

ECON 5060/6060 History of Economic Doctrines

University of Utah – Spring Semester, 2012

Thursday, 6 PM - 9 PM, Sandy 123

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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. (**An acceptable addition of this text is available for free online:** Simply access the database 'Ebrary' from the library's website, and put the textbook's title into the search box)
- 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.

Course Requirements:

- *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.
- *Class Participation and Attendance* : While not directly a part of your grade, you will likely find it difficult to do well in this course without regular attendance. 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. The quality of your participation is more important than the quantity.
- You will be permitted two excused absences over the course of the semester. **Each subsequent absence will drop you final grade by a full letter (e.g. B to C).**

Course Policies:

- Make-up exams will not be provided under any circumstances.
- 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 (Jan 12th): Introduction, methodology, and survey of pre-Modern economic thought

- *DEA* Chapter 1
- *Aristotle, Politics, Book I.*

Week 2 (Jan 19th): Mercantilism / Preclassicals / Physiocrats

- *DEA* Chapters 2-4
- Optional: Meek, Ronald. *The Economics of Physiocracy; Essays and Translations.* Cambridge: Harvard University Press, 1963.

Week 3 (Jan 26th): Adam Smith, James Steuart and the Scottish Enlightenment: The Economics of an Emergent Capitalism

- *DEA* Chapter 5
- Hume, David. *An Enquiry Concerning the Principles of Morals.* Cambridge: Hackett, 1983 [1751]. pp. 82-93.
- Samuels, Warren. "The Political Economy of Adam Smith." *Ethics*, Vol. 87, No. 3 (Apr., 1977), pp. 189-207.
- Rothschild, Emma. "Adam Smith and Conservative Economics." *The Economic History Review*, New Series, Vol. 45, No.1 (Feb. 1992).

Week 4 (Feb 2nd): 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.

Week 5 (Feb 16th): 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 (Feb 23rd): 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: In-Class Midterm (March 1st)

- A study guide with sample questions will be distributed prior to the exam.

Week 8 (March 8th): Foundations of Marginalism: Jevons, Walras, Menger

- *DEA* Chapters 10 & 12.
- Menger, Carl. *Investigations into the Method of the Social Sciences*. Book I, Chapter 2. p. 41-53.
- Jevons, W.S. *The Coal Question*. Chapter 18.
- Optional: Dobb, Maurice. *Theories of Value and Distribution since Adam Smith*. Chapter 7: The Jevonian Revolution

Week 9 (March 22nd): Marshall, 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 (March 29th): 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 11 (April 5th): 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 12 (April 12th): 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 13 (April 19th): The Dynamics of Growth: Kaldor, Kalecki, and Harrod

- Kalecki, Michał, “Political Aspects of Full Employment.” (1943)
- Lee, Frederic. *Post Keynesian Price Theory*. Cambridge: Cambridge University Press, 1998. Chapter 7, pp. 143-52.

Week 14 (April 26th): ‘Bastard Keynesianism,’ and the ‘Cambridge Capital Controversies.’

- *DEA* Chapter 23
- Samuelson, Paul. “A Summing Up,” *The Quarterly Journal of Economics*, Vol. 80, No. 4, (Nov 1966).
- Galbraith, J.K. “Power and the Useful Economist.” *The American Economic Review*. Vol. 63, No.1 (Mar., 1973), pp. 1-11.