

History of Economic Thought
<http://www.mtsu.edu/~eaeff/566/hoth.htm>
Economics 4660
Class hours: M 6:00-9:00 BAS N218

Dr. E. Anthon Eff
Phone: 898-2387; FAX: 898-5045
e-mail: eaeff@mtsu.edu
Office: BAS N308 ; MWR 10:00-12:00; or by appointment

Why do we believe the things we do? Ideas appear in response to changed social and economic conditions, and ideas about the economy are no exception. In this course we will trace the evolution of economic thought, from Aristotle to John Maynard Keynes, and attempt to understand some of the forces shaping that evolution.

It's easiest to learn by doing. In this class, "doing" means communicating: ideas become meaningful when one makes an effort to discuss them with others. These Monday nights will be fun and interesting if everyone speaks up, asks questions, adds information, or provides a critical perspective. Of course, participation requires that one also read and listen carefully.

GRADING

We will have an early final exam, on December 4, consisting of essay and short answer questions. The exam will count for 40% of the semester grade; 20% will be based on a short term paper, and the remaining 40% will be based on a peer evaluation of your class performance throughout the semester. The peer evaluation will be conducted on December 11 immediately after the presentation of the term papers. The plus/minus grading scheme will be used.

COURSE MATERIALS

Required book: *The Growth of Economic Thought*, by Henry William Spiegel. Durham, NC: Duke University Press.

In addition, the library has an excellent source for more detailed information on various topics:

New Palgrave: A Dictionary of Economics. (New York: Stockton Press 1987) **REFERENCE 330.3 P17pa 1987**

PRESENTATIONS

Each student will make a presentation every class period except for the first day and the day of the final exam. You will be paired with one other student, and will present your findings jointly. Presentations will focus on a single person, who made some contribution to the development of economics. For each presentation, prepare one page of information and make copies to hand out to the class. The page should include:

- 1) Basic biographical information. Try to help us see this thinker as a person.
- 2) A brief statement sketching the particular views espoused by this person, particularly with regards to economics.

To locate material for presentations, start with Spiegel, using the index. Then consult the *New Palgrave* or other sources (you may find these in Spiegel's annotated bibliography). The presentation will typically last about five minutes.

TERM PAPER

For the term paper topic, most students typically choose to present the salient features of one economic thinker's life and thought. Other topics related to the history of economic thought are also allowed, however. Each student must clear a term paper topic with the instructor by November 20, at the latest. The paper should be between four and eight pages long (12 point Times New Roman font, double-spaced, standard margins). You need at least three references: Spiegel should be one of these, and the other two should be published journal articles (tip: use JSTOR). Beware of plagiarism. **Every idea that is not 100% your own should be referenced** within parentheses like this: (Veblen 1898: 23-24). Most papers average about two references per paragraph. The bibliography should list every source mentioned in the text. You will be asked to present your paper to your classmates on December 11, in a presentation that will last about five minutes.

SCHEDULE

The final exam will take place December 4, from 6:00 to 9:00 in the usual classroom. We will have 14 class meetings this semester. One class meeting will be devoted to the final (December 4), and one class meeting will be used to discuss the term papers (December 11). The following outline presents the material covered in the 12 remaining class meetings. Items under the heading "Additional Readings" are **not** required, unless otherwise stated in class.

Outline of Topics

1. Perspectives on the Philosophy, History, and Sociology of Science.

Spiegel: xiv-xxviii.

Additional Readings:

Skinner, Quentin. 1969. "Meaning and Understanding in the History of Ideas." **History and Theory**. VIII(7):3-53.

Kuhn, Thomas S. 1969. **The Structure of Scientific Revolutions** (2nd edition). pp. 53-272 in **Foundations of the Unity of Science: Toward an International Encyclopedia of Unified Science**, Volume 2, Number 1. Editors: Otto Neurath, Rudolph Carnap, Charles Morris. Chicago: The University of Chicago Press. 1970.

McCloskey, Donald N. 1983. "The Rhetoric of Economics." **Journal of Economic Literature** XXI(June):483-517.

Andreski, Stanislaw. 1972. **Social Sciences as Sorcery**. New York: St. Martin's Press. [chapter 10]

Mirowski, Philip. 1991. "The When, the How and the Why of Mathematical Expression in the History of Economic Analysis." **Journal of Economic Perspectives** 5(1):145-157.

Eff, E. Anthon. 1989. "History of Thought as Ceremonial Genealogy: The Neglected Influence of Herbert Spencer on Thorstein Veblen." **Journal of Economic Issues**, 23 (September): 689-716.

2. Aristotle, the Bible, and Medieval Economic Thought.

Spiegel: Chapters 1-3

Additional Readings:

Aristotle. **Nicomachean Ethics** (Book V) and **Politics** (Book I: "Theory of the Household")

Polanyi, Karl. 1957. "Aristotle Discovers the Economy." pp.64-96 in **Trade and Market in the Early Empires: Economies in History and Theory**. Editors: Karl Polanyi, Conrad M. Arensberg, Harry W. Pearson. Glencoe, IL: The Free Press.

Stark, W. 1956. "The Contained Economy: An Interpretation of Medieval Economic Thought." **The Papers of the Aquinas Society of London**, No. 26.

Langholm, Odd. 1998. **The Legacy of Scholasticism in Economic Thought: Antecedents of Choice and Power**. Cambridge: Cambridge University Press.

Kuran, Timur. 1996. "The Discontents of Islamic Economic Morality ." **The American Economic Review** 86(2): 438-442.
<http://links.jstor.org/sici?sici=0002-8282%28199605%2986%3A2%3C438%3ATDOEM%3E2.0.CO%3B2-T>

Presentations:

Aristotle	Thomas Aquinas
Economics in the Bible	Islamic Economics

3. Endemic European Warfare: Mercantilists and Cameralists

Spiegel: Chapters 4-5

Additional Readings:

Viner, Jacob. 1948. "Power versus Plenty as Objectives of Foreign Policy in the Seventeenth and Eighteenth Centuries." pp.61-91 in **Revisions in Mercantilism** edited by D.C. Coleman (London: Methuen & Co. Ltd. 1969).

Weber, Max. 1921. "The Protestant Ethic and Spirit of Capitalism."

Presentations:

Niccolo Machiavelli	Gerard de Malynes
Martin Luther	Edward Misselden
John Calvin	Thomas Mun
Jean Bodin	Jean Baptiste Colbert

4. Late Mercantilism: Measurement and the Beginnings of Liberalism

Spiegel: Chapters 6-7

Presentations:

Francis Bacon	Josiah Child
William Petty	John Locke
Charles Davenant	Dudley North

5. The Context of the Enlightenment

Spiegel: Chapters 8-9

Presentations:

Jean Jacques Rousseau	Anne Robert Jacques Turgot	John Law
Pierre le Pesant de Boisguilbert	Ferdinando Galiani	Richard Cantillon
James Steuart	David Hume	Francois Quesnay

6. Adam Smith

Spiegel: Chapters 10-11

Presentations:

Adam Smith	Francis Hutcheson
Bernard Mandeville	Jean-Baptiste Say

7. British Classical Political Economy after Adam Smith

Spiegel: Chapters 12-16

Presentations:

Thomas Malthus	Jean Charles Leonard de Sismondi	Marquis de Condorcet
William Godwin	James Mill	Francis Place
David Ricardo	Henry Thornton	James Maitland, Earl of Lauderdale
Jeremy Bentham	John Stuart Mill	Henry Carey
William Nassau Senior	Edward Gibbon Wakefield	John Rae
John Ramsey McCulloch	Frederic Bastiat	Thomas Tooke
Robert Torrens		

8. The German Historical School and The English Historical School

Spiegel: Chapters 17-18

Additional Readings:

New Palgrave: "Methodenstreit."

Cliffe Leslie, T.E. 1870. "The Political Economy of Adam Smith." **Fortnightly Review (London)** 14:549-563.

Presentations:

Richard Jones	Friedrich List	Gustav von Schmoller
T.E. Cliffe Leslie	Wilhelm Roscher	Werner Sombart
Walter Bagehot	Edmund Burke	Max Weber
Thorold Rogers		

9. Socialism

Spiegel: Chapters 19-21

Presentations:

Robert Owen	Charles Fourier	Karl Rodbertus
Charles Hall	Pierre-Joseph Proudhon	Louis Blanc
William Thompson	Henri de Saint-Simon	Henry George
Thomas Hodgskin	Felicite de Lamennais	Auguste Blanqui
John Bray	Ferdinand Lassalle	William Morris
Charles Kingsley	The Fabians	Michael Bakunin

10. Marx and American Institutionalism

Spiegel: Chapters 26-28

Presentations:

Karl Marx	Clarence Ayres	John Kenneth Galbraith
Thorstein Bunde Veblen	John Rogers Commons	Wesley Claire Mitchell

11. Neoclassical Economics

Spiegel: Chapters 22-25

Additional Readings:

Mirowski, Philip. 1984. "Physics and the 'Marginalist Revolution.'" **Cambridge Journal of Economics** 8:361-379.

Presentations:

William Stanley Jevons	Vilfredo Pareto	Carl Menger
Francis Ysidro Edgeworth	Alfred Marshall	Leon Walras
John Bates Clark		

12. Monetary and Income Analysis

Spiegel: Chapters 26-28

Presentations:

Gunnar Myrdal	Joseph Schumpeter	Irving Fisher
Knut Wicksell	John Maynard Keynes	Friedrich A. von Hayek