

The economics of the real world

Published: January 13, 2026, 1:50 am

I used to teach a module with this title at City, University of London. The students seemed to really enjoy it because in it we used data and theory but then looked at the mess that is the real world, where nothing is ever as clear as any economist would like and talked about how to make decisions despite all the problems that this creates.

This is my approach to economics. Theory gets you so far, and then you have to talk about what is possible.

It seems that this upsets some people but in this video I explain why this approach is, for me, the only sensible route any political economist can go down if they want to deliver real-world solutions to real-world problems.

<https://youtu.be/bRtfNZXTprs>