1. Introduction

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The idea of this volume stemmed from our teaching experience at the School of Economics and Finance at Queen Mary University of London (QMUL). When Daniela first joined the department, she was asked to launch a module on the history of economic thought (HET) for second- and third-year undergraduate students. In the wake of the financial crisis, students had been exposed to numerous commentaries and articles in the specialist media, which had referred to Marx, Minsky, and a number of other past economists they had never heard of. They were interested in reading about these economists and so they asked the head of the department to include HET in the curriculum.

When Luigi joined the department, he was asked to make substantial changes to a finance module taught at Master's level. He thought one way to do this successfully was to channel his professional background as a fund manager and his heterodox experience gained at the School of Oriental and African Studies into the redesign of the module. The module received outstanding teaching evaluations and, as a result, Luigi was asked to do the same for a similar undergraduate module.

Both Daniela and Luigi decided to introduce a new approach that was student centred, that historically contextualized economic and financial theories and models, that was able to introduce pluralism, and that was inspired by problem-based learning (PBL). Over the years, by evaluating and further reflecting on this teaching approach, we decided to call it 'teaching with historical perspectives' (THP). Our adaptation of the standard PBL into THP is based on the idea that students are presented with the same problems that economists of the past had faced, and so it is possible for students to *retrace* the interpretations, solutions and policy prescriptions that these past economists had provided for their problems. Each economic theory

then is not just a model taken from the textbook, it is a solution that one specific economist produced in response to a specific real economic problem or, increasingly frequently in more recent times, as a result of debates within the discipline.

Nevertheless, a specific solution to an actual economic problem is rarely the only one. Thus, THP presents various historical perspectives to the same problem and exposes students to both the evolution of economic reality and the corresponding evolution of the history of economic thought, as a result of both changes in the actual economy and debates amongst various economists and schools of thought. In other words, this approach allows the lecturer to move beyond the static categorizations of standard textbooks and provides a pluralistic approach to teaching that is historically framed with respect both to the historical contextualization of the phenomena under investigation *and* to how various systems of economic thought have looked at those phenomena and sets of variables throughout history. In this respect then, THP provides a context and an experience of teaching and learning with authenticity and pluralism. As a result, it not only engages students in the classroom, it also helps them to develop the problem-solving and debating skills that are so essential for a professional economist.

With respect to the design and planning of THP in the classroom, we started to test this approach at the School of Economics and Finance at QMUL in 2013, in the teaching of the HET module for levels 5 and 6 and the finance modules for levels 5, 6 and 7. The aims of introducing THP were to improve teaching evaluation, enhance students' engagement with the subject, improve problem-solving capacity, foster students' social links, and facilitate the development of transferrable skills in the context of economics and finance. We also wanted to improve students' engagement in the context of very diverse backgrounds and educational needs. Finally, and most importantly, the approach would improve the mechanisms for feedback and increase its frequency, since academics and students would be in a position of enhanced social interaction, facilitating feedback in both directions. This more continuous dialogue would result in a more reflective approach to teaching and learning.

The approach is made clear to students mainly in terms of the structure of the module: for example, the evolution of financial theory from the capital asset pricing model (CAPM) to the arbitrage pricing theory (APT) is historically contextualized to enable students

to discuss the evolution of financial theory. As a result, these two theories are no longer seen as disconnected; instead, they are looked at in relation to one another. Similarly, in the HET module, various schools of thought are introduced following a chronological sequence. However, these are not seen as exhibiting a linear development. Rather, various systems of thought are analysed as competing theories, and the (sometimes fierce) debates between economists are discussed. An important example is the debate between Keynes and Hayek. In this respect then, the modules are designed along two dimensions: a vertical dimension, which just follows the standard chronological order that is often adopted by textbooks, and a horizontal dimension, which follows specific topics and questions along the vertical dimension. An example of the horizontal dimension from the HET module is questions related to value or to price determination. An example from the finance module is how the efficiency of financial markets has been tackled using various methods, given the link between the horizontal dimension and different interpretations of uncertainty and risk. These are fundamental questions that are neglected in standard textbooks and addressed only as peripheral assumptions or ignored completely. Topics such as these tend to question the approach generally used in standard textbooks, since THP considers various perspectives that compete with the mainstream.

The introduction of THP made us nervous at first. Students were asked to do more work: as well as studying their textbooks and answering standard questions or applying formulae to solve finance exercises, they were asked to read original journal articles or extracts from books written hundreds of years ago. Nevertheless, evaluations of the new approach were very encouraging: students were engaging with and appreciating this new method because it gave sense and structure to the entire module. Theories and models were no longer coming from nowhere, but had specific origins. Moreover, a problem could be approached from various angles, each emphasizing a distinctive aspect. For a minority of students, especially those studying the finance module, the concern was that this effort was made at the expense of acquiring the technical apparatus that is considered so essential in terms of employability. Some adjustments therefore had to be made to show that THP provides critical thinking skills that are just as necessary. The recent financial crisis helped in this respect, since a number of economists who worked in financial institutions

had published articles in the *Financial Times* discussing past economists and comparing the recent crisis with previous ones.

