

## ECON 5060/6060 History of Economic Doctrines

University of Utah – Fall Semester, 2011

Tuesday/Thursday, 12:25 PM - 1:45 PM, BUC 105

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### Course Objective:

Accustomed though we might be to regard Economics as an avenue of study distinct from History, Philosophy, Sociology, or Political Science, these lines of demarcation fade the further back we reach into the history of ideas. We find that Classical Political Economy appropriated a variety of tools in its attempt to describe the emergent economic formation of its day: Capitalism. Though mathematical modeling currently occupies a hallowed place in academic economics, our study of the history of economic thought will reveal that it should merely be regarded as one descriptive tool among many. Much more than the study of society's allocation of scarce resources, Classical Political Economy examined the mechanisms underlying production, distribution, and accumulation. In doing so it squarely addressed issues of differential power, class conflict, and the transformation of labor itself under capitalism.

This first half of the course focuses directly on Classical Political Economy: A 'generation' stretching from Adam Smith to Karl Marx. In the second half of the course we will note the emergence of two distinct intellectual traditions within Economics. In the first tradition, what we might call the production-standpoint, the social organization of production and distribution stands as the central variable of concern. In the second, the exchange-standpoint, market-mediated exchange is assumed as the prime organizational principle of all human societies. Moreover, exchange is held to be the prime feature of economic life, to which all other social practices are subsidiary. Though *both* of these intellectual traditions claim to have retained and incorporated the best elements of Classical Political Economy, our study may enable us to throw these claims into question.

### Required Text:

- Rima, Ingrid. *Development of Economic Analysis, 7th ed.* New York: Routledge, 2009. ISBN: 978-878585-96-7 (The Marriott Library makes an earlier edition of this text available for free as an electronic resource)
- All other required and optional readings will be available on WebCT

### Suggested Supplemental Texts:

- Hunt, E.K. *History of Economic Thought: A Critical Perspective, 2nd Edition.* New York: M.E. Sharpe, 2002.

- Milonakis, Dimitris and Ben Fine. *From Political Economy to Economics*. New York: Routledge, 2009.
- Roncaglia, Alessandro. *The Wealth of Ideas: A History of Economic Thought*. New York: Cambridge University Press, 2009.
- Vaggi, Gianni and Peter Groenewegen. *A Concise History of Economic Thought*. New York: Palgrave Macmillan, 2006.
- Blaug, Mark. *Economic Theory in Retrospect, 5th edition*. New York: Cambridge University Press, 1996. (The standard advanced neoclassical textbook).
- Ekelund, Robert and Robert Hébert. *A History of Economic Theory and Method, 5th edition*. Chicago: Waveland Press, 2007. (An Austrian perspective on the history of economic thought).

#### **Course Requirements:**

- *Class Participation and Attendance:* In-class contribution is a significant of our shared pedagogical experience. Your active participation helps me to evaluate your overall performance as a student, in addition to making the class more interactive and engaging for all of us. To this end, *you will be afforded only two excused absences for the semester. Each subsequent absence will drop your final grade by a third of a letter (e.g. B+ to B)*.
- *Mid-Term Exam (50%):* An essay-based mid-term exam will cover material from the readings and lectures. Sample questions will be distributed prior to the exam.
- *Final Exam (50%):* The final will be take-home, and comprehensive. The format will be similar to the mid-term, but the length and quality of responses should reflect the greater time afforded by a take-home.

#### **Course Policies:**

- If you know in advance that you will be unable to take the mid-term on its scheduled day, please make arrangements with me as soon as possible. No make-up exams will be provided without prior consultation.
- Plagiarism or cheating will result in a failing grade for the course and appropriate disciplinary action by the University.
- The University of Utah, Department of Economics seeks to provide equal access to its programs, services, and activities for people with disabilities. If you will need accommodations in this class, reasonable prior notice needs to be given to the instructor and to the Center for Disability Services, <http://disability.utah.edu/>, 162 Olpin Union Building, 581-5020 (V/TDD) to make arrangements for accommodations. This information is available in alternative format with prior notification.

## Tentative Outline:

**Week 1** (Aug 23rd): Introduction, methodology, and survey of pre-Modern economic thought

- *DEA* Chapter 1
- Aristotle. *Politics*, Book I. (<http://classics.mit.edu/Aristotle/politics.html>)
- Pasinetti, Luigi. "Progress in Economics."
- Optional: Lawson, Tony. *Economics and Reality*. New York: Routledge, 1997. Chapter 1

**Week 2** (Aug 30th): Mercantilism / Preclassicals / Physiocrats

- *DEA* Chapters 2-4

**Week 3** (Sept 6th): Adam Smith, James Steuart and the Scottish Enlightenment: The Economics of an Emergent Capitalism

- *DEA* Chapter 5
- Samuels, Warren. "The Political Economy of Adam Smith." *Ethics*, Vol. 87, No. 3 (Apr., 1977), pp. 189-207.
- Meek, Ronald. "Smith, Turgot, and the 'Four Stages' Theory." *History of Political Economy* (3, 1971).

**Week 4** (Sept 13th): Malthus, Ricardo

- *DEA* Chapter 6 (Malthus section only) & Chapter 7
- Sraffa, Piero and Maurice Dobb. "Introduction" to *The Works and Correspondence of David Ricardo, Vol. I*.
- Optional: Peach, Terry. "On *Interpreting Ricardo*: A Reply to Sraffians." *Cambridge Journal of Economics*. 1998, 22, 597-616.
- Optional: Pasinetti, Luigi. "A Mathematical Formulation of the Ricardian System." *The Review of Economic Studies*, Vol. 27, No. 2 (Feb., 1960), pp. 78-98

**Week 5** (Sept 20th): Utilitarianism and Economics: Bentham, Say, Senior, J.S. Mill

- *DEA* Chapter 6 (Say) & Chapter 8 (Senior section)
- Foley, Duncan. "Rationality and Ideology in Economics." *Social Research*, Vol. 71, No. 2, Summer 2004.

**Week 6** (Spet 27th): Marx and the Utopian Socialists

- *DEA* Chapter 11
- Marx, Karl and Friedrich Engels. *The Communist Manifesto*, 1848.
- Optional: Marx, Karl. *Capital, Vol. I*. Chapter 1, Part 4: “The Fetishism of the Commodity and Its Secret.”

**Week 7**: Midterm Week

- A study guide with sample questions will be distributed prior to the exam.
- Oct 4th – Catch-up and Review for the Midterm
- **Oct 6th – Midterm Exam (In class)**

**Week 8** (Oct 18th): Foundations of Marginalism: Jevons, Walras, Menger

- *DEA* Chapters 10 & 12
- Optional: Dobb, Maurice. *Theories of Value and Distribution since Adam Smith*. Chapter 7: The Jevonian Revolution

**Week 9** (Oct 25th): A Crippled Eagle: Alfred Marshall, and J.B. Clark

- *DEA* Chapters 13 & 14
- Marshall, Alfred. *Principles of Economics, 8th edition*. London: Macmillan, 1927. Chapters 2-3: “The Substance of Economics” and “Economic Generalizations or Laws”

**Week 10** (Nov 1st): American Institutionalism and Theorists of Imperialism: Veblen, Hobson, Luxemburg, Lenin

- *DEA* Chapter 18
- Veblen, Thorstein. “The Instinct of Workmanship and the Irksomeness of Labor.” *The American Journal of Sociology*, Vol. 4, No. 2. (Sep., 1898).
- Hobson, John. *Imperialism: A Study*. Chapter 6, “The Economic Taproot of Imperialism.” p. 76-99.
- Optional: Hymer, Stephen. “Robinson Crusoe and the Secret of Primitive Accumulation.”
- Optional: Marx, Karl. *Capital, Vol. I*. Chapter 26: “The Secret of Primitive Accumulation.”

**Week 11** (Nov 8th): Theories of The Cycle Before Keynes: Wicksell, Böhm-Bawerk, and Schumpeter

- *DEA*, Chapter 17
- Schumpeter, Joseph. “The Explanation of the Business Cycle.” *Economica*, No. 21 (Dec., 1927)

**Week 12** (Nov 15th): The Keynesian Revolution

- *DEA* Chapters 20 & 21
- Keynes, J.M. *The General Theory of Employment, Interest, and Money*. Chapters 18-19: “The General Theory of Employment Re-stated” and “Changes in Money Wages.”

**Week 13** (Nov 22nd): The Economics of Imperfect Competition: Joan Robinson, Piero Sraffa, and Edward Chamberlin

- *DEA* Chapter 15
- Sraffa, Piero. “The Laws of Returns under Competitive Conditions.” *The Economic Journal*, Vol. 36, No. 144 (Dec., 1926)

**Week 14** (Nov 29th): The Dynamics of Growth: Kaldor, Kalecki, and Harrod

- Kalecki, Michael (1933). “Outline of a Theory of the Business Cycle.” In *Selected Essays of the Dynamics of the Capitalist Economy*.
- *Ibid*, “Political Aspects of Full Employment.”

**Week 15** (Dec 6th): ‘Bastard Keynesianism’: The Neoclassical Synthesis

- *DEA* Chapter 23
- Galbraith, J.K. “Power and the Useful Economist.” *The American Economic Review*. Vol. 63, No.1 (Mar., 1973), pp. 1-11.