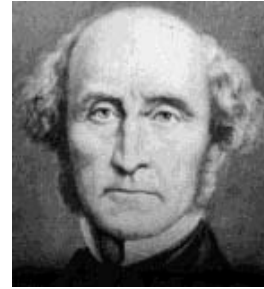


Can You Name These Famous Economists?



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Economics 231 S

History of Economic Thought

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CRN 14636

Chambers 1086

T R: 11³⁰—12¹⁵

Texts

1. Brue, Stanley L. and Randy R. Grant. 2007. *The Evolution of Economic Thought*, 7th edition. Mason: Thompson South-Western. ISBN: 0-324-32145-7.
2. Heilbroner, Robert L. 1999. *The Worldly Philosophers*, 7th edition. New York: Touchstone. ISBN: 0-684-86214-X.

Requirements

- I. **Two Reviews:** 40% @ 20% each.
- II. **Reading Summaries on *The Worldly Philosophers*:** 15% (equally weighted).
Three sets of reading summaries, one each on any three of the following chapters from *The Worldly Philosophers*: Chapters III, IV, VI, VII, IX, X.

The Reading Summaries must describe three key themes, must be about three-four pages in length, and typed in 12-point font with double spacing. You may read the chapters in any order you wish, but it is recommended you read them prior to coverage of the material in class. Summaries are due in class on the dates given below. Late submissions without prior permission will not be accepted.

- 1st Reading Summary: Thursday, September 10
 2nd Reading Summary: Thursday, October 1
 3rd Reading Summary: Thursday, October 22

Over for more requirements.

III. **Group Assignment:** 15%. (Handout: 10%, Presentation: 5%)

For this assignment you will work in groups of three students. Each group will select one of the Great Books listed below, and read at least one hundred contiguous pages of the text dealing with one or more significant economic ideas. Based on this and other readings, each group will prepare a handout for the class containing a biographical summary, a discussion of the key idea/s in the reading, and a discussion of its/their historical importance in the development of economic thought.

Fifteen minute class presentations will be scheduled for each group. Group members will divide the presentation among themselves by consensus. The grade will depend on group work and peer assessments by group members. Group work will be evaluated on the difficulty of the topic selected, its content and organization, articulation, creativity, originality and appeal.

The written portion is due on Tuesday, November 17. Also provide me with a soft copy of your handout so that I can post them the Eco 231S course page on my website.

IV. **Term Paper:** 30%

The completed term paper is due in class on Thursday, December 3. Requirements for the term paper are detailed on pages 6-7 following the Course Outline section below.

- Review 1: Thursday, October 15
- Review 2: Tuesday, December 8

Review Dates

- Monday, Wednesday: 12:30 - 1:30
 - Tuesday, Thursday: 10:00 - 11:00
- And by appointment

Office Hours

Great Books on Reserve

Chamberlin, E. H.	<i>The Theory of Monopolistic Competition</i>	330.1/C44t
Clark, J.B.	<i>The Distribution of Wealth</i>	339.2/C59d
Keynes, J. M.	<i>The General Theory of Employment, Interest and Money</i>	330.15/k44g
Marshall, A.	<i>Principles of Political Economy</i>	330/M36p
Marx, K.	<i>Capital</i>	330.15/M39K-te
Mill, J.S.	<i>Principles of Political Economy</i>	330/M64p
Robinson, J.	<i>The Economics of Imperfect Competition</i>	330.1/R66e
Smith, A.	<i>An Inquiry into the Nature and Causes of the Wealth of Nations</i>	330.1/S64w
Smith, A.	<i>The Theory of Moral Sentiments</i>	170/S64T

Course Outline*♣

I	Introduction		EET: Chapter 1 WP: Ch. 1 and 2
II	The Mercantilist School	Historical Background and Major Tenets: Nationalism, Trade and Protectionism, Colonization, Static View of Output Lasting Contributions The People: Mun, Malynes, Davenant, Colbert, Petty	EET: Chapter 2
III	The Physiocratic School	Historical Background and Major Tenets: Natural Order, Laissez-faire, Agriculture, Systemic view of the Economy Lasting Contributions: <i>Tableau Economique</i> The People: Quesnay, Turgot	EET: Chapter 3
IV	The Classical School		
1	Forerunners	Historical Background and Major Tenets: Scientific and Industrial Revolutions, Laissez-faire, Importance of All Resources Self Interested Behavior, Economic Laws The People: North, Cantillon, Hume	EET: Chapter 4
2	Adam Smith	Biographical Review and Early Influences The Theory of Moral Sentiments The Wealth of Nations The Competitive Economy: Value, Price, Wage, Profit, Rent, Money, Growth	EET: Chapter 5 WP: Chapter 3
3	Thomas Malthus	Biographical Review and Early Influences Theory of Population: The Poor Laws Theory of Insufficient Demand	EET: Chapter 6 WP: Chapter 4
4	David Ricardo	Biographical Review Rent and the Theory of Diminishing Returns Relative Prices and Value in Exchange Distribution of Income: Wage, Profit, Rent Theory of Comparative Costs	EET: Chapter 7 WP: Chapter 4

* EET = *Evolution of Economic Thought*.

WP = *The Worldly Philosophers*.

♣ Read Topics V.1 (Utopian Socialism), and VI (The Historical School) on your own.

5	Other Notables	Jeremy Bentham: Utilitarianism, Diminishing Marginal Utility J-B. Say: Law of Markets J.S. Mill: Production and Distribution, The Wages Fund, International Value, Growth	EET: Chapter 8
V Socialism			
1	Utopian Socialism	Overview and Types of Socialism Lasting Contributions The People: Robert Owen, Simonde de Sismonde	EET: Chapter 9 WP: Chapter 5
2	Karl Marx & Marxism	Biographical Review and Early Influences Theory of History Law of Motion: Labor Theory of Value, Theory of Exploitation, Surplus Value, Organic Composition of Capital, Capital Accumulation, Crisis	EET: Chapter 10 WP: Chapter 6
VI	The Historical School	Historical Background and Major Tenets Positive Role of Government, Inductive Approach to Economic Thought The People: Friedrich List, Gustav Schmoller, Max Weber	EET: Chapter 11
VII The Marginalist School			
1	Forerunners	Historical Background and Major Tenets The Margin, Microeconomic Analysis, Rational Behavior, Subjective Utility, Equilibrium Lasting Contributions The People: A. Cournot: Monopoly, Duopoly J. Dupuit: Marginal Utility, Consumer Surplus, Price Discrimination	EET: Chapter 12
2	Early Marginalists	W.S. Jevons: Value Theory, Diminishing MU, Rational Choice Rule F. von Wieser: Opportunity Cost E. von Bohm-Bawerk: Theory of Interest, Capital	EET: Chapter 13
3	Later Marginalists	F. Y. Edgeworth: Indifference Curves, Contract Curves, Duopoly, Marginal v. Average Product J.B. Clark: Marginal Productivity Theory of Distribution, The Adding-Up Condition	EET: Chapter 14 WP: Chapter 7
VIII The Neoclassical School			

1	Alfred Marshall	Biographical Review Demand and Utility: Elasticity of Demand Supply: Market, Short and Long Runs Equilibrium Price and Quantity Distribution of Income: Wage, Interest, Profit, Rent, Quasi-Rent Taxes	EET: Chapter 15 WP: Chapter 7
2	Monetary Economics	Irving Fisher: Theory of Interest, Quantity Theory of Money, Monetary Policy	EET: Chapter 16
3	Impure Competition	E. H. Chamberlin: Theory of Monopolistic Competition Joan Robinson: Monopsony, Monopolistic Competition	EET: Chapter 17
IX The Keynesian School			
1	John Maynard Keynes	Biographical Review Historical Background and Major Tenets Wage and Price Rigidity, Demand Deficiency, Policy Activism The Keynesian System: Consumption Function, Investment Demand, Liquidity Preference, Multiplier	EET: Chapter 21 WP: Chapter 9
2	Early Interpreters	Historical Background The People: John Hicks: The SI-LL Curve Alvin Hansen: Hicks-Hansen Synthesis	EET: Chapter 22
X Mathematical Economics			
		Variety in Mathematical Economics The People: Leon Walras: System of Markets, General Equilibrium John Hicks: Demand Theory, Production Theory, The IS-LM Model (Also see IX.2)	EET: Chapter 18
XI Growth and Development			
		J.A. Schumpeter: Business Cycles, Creative Destruction, Decay of Capitalism R. Harrod and E. Domar: Dual Role of Investment, Economic Growth Model	EET: Chapter 23 WP: Chapter 10
XII Welfare Economics			
		V. Pareto: Pareto Optimality A.C. Pigou: Income Redistribution, Externality Oscar Lange: Economic Theory of Socialism	EET: Chapter 20
XIII Overview			
			EET: Chapter 25 WP: Chapter 11

The Eco 231S Term Paper

The objective of the term paper must be to examine the historical development of a *contemporary* economic issue or problem. All papers must include a substantive discussion of the relevant economic theory. Your arguments should be based on this discussion. Sample topics will be provided for guidance only. You should decide what issue you wish to write about based upon your own interests, but in consultation with me.

It is critical that your paper is well written and carefully edited. Sloppy editing, grammatical and spelling errors will be penalized. See the detailed instructions below, which apply to each phase of the term paper. Note the relevant due dates. All written work is due in class. Failure to follow all instructions or meet the deadlines will result in penalties.

Deadlines

Phase	Weight	Due Date
Proposal	5%	Thursday, September 24
Draft	20%	Thursday, November 5
Paper	75%	Thursday, December 3

Proposal: Due Thursday, September 24

- Weight: 5% of the term paper grade.
- The proposal should include the proposed Title, a proposed 'Table of Contents' you hope to develop on, a page long summary of your project, and at least 5 academic references.
- You are advised to develop the proposal after due thought, having browsed source materials. The proposal should specifically articulate the research problem you will investigate.
- Think about your paper project well ahead of this date. It is critical to *narrow your area of interest* early.
- You are encouraged to meet with me to discuss your proposal prior to its due date.

Draft: Due Thursday, November 5

- Weight: 20% of the paper grade.
- The draft should meet each of the following requirements:
 - It should be based on at least 5 academic references.
 - It must include the following sections: Introduction, Survey of the Literature, and at least one additional section, preferably more.
 - It should be a clear exposition of the issue you have proposed to examine, and be at a stage of development where the reader can tell the sorts of arguments that will follow in the completed paper.
 - It should be approximately 10 pages in length.

Term Paper: Due Thursday, December 3

- Weight: 75% of the paper grade.

Formatting Instructions

Failure to follow *all* instructions below will result in penalties.

1. Number all pages.
2. Provide a Title Page, giving the title of your paper, your name, etc.
3. Following this page, provide a Table of Contents, listing the Section headings (discussed below) and the associated page numbers.
4. Arrange your paper in logical 'Sections' associated with the development of the arguments. Each Section should be labeled by an appropriate "Section-heading".
 - The term paper must begin with a Section entitled 'Introduction.' It should be about 10% of the length of the term paper. Present your motivation for the paper and argue why the topic selected merits the readers' attention. Then provide a short paragraph laying out the structure of your paper.
 - The second section must be entitled Survey of the Literature. You should discuss the relevant literature on the subject based on academic references you have selected.
 - Examples of other sections include: Historical Background, Contemporary Relevance, Theoretical Issues, Policy Implications, etc.
 - Conclude your paper with Section entitled 'Concluding Remarks.' Summarize here your findings, their policy implications, and your own opinions.
5. You may select any citation type you wish as long as all citations are in a Reference section at the end of the paper. Do not provide citations in footnotes; use endnotes for in-text citations. Note that at least 5 academic (non-newspaper, non-magazine) references must be used and cited.
6. The term paper should be typed with double-spacing, 12-point font and normal margins. It should be 16-20 pages in length.

Summary of Deadlines

September 10: Reading Summary 1

September 24: Proposal for the Term Paper

October 1: Reading Summary 2

October 15: Review 1

October 22: Reading Summary 3

November 5: Draft of the Term Paper

November 17: Written portion of the Group Assignment (Hard + Soft copies)

December 3: Term Paper

December 8: Review 2