

## Thinker's 50: Niall Ferguson

**Professor Ferguson's bestselling book and television series *The Ascent of Money* has elevated his reputation as a business thinker.**

Des Dearlove

Unusually for an historian, Professor Ferguson teaches at both Harvard University and Harvard Business School. He is Laurence A. Tisch Professor of History at Harvard University and William Zeigler Professor of Business Administration at Harvard Business School. He is also a Senior Research Fellow of Jesus College, Oxford University, and a Senior Fellow of the Hoover Institution, Stanford University.

**Why do you think so many chief executives are interested in history?** History is about asking difficult questions that come out of the past, whether a hundred years or a hundred days ago, and knowing about the pitfalls of that sort of inquiry. So I don't think it's surprising that chief executives think historically. Often, they come to history rather late in life.

### **What can business people learn from history?**

Figuring out what went wrong with Enron or Lehman Brothers is as much an historical challenge as a legal or financial challenge, and the issues that are raised are absolutely central to what the study and discipline of history are about. I don't think it really matters whether you're looking at ancient Rome or Enron, your challenges are much the same. You have to deal with patchy, sometimes unreliable, written evidence and conflicting versions of events. So, you have to try to extract from, say, the available numbers, some sense of how business or government operated. Even looking back over the last year and saying, "What did we do right and what did we do wrong?" is an historical exercise.

### **What does history teach us about leadership?**

One critical point is that absolute, untrammelled leadership tends to be dysfunctional at a certain point, because we're all fallible. It is clear that the extraordinarily forceful personalities in charge of grand strategy in the Soviet Union and in Germany allowed their errors to go unchecked with catastrophic consequences. Churchill, too, if he had been an absolutely powerful ruler, would have made catastrophic mistakes. The difference was that he was consistently restrained.

Much as it's tempting to idolise Churchill, the important thing about Churchill is not that he was an infallible leader, but that he was a restrained leader and didn't have untrammelled power.