The title of this chapter is intended to suggest that the long history of our discipline, whatever we choose to tell others, has historically been something different from an efficient linear search for scientific ’cause and effect’ first principles. The body of economic knowledge as we know it, I propose, should be imagined as a tapestry, or, better yet, considering our propensity for wiping our feet on the past, as an oriental rug. It is a rug woven by different generations of thinkers and doers, each working within the framework of the facts and ideas of his or her time, and each hoping that from observation and/or excogitation some immutables could be distilled and put to permanent use.

To suggest that we currently enjoy conclusive persuasive evidence that we are now finally on the clear road to success, as implied when we employed that unhappy phrase, ‘fine tuning’, is universally seen to be an error. It is just that kind of error which seems to sear scholars for a generation or two. Yet to argue the self-denigrating reverse, that in spite of our efforts we have achieved little or no success, is similarly an error. It is best, it seems to me, simply to assert to our numerous, omnipresent critics that we clearly have not been pushed back to ‘square zero’, and that on the contrary we possess considerable evidence that we have over the centuries, including recently, learned a great many useful things.

But there is more that ought to be said. Fifteen years ago those of us who were serious students of the history of our discipline should not have been surprised when the ‘fundamental truths’ of the form of macro-economics prevalent at the time proved to be less than they had been billed. Indeed, anyone (and that should have included all economists who claimed to have been schooled in economic theory) who had read the literature on uncertainty could have expressed – and in some instances did – timely scepticism of that ill-founded confidence.

Thus, it can be argued that a, if not the, principal utilitarian-type
reason for the study of the history of economic thought is to avoid a pattern of cyclical extremes of over-confidence and self-doubt about the subject. Appropriate study of this subfield can give us, *inter alia*, a detailed awareness that the weaving of the rug constituting our disciplinary history not only began long ago, and time and events have broadened and complicated its design, but that the minimum lesson we can offer our less-history-minded colleagues is that as with Mr Justice Holmes’s *Common Law* (Holmes, 1881), there is in the old writings of our deceased predecessors a useful record of the ‘life of the [economists]’, which they dare overlook only at the peril of their continuing credibility.

Let me flesh out this point pertaining not only to the complexity of the pattern, but also to basic changes in the process of its weaving. Schumpeter (1914) possibly drawing on the seminal work by Luigi Cossa (1893), identified the initial era of our discipline as one which had moral philosophy at its centre. It is not especially important to my point whether it was the efforts of Plato and Aristotle or the Church Fathers (and their more peculiarly Jewish antecedents) which marked the beginning of the rug’s or tapestry’s design. What stands out is that Schumpeter (and possibly Cossa) were of the view that Adam Smith was the last master-weaver of the moral philosophy element in the design. Theirs was a pattern emphasising the integration of moral values, cultural *mores* as they were expressed in the material and service relationships between individual households and whatever communities of which they were a part, and an awareness of what was graspable by the minds of educated men. That ‘first’ pattern was distinct and included a healthy concern with the unknown and, if one reads the literature with discernment, with what appeared to be an appropriate appreciation of what was unknowable. This is a major point and ought to have been preserved as part of the English scientific method which so dominated much of what later became our discipline. It is a critical part of the original Bacon inheritance, for he himself included the ‘unknowable’ in his tree of knowledge. It was later writers on science and the scientific method who first eschewed mention of the ‘unknowable’ and later came to believe that, as such, that category really did not exist. Perhaps D’Alembert’s disgust with theological matters and his effective elimination of religion from his tree of knowledge explains in a *de facto* way this critical change. In any event, by the end of the Second World War only a select few among the growing band of economists acted as though they believed that their subject had major areas which were (as the military