories to particular topics. A related point is to recognise why to think about pluralism in a business school setting is empirical, i.e., data-based. Business school teaching is often through the case method, after all. The value of economic history is that it offers more case studies (McCloskey, 1976). We return to this point presently. First we set out how, practically, we envisage universities can build on their existing economic history provisioning, or, indeed, create new provisioning using our approach.

There are essentially three ways of teaching economic history to undergraduate students. Economic history can be introduced as a stand-alone field and taught as a self-standing module, just as econometrics, labour economics or public economics. This is the more

typical way we have encountered its presence in our review of UK economics degrees. The second way is it can be embedded into some other module. This is the approach taken in CORE's first-year curriculum (The Core Team, 2017). The third approach is to embed economic history across most, or even *all* modules. It is this third approach, which to our knowledge is not one taken anywhere to date, that we think should be seriously considered as an option for pedagogical reform.

There are pros and cons of all three approaches. To do it well, stand-alone modules require economics departments to hire an economic historian to their faculty. Ideally this should be a research-active member of staff that can incorporate the cutting-edge of the field into their teaching. Hiring a teaching-focused academic is a substitute only for modules positioned early in a three-year programme. But the risk of teaching a stand-alone economic history module very early in an economics degree is that it become more of a “history of the economy” than a “true” economic history module. By this we mean that students will not yet have the requisite conceptual knowledge to link models with topics. The risk is that a stand-alone first-year module becomes the last time students engage with the field and so never get to move beyond learning historical facts, and engaged only with very descriptive or narrative material. We think stand-alone modules have a place on the curriculum, but with limited resources available advocate for them to be placed in the second or third year of a degree, when students have core economics training under their belt.

Inserting economic history into the curriculum makes requirements on both academics and students. There are significant switching costs of introducing it, even if – as we argue – the net benefits are positive. We recognise it is not always possible to hire an economic historian, for a variety of reasons, both good and bad. But we are convinced that economic history can be taught by non-specialists – with a little guidance. This is where our second and third proposed approaches to teaching may offer a roadmap. Specifically, economic history can be taught by “common or garden economists” in areas where it intersects with their own field of research. So, for example, labour economists should be able to teach about discrimination in Jim Crow America; financial economists about the South Sea Bubble and the Railway Mania; and development economists about the British Industrial Revolution.

Teaching economic history alongside foundational economics in the CORE project is a great start. Embedding economic history across most subsequent modules, at all levels, would give historical approaches the same parity of esteem as other approaches to economics. It would ensure students graduate with a broader view of what constitutes empirical evidence. It would help to make the economics curriculum more applied, more relevant and more exciting. And,

if taught along the lines of TEWEH pedagogy, it would force students into situations where they have to weigh incomplete evidence and apply their own judgement. We think providing a historical dimension could also help lecturers better communicate ideas from their own core fields of research.

Two things will have to be added to the education of non-specialists planning to embark on a programme of economic history teaching. First, they must familiarise themselves with the “craft of the historian”. This means learning about key historical methods, such as archival data collection and qualitative analysis. We also think they will need a good understanding of historical modes of reasoning, such as analytical narratives and counterfactuals. And they must also keep in mind the key benefit of historical approaches: the ability to understand the contingency of theory, the conditions necessary for textbook economic ideas to work in practice.

Second, non-specialists must learn to identify relevant works of economic history that can help them teach economic theories. They are probably familiar with some relevant material already. Before conducting a literature search, they must first appreciate that articles published in key economic history journals – such the *Economic History Review* and the *Journal of Economic History* – are framed in ways that are possibly alien to them: they are all primarily motivated as addressing a historical question rather than an economic one. Unlike mainstream economics, economic historians start with a particular historical context – a time and place – and frame their research as a historical puzzle. The economics used to solve that puzzle comes second; it is for economic historians a tool. Understanding this setup, and working with this framing rather than fighting against it, should enable non-specialists to find interesting contributions that can enhance the classroom experience by providing uses of economic theory and exposing students to theory’s limitations.

