

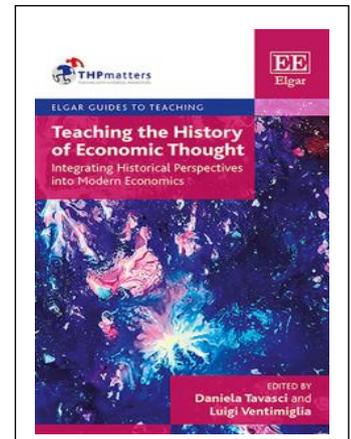
## Book Review

# Teaching History of Economic Thought – Reviewing the Challenges and the Opportunities

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**Abstract** This paper reviews the challenges and the opportunities for teaching the ‘history of economic thought’ despite the fast changes in the economy. The paper considers the work of Tavasci and Ventimiglia (2018) as the primary reference for this review. The researcher investigates the falling number of universities teaching ‘economic history’ and the ‘history of economic thought’ as parts of the economics studies. The paper shows the dilemma about the suggested changes and what needs to be done to bring these foundation courses back to the curriculum. Specific improvements to the pedagogical methods are suggested, such as class debates and writing projects that could be used to effectively support such changes to the macroeconomics curriculum. The conclusion carries important implications for universities decision-makers, economists, and most important researchers in the field of economics.

**Keywords** Economic History, History of Economic Thought, Economic Problem, Economics Pedagogy, University Curriculum, Inspiration Economy

## 1. Introduction

This review that use Tavasci and Ventimiglia (2018) as the main reference targets to see how they re-integrate the history of economics into the contemporary and future updated curriculums which introduce the students to pluralism and thus to see how it is considered to be an essential pedagogical tool.

Bögenhold, D (2017) seen that the history of economic thought brings in paradigms that set the domain of economic inquiry. The economic history brings in arguments that help the students and the scholars alike to learn from failures and appreciate the later directions of the economy taken based on a history of successes and failures.

Economic theory is always embedded in changes in intellectual thought and related processes of struggle. When an economic crisis occurs, as, in the case of 2008, the history of economic systems is subject to questioning and doubting. Realising the historical perspective of the economy and its dynamics shed an understanding of the economic processes and even if it is not incomplete. The analysis of the economic relations must be more comprehensive, integrating further perspectives of thought. Samuels et al. (2003).

Understanding the historical perspective gives the scholar and student the command and the working knowledge of the dynamics of the economy. This brings more appreciation to the change needed for the new economies, such as industrial economics, macroeconomics and microeconomics. Cohen and Emmett (2011).

With the speed of changes in economics, one needs to track the changes more than ever today and the type of economies development and its links to social science and philosophy. Mainstream economics is so reduced and skewed from reality that its teaching has always been and is becoming worse in substance and methods, creating legions of opportunities to take up alternative pedagogies. Samuels (2004).

Understanding the history of economic thought helps to explain specific phenomena and how does it sustain. However, the teaching of such history need good pedagogical practices in economics and supported with the latest comparative research. This would help the cognitive and problem-solving skills development. Therefore, in this critical literature review, the importance of the history of economic thoughts and its structure are synthesised. Then, the history of economic problems is explored. This is followed by the role of the human being in the history of economic thought with illustration on the importance of historiography and its relation to economic thought development.

## 2. Critical Literature Review

### 2.1. Importance of History of Economic Thoughts

History of any science teaches how to build anthropological assumptions that can accompany any development based paradigm. Knowing history systematises discussions in the discipline of economics and identifies various current multitude views. The understanding would help build a belief on how and for what reasons specific ideas are discussed among different schools of economics and what are the prevailing philosophical background behind them. This knowledge helps us to understand the basis for the emergence and development of economic ideas and dynamic uprising or fade. Tavasci and Ventimiglia (2018).

The study of economic history helps to understand and interpret the current and foresighted economic phenomena and also develops the capacity for economic intuition. The history of economic thought provides the beneficiary with a general picture of the origin and continuity of economic concepts. Hence, even if the beneficiary of the economic history does not fully understand an economic concept, or a theory, at least he would understand how it developed. Blum, M and Colvin, C (2018).

Knowing how theories emerge from a particular intellectual environment in response to particular challenges give the scholar better capacity for debating the alternative perspectives and the pros and cons of each theory. The beneficiary of the economic thoughts would start to sharply observe the different economic cycles and growth and even the speculative economic bubbles that would give more considerable attention to the coming economic crises or opportunities. Bögenhold (2017).

### 2.2. Structure of the Taught Economic History

In order to meet the modern labour market, scholars and students need to develop a shared understanding of the dynamic forces shaping the modern economies today. Therefore, it is highly recommended that the structure of the 'Economic Thought History' to include: The Development of Economic Thinking which traces the evolution of the concepts and the frameworks used to scan the economic environment as well as the consumer and the organisations concerned. The other structure would be the history of economic evolution and innovation, which would include the entrepreneurs that played a role in innovation. Blum and Colvin (2018).

Some researchers suggested that the history of money, banking and financial economics need to be included as part of the pedagogical delivery. The author of the opinion that we should focus on all ensures that the economic student would appreciate the importance of the diffusion of economic thoughts and ideas. Samuels et al. (2003) mentioned the importance of understanding the research styles as part of the teaching of the history of economic thought.

One, however, would say that we need to be careful about going too deep on ancient and medieval economics, or French or British pre-classical political economy. The economic thought should focus on Adam Smith (1723–1790) theories of political economy as an introduction to classical economics. The would introduce the scholar to Karl Marx work and non-Marxian Socialism and classical economists. This would take the students and the scholars to Utopian Economics and the new schools of economics, chiefly the German, the English followed by the American. Samuels et al. (2003).

The students should be acquainted with the history that led to the imperfect competition revolution and the stabilisation of price and the business cycle theories, Bögenhold (2017). It is also essential that the students be introduced to the history and thoughts of post-war neoclassical microeconomics, macroeconomics and heterodox economics. This would help economists' scholars to understand and define precisely the economic role of institutional and government economics. This would be concluded by post-Keynesian economics and the radical political economy. Docherty (2014).

### 2.3. History of Economic Problems

Economic problems fall under multi-disciplinary fields such as psychology, biology, sociology, anthropology and philosophy. Each of these disciplines helps to address any economic problem from its own perspective. Knowing the history of the economic problems created for us opportunities to see and analyse them and also address the explicitly focused decisions regarding their solutions.

Buheji (2018a, b and 2016) called for a new multi-disciplinary approach using practical economy approaches to build the future foresighted economies that are based on inspiration, resilience and youth economies. The uniqueness about these economies is that they tackle an economic change to the communities and develop the economic cycle at the same time. Such economic approaches are not yet included in the contemporary of economic thought.

The history of economic thought help to explore the impact of the problems on the communities and abstracts their complications. Looking at economic problems from the perspective of the history of economic thought leads help the scholar or even the economist have a broad approach starting from the time when we analyse the economic problem. Blum, M and Colvin, C (2018).

Bögenhold (2017) emphasised that realising the historical background of a specific economic phenomena builds a deep understanding of different economic concepts. The historical perspective also enables us to understand how some economic

theories have been shaped by real economic or political events, as well as identifying the significant influence that some economic concepts have exerted on economic policy.

#### **2.4. The Role of the Human Being in the History of Economic Thought**

Economics is a science that is concerned with how societies produce goods and services and how they consume them. The economic thought has influenced therefore, the world at many important junctions throughout history. The study of economics, can change dramatically by the history that humans make or by the assumptions that guide them. The role of humans in economics has been always been the pivot stone for understanding their proper role in creativity, innovation and development contributions.

The role of the human being in economic is vital as it is part of the variables of any economic problem. Actually, as even recent history teaches us that many causes of economic problems are mainly due to human behaviour. The involvement of human beings provokes the elements of the economic problem and actually bring it closer to reality. Tavasci and Ventimiglia (2018).

Having human beings involved in economic problems would help to trigger the economist, or the scholar for discovering through observations and applied research. Without the human being implicitly or explicitly, being involved in the economic problem is incomplete. Hence we need to choose the right anthropological approach if we are to develop any economic policy, economic law, or understand the influence of economic institution or system.

#### **2.5. Historiography and its Relation to Economic Thought Development**

Historiography is about writing history from different perspectives. The history of economic thought brings in the practice of using social and economic history through different methodologies and thus making its a reference tool.

Historiography brings methods that can develop broader reflections and interpretations of the history of economics. Cohen and Emmett (2011) emphasis that such a study of economic thought history would help to formalise economic observations and analysis.

Adding historiography to the economic thought can justify the importance of the two streams of economic history today. Theoretical and practical economy can flourish with historiography. Theoretical economics brings in the language of mathematics, statistics and, computational modelling to the mindset of the economist; while practical economics brings the pure concepts and aims of economics through implementation and case studies, besides influencing the government's policies.

### **3. Discussion and Concluding Remarks**

This paper reviews the work of Tavasci and Ventimiglia (2018) to outline the importance of the history of economic thought and its role in solving economic problems with greater exposure. Most economists today don't see the influence of such thought and history on the schools of economics today and the future, however, if one studies the attitudes human rationality, or irrationality he or she would be more convinced about the social context that such teaching and programs have.

This review emphasises the importance of understanding all the main models of economic history, so far, i.e. the classical, the neoclassical, the Marxian and the heterodox. The author points out the links between the required and the newly coming economic paradigms. The paper recommends further research to illustrate the implications of the historical education of economic thought in the development of future economists and economic perspectives. The paper concludes that teaching of the history of economic thought is highly related to the future of economic models, and that the world needs further research and courses that link such coming models with the learnings from the historic economic developments.

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