We also decided to seek more student evaluation by setting up questionnaires for the last two cohorts of students. These will be shown in more detail in our individual chapters (Chapters 4 and 8). However, they confirmed that both modules were essential in exposing students to pluralism in economics and finance and that the historical perspective gave a helpful overarching structure. In addition, students commented that the historical perspective in conjunction with the problem-based approach also helped them put other modules into perspective.

Having experimented and evaluated this approach, we decided to host a one-day meeting at QMUL and invited a number of heterodox economists and teachers of HET from various UK and European universities. The Learning and Teaching Institute of QMUL was also involved. The meeting was successful in at least two respects: first, it was welcomed with enthusiasm and had wide participation, with 40 people attending; second, it allowed us to further reflect on the approach and refine it in a number of ways.

First, we realized that our approach was innovative, primarily because, unlike traditional HET modules, THP proposes an integration of the historical perspective into other modules. A further strength derives from THP as student-centred, interactive and inspired by a problem-based approach, allowing the lecturers to manage this integration in a way that is tailored not only to the skills and knowledge of their students, but also to the specific subject or subdiscipline being taught.

Second, nevertheless, it is important to clarify what THP is *not* about. One of the participants to the meeting highlighted how THP represented a limited historical contextualization. As a result, we were forced to think very deeply about this critique and, to our surprise, it was a QMUL colleague from the medical school who came to the rescue. She shared with us the experience of a similar debate within her own discipline: for medical science, controversy about whether and how to teach the history of the discipline is now several decades old: the two opposing camps represent, respectively, those who support a historical contextualization in teaching the discipline, and the historians of the discipline who are ‘purist’ and believe that history is a serious matter that cannot be reduced merely to the introduction of a timeline. THP does not propose replacing economic

history or the practice and research of the history of economic thought. All THP can do, with existing modules, is to integrate a historical contextualization into them. This contextualization refers to notions, definition, concepts and problems that are discussed in the classroom with respect to both the historical contexts in which they arose in the first place – later being adapted and transformed over the years – and the history of a discipline. It also considers that the history of a discipline has evolved within economics, this was not only in relation and in response to actual economic problems, but also as a result of debates and controversies.

The book is divided into two parts: the first five chapters focus directly on the history of economic thought, the remaining chapters look at examples of how the history of economic thought could be integrated into teaching economics and its various subdisciplines. A number of topics recur throughout the volume.

First, THP shares with the authors of these chapters the idea that economics has not evolved into a perfect discipline. Also, it does not benefit students to be led to believe that theories alternative to the mainstream are not worth investigation because they fall into the category of the wrong doctrine. On the contrary, exposure to alternative or heterodox theories can benefit students in a number of ways: this is the main reason why a historical contextualization of the discipline is necessary. Current mainstream economics should not be seen as a newer and better version of an older economics. Often students do not realize that mainstream economics is just *current* mainstream economics. Once the concept has been established that mainstream economics did not come from nowhere and is likely to be replaced by another mainstream economics, we have already provided a historical contextualization. In other words, current mainstream economics is not a better version of an older economics that a more sophisticated mathematical apparatus has allowed us to pursue. Rather, it is an economics that coexists with other schools of thought, each of which has a historical origin and context.

Second, and this is germane to the previous point, this volume is a call for pluralism in economics. A discussion about the controversial definition of pluralism in economics is beyond the scope of this introduction. Nevertheless, it is worth stating that Groenewegen's definition of pluralism as, 'a combination of mainstream economics with more heterodox approaches in such a way that the student is not confused, but better understands the possibilities and limitations

of different schools of thought in economics' (Groenewegen, 2007, p. 14), is not what we aim for. THP aims to locate the approaches within various schools and to see them as *systems* of thought generated within particular historical and intellectual contexts. The historical approach to the teaching of economics, based on both the teaching of economics in history and on its application to real-world problems, has the immediate consequence of helping students to put mainstream economics into perspective and, more specifically, into a *historical* perspective. The THP approach involves a reflection on the notion that methods of enquiry and methodologies identify features of a system of thought. This necessarily requires that even the econometric technical apparatus of current mainstream economics, which is assigned so much importance in the evolution of the discipline and its teaching today, must be put into perspective. Students are also invited to discuss the fact that, after all, many ground-breaking articles have been written without including so much as a single equation.¹ Nevertheless, for this approach to work effectively, it is essential to see pluralism as entailing different, competing views and to recognize that economics 'contains more than one approach, more than one theory and more than one proposed solution to every problem it faces' (Freeman, 2007, p. 7). But what do we mean for this approach to work effectively? The aims of the THP approach are manifold: the first is to satisfy the intellectual requirement that economics students should *discuss* economic issues rather than being presented with the pretence that economics has evolved into a monolithic system with the objectivity of a physical science, which the mathematics of its technical apparatus has increasingly encouraged. *Discuss* means being able to see various aspects of a question. In this respect then, the second aim is to foster and encourage critical thinking. Pluralism and critical thinking are closely interrelated: the THP approach thus embraces the idea that a definition of pluralism involves the fostering of critical thinking and intellectual autonomy (Garnett, 2009).

The third aim, which is a consequence of the previous points, is to engage students. This is viable when students see both the historical contextualization of specific theories and models and the applicability to past and current real-life events and arguments. Finally, with the historical context, it is often easier for economists to bring the social dimension of other schools of thought back into economics.

The first shared experience of this volume is presented in Chapter

2 by Constantinos Repapis. This is an example of how HET might be integrated into undergraduate curricula very effectively in order to tackle the problems of a discipline that tends to forget its own history. The chapter suggests that HET becomes a first-year module equipping students with a contextualization from the beginning as opposed to a trace-back *ex post*. A first-year HET module would provide an overarching framework for current issues and problematizations and would play a much more integrated role in other modules.

Chapter 3, by Joseph Halevi, is an account of his own personal experience of teaching and learning HET. He touches on a number of issues that have inspired THP with respect to the evolution of economics as a discipline and to pluralism in economics. HET helps to clarify the fact that economics has not evolved linearly and that the current general equilibrium-based economics is not the result of successive improvements in the discipline. Rather, it coexists with other schools of thought. Halevi refers to Sraffa in a passage that is used in both of our modules to explain to students the coexistence of concurrent ways of looking at the same economic reality. Sraffa wrote that the old classical economists had depicted ‘the original picture of the system of production and consumption as a circular process and it stands in striking contrast to the view presented by modern theory, of a one-way avenue that leads from “Factors of production” to “Consumption goods”’ (Sraffa, 1960, p. 93). In other words, neoclassical economics is not an improved version of classical economics; they coexist and have ‘striking[ly]’ different views of the economy. This chapter also shows how HET helps students in contextualizing various theories, which is the inspiration for using THP as an adaptation of problem-based learning.

Chapter 4 is by Daniela Tavasci, one of the co-editors of this volume. It addresses a specific example of THP in a History of Economic Thought module and discusses some of the practical aspects of THP.

Chapter 5 is by Riccardo Bellofiore and discusses the experience of an entire tradition, namely the Italian tradition in political economy, within a broader international intellectual context. This chapter contributes to the reflection on how economics has evolved with respect to economic history and its own history as a discipline. This chapter closes the first part of the volume.

The second part of the volume presents examples of experiences of teaching in various subdisciplines. Chapter 6 is authored by

Gerald Friedman and reflects on his experience of teaching a micro-economics module. Interestingly, he considers that the introduction of a historical perspective into his module might help him introduce the foundations of some basic conceptualizations within economics – for example, the social constitution of the demand function as opposed to the assumed specific demand of mainstream economics. This, together with an examination of controversies within economics, engages students. In other words, exposing students to economic debates helps them to engage more directly with the discipline; it is an effective pedagogical tool.

Chapter 7 is co-authored by Louis-Philippe Rochon and Sergio Rossi, who reflect on mainstream economics teaching in general, which affects, in particular, the general conceptualization of money and banking, and these in turn inform policy prescriptions and regulatory frameworks. They also introduce an interesting reflection on methods of enquiry in economics that do not need to be based on econometric techniques. Logic and conceptual rigour can be as effective, if not more so, than econometric techniques and perhaps, in some specific aspects, more appropriate in explaining the nature of money and banking.

Chapter 8 is by the second co-editor of this volume, Luigi Ventimiglia, who is also the co-founder of THP. This chapter presents a discussion around the introduction of THP into a finance module in practice and a reflection on the evaluation of his teaching with this approach.

Chapter 9, the final chapter, presents some avenues for further research. Stephanie Fuller reflects on teaching with historical perspectives in broader terms, beyond economics and its subdisciplines, and provides examples of other disciplines.

We have had discussions with teachers of other disciplines, including the hard sciences, and have seen a number of other examples of teaching with historical perspectives. We believe that there is room for expanding THP beyond economics and are working towards a framework that could work across the disciplines.

NOTE

1. This is the case, for example, of the debt deflation theory (Fisher, 1933) and of the new development economics, just to name a couple.

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