One lesson from economic history that students find particularly enlightening is the ability to track a problem across the long run. Looking at the causes, anatomy, and also the consequences of a problem is not typically possible with contemporary settings. Tackling historical questions can also help to integrate economics with other social sciences. For example, students could be exposed to the myriad of works on the Great Depression in a course on macroeconomics. Rather than the cursory textbook treatment usually afforded to the key events that essentially created this field, students can learn about the competing causes presented in the literature – from Barry Eichengreen’s focus on the interwar gold standard, to Ben Bernanke’s research on banking crises of the 1930s, and Christina Romer’s work on fiscal policy and economic recovery.

Friedman and Schwartz's (1963) influential, if controversial, monetary interpretation of US economic history continues to fascinate not just because the causes of the Great Depression are intellectually fascinating (which they are); also because the historical discussion provided by Friedman and Schwartz offers us more general implications for the conduct of monetary policy. More recent cliometric studies of the Great Depression add further depth to explaining the intellectual origins of the "Keynesian Revolution", as well as allowing economists to discuss the proper conduct of monetary policy (Temin and Vines, 2014). More generally "policy lessons" of the Great Depression continue to inspire debates among modern macroeconomists (Eichengreen et al., 2021). Exposing student to the economic and political dogmas of the historical period under study is key to understanding the policy choices of key actors, and contextualises their policy mistakes. This is a topic that lends itself to the integration of foundational macroeconomic theory, the history of macroeconomic ideas, and macroeconomic history. It allows students to weigh different types of evidence, to make judgements about policy, to think about counterfactuals. In short, it is a prime candidate for TEWEH pedagogy.

The question, then, is how do "regular" economists develop the necessary historical sensitivity to insert economic history into their field courses? How do they, in a more practical sense, retrain and fill the gap in their education? Well, we think there are already several great resources written by economic historians with this in mind. These include undergraduate textbooks that can be rolled out at introductory level (e.g., Persson and Sharp, 2015), graduate handbooks for more advanced modules (e.g., Bisin and Federico, 2021), and accessible monographs aimed at a general interest audience (e.g., Koyama and Rubin, 2022). While all ostensibly written for students, we think academics themselves can find relevant material within these works to insert into their classroom. Finally, both authors of this paper were involved in a project to create introductory material aimed principally at new economics lecturers, and has a focus on historical methods as much as economic history research questions (Blum and Colvin, 2018).

6. Business school pedagogy and opportunities for economic history

As the earlier sections of this paper illustrate, economic history already has a strong teaching presence in some institutions. However, the spread of economic history is far from universal. One obstacle to developing economic history within the university curriculum more widely has

been the assumption of some academics that the past is a “foreign country”.⁵ In other words, economists may fail to see the relevance of inserting debates within economic history in an already crowded syllabus. While we may readily admit that economic actors in the past ‘do things differently’ to the way we do things today, we should not let such differences act as an insurmountable barrier to using economic history as an additional, complementary, tool within economic education.

What we are suggesting here is that well-chosen historical examples and case studies offer additional teaching tools that encourage open-ended classroom discussion. We emphasise the ‘well-chosen’, the ‘additional’ and the ‘open-ended’. There is an undoubted level of skill required to TEWEH. Part of this skill is choosing wisely the periods and topics to be covered alongside the historical toolkit itself. Influenced by the legacy of the Harvard Business School approach – and along the lines of many articles published in *Harvard Business Review* – pedagogy used in many US business schools has developed along a case teaching model (Boothman, 2001). Within this teaching model, MBA students engage with examples (both real and imagined) as a way to learn about business decision-making. The case study method has been likened to a classroom form of learning-by-doing (Kay, 1991).

The pedagogical debate about the case method often revolves around the extent to which they should be closed or more open-ended. Closed implies the existence of definitive correct answers; open-ended approaches encourage discussion and debate. Whereas much problem set teaching in economics is closer to closed cases in spirit, the kind of historical case studies discussed in this section elicit a more open-ended approach. Because the past has, by definition, already occurred, students can track the outcomes of decisions within the case, and think about counterfactual histories had different decisions been made along the way.⁶

While historians tend to justify the study of a topic or period with its innate interest or intellectual importance, economists are typically more pragmatic in their justification. So whereas to many historians the contemporary relevance of their topic is irrelevant to its study, for economists it may be an essential component to its justification. By way of illustration, prior to the Covid pandemic the relationship between the First World War and the Spanish flu was not a topic of much interest to economists; once the crisis emerged, economic historians were able to revisit the topic as part of a wider consideration of pandemic economics (see, e.g., Colvin and McLaughlin, 2021).

⁵ ‘The past is a foreign country: they do things differently there’ (Hartley, 1953).

⁶ Raff and Scranton (2016) make a related argument for the use of historical cases in management education.

An implication of our argument is that the economic past offers at least as useful pedagogical material to understanding the contemporary economy as experimental settings. Economists have developed laboratory-based experimental approaches precisely because it is suggested that simplified experimental settings offer insights for how economics operates in the far more complicated real world. In contrast to the highly stylised and simplified setting of a laboratory, the historical record offers academics and students insights on how economic laws may rhyme or repeat in the real world. For example, while macroeconomic policy in the interwar period occurred in a world very different from our own, it is far easier for students to consider historical parallels between setting fiscal and monetary policy than it would be to find any comparable insights from experimental economics.

Our argument is not that the study of the economic past should substitute for the study of the economic present, nor that only archivally-based historical studies should form the basis of classroom discussion. Instead we are arguing, like Keynes's metaphor regarding the dentist's drill, that skilled professionals – be they dentists or academic economists – have a wide toolbox from which they must make judgements about which tool to apply to solving a problem.⁷ The problem might be the need for a filling, or explaining economic policy choices with reference to exchange rate systems of the past. Our argument is merely that a suitably-trained economist teaching models can both illustrate the applicability of such models by recourse to history, as well as economic history providing a reality check on when models do and do not hold. This reality check function might be particularly relevant when students need to be taught otherwise abstract material. For example, the Mundell-Fleming trilemma and the way the “impossible trinity” has complicated the formulation of economic policy lends itself to discussions of the way exchange rate systems of the past actually operated (see, e.g., Fliers and Colvin, 2022).

Aside from the teaching of macroeconomics, economic history present particularly useful material for teaching business economics, industrial organisation and corporate strategy. The choice of analytical framework required to solve a particular business problem requires more judgement than a dentist. The economy keeps changing and a business model that was once highly profitable can quickly become irrelevant. Just two decades ago Woolworths and BHS were fixtures of the UK High Street. However, the retail landscape changed, and these businesses could not adapt with the result that they have both vanished. At the time of writing, Netflix, the great vanquisher of Blockbuster, is in danger of being vanquished itself. It is here

⁷ ‘If economists could manage to get themselves thought of as humble, competent people on a level with dentists, that would be splendid’ (Keynes, 1930).

that the role of judgement provided by economic history-based pedagogy offers something particularly valuable to a business school student.

The study of business failure as well as success is one that those trained in history are much better equipped to deal with than those only versed in the standard theory of the firm (Fridenson, 2004; Lamoreaux et al., 2008). The danger is that students, not equipped with a historical outlook, may study models of firms and industries that are essentially static and which do not account for the creation of new capabilities. Even worse, students may study economic models that focus solely on the trajectory towards competitive equilibrium and equate such models (erroneously) with real-world competition (Blaug, 2001). The result of such an approach is a kind of Whiggish outlook, in which the roads not travelled are ignored and in which it is presumed that the best alternatives and choices inevitably prevail (Lamoreaux et al., 2008).

Crucially, a Whiggish approach to business ignores politics and power (Zingales, 2017). It is this recognition of the need to study institutional environment, which economic history provides. Depending on the institutional environment, entrepreneurship need not always be socially productive; large firms have considerable ability to tilt the rules of the game in their favour (Zingales, 2017). By tilting the institutional environment the outcomes will be socially wasteful while being simultaneously privately profitable for these firms. In such cases, firm survival or growth may tell us more about economic and political power in a given historical situation – as well as the resulting ability of profitably engaging in opportunistic behaviour – than it teaches us about the pursuit of efficiency. It is not difficult to find examples of firms that to a greater or lesser degree have engaged in such behaviour (see, e.g., Brownlow, 2016).

Just as judgement is required in the conduct of successful macroeconomic policy, so judgement is required by entrepreneurs and managers. Studying the rise and fall of business models, through examining economic history, will demonstrate to students that in contrast to the long-run equilibrium provided by models of perfect competition, real world business is far more of an ebb and flow in which entrepreneurs exercise judgement. Following Casson (1982) we can think of entrepreneurial judgement as representing superior ability in responding to uncertainty. The study of economic history tends to vindicate a focus on uncertainty, as it confirms that businesspeople cannot just depend on recourse to existing “off the shelf” solutions if they are to thrive.

While microeconomic models offer valuable insights no doubt, it is from the study of the economic past that students can learn more about examples of judgement; and it is in

making good judgements that aspiring managers and entrepreneurs need to make if they are to become and remain successful.⁸ This focus on judgement in an uncertain world provides a real USP in the study of economic history within business schools. Radical uncertainty after all is recognised as an ongoing feature of the economic landscape (Kay and King, 2020). Returning to the discussion earlier in this section, we should conclude that more open-ended cases are far more similar to business activity in spirit than closed case studies. In an uncertain world where entrepreneurs need to exercise judgement it is unlikely that any correct answers are singular or permanent in the manner of a problem set.

7. Conclusion

We began this paper with a paradox: while economics within the UK produces employable graduates, many graduates see the degrees they have studied as being “out of touch”. We have argued for the intellectual value of economic history within the university economics curriculum as a way of addressing this paradox; a richer more historically-informed degree programme may contribute to creating more rounded graduates. We have presented some of the specific issues that arise from trying to integrate economic history into the teaching of economics, also within business schools.

Given the advantages of a “historical turn” on the teaching side of the ledger – as well as the undoubted fact that on the research side that historical material regularly finds its way into the pages of major journals – it is unfortunate that economic history is not more universally taught within UK economics programmes. While there is some excellent economic history teaching at some institutions, at others there is none. We have noted some of obstacles to (re-) introducing economic history within some institutions: departmental politics, the erroneous view that equates economic history with antiquarianism, and the switching costs associated with bringing this material into often already congested degree pathways. Setting aside the politics, we considered different responses to these switching costs. As a matter of practicality we suggest that it might be most feasible to integrate economic history into existing modules rather than try and revert to the 1960s model of self-standing modules covering economic histories of various kinds.

As many UK academic economists – as with the authors of this paper – find themselves located in business schools, it is important to consider the contribution economic history may

⁸ Colander and Freedman (2019) present a related argument on the role of judgment in government economic policymaking.

make to ensuring the kind of economics which is taught is most coherent with business education. Economics as taught in UK business schools is often different in focus to economics curriculum within traditional economics departments; economics faculty there typically service-teach separate economics modules to students on various non-economics degree pathways. Understandably economics within business schools is often more concerned with managerial and business issues, and equally it is less concerned with theoretical or technical sophistication for its own sake.

Economic history helps focus student attention on the role of judgement. This is a particular USP of economic history that economists teaching in business schools need to consider when thinking about teaching the type of material that contributes the most. Returning to issues raised in the introduction, Buckley and Casson (1993) in their comments regarding “imperialist social science” argued that specific assumptions needed to be changed if economics was to be best accommodated. It is this recognition of the need to be accommodated within the higher education landscape – rather than revisiting Hicks’s (1973) doomed attempt at creating a general theory of economic history – which we think offers a more successful strategy for integrating economic history into the business school curriculum. In conclusion, by teaching students about historical – and even historic – business failure and success, as well as the trials and tribulations of macroeconomic policymaking, we will best illustrate how real-world decisions are made in an uncertain world.

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