

Boston College
Department of Economics
Fall Semester, 2001-2002

EC 233 - History of Economic Thought

Instructor: Professor F. M. McLaughlin

Office: Carney 130

Office Hours: MWF 9:00 a.m. to 10:50 a.m., and also by appointment

Class Meetings: MWF at 1:00 p.m.

Place: Carney 106

Required Texts:

Smith, A., Wealth of Nations, L. Dickey, ed., Hackett, 1993, [WN below].

History of Economic Thought Course Pack, [contains all other assigned readings].

Journal Abbreviations

AER - American Economic Review

HOPE - History of Political Economy

JEH - Journal of Economic History

JEP - The Journal of Economic Perspectives

JPE - Journal of Political Economy

QREB - Quarterly Review of Economics and Business

Scope of the Course

This course will survey the history of economic thought from the ancient Greeks through the modern period. The emphasis of the course will be on classical and neo-classical economics from Adam Smith through the monetarist thought of the 1970s.

Exams and Grades

There will be two examinations given during the course of the semester, and a comprehensive final in the examination period. Each of the two in-course examinations will count for 25 percent of the final grade, and the final examination will count for 40 percent. Class participation will count for the remaining 10 percent. The dates for the hour examinations and the final examination are given below. Make-up examinations will not be given except at the request of the Dean, and only when the absence is for serious reason. Students should plan to be present on scheduled examination dates. Students are responsible for the assigned readings, and should prepare for class by doing the assigned readings in advance of class meetings. Students should raise questions about difficulties with the material covered in both class and in the assigned readings. These questions can be raised in class or during office hours. Students are also responsible for material covered in class in addition to the material covered in the readings.

N.B.

The Dean of Arts & Sciences has reminded faculty that class attendance is required, and may be taken into account in grading. According to the academic regulations published in the A&S Catalogue students are expected to attend class regularly, take tests, and submit papers and other works at the times specified in the course syllabus. Students who are absent on the day of a previously announced test are not entitled, as a matter of right, to make up what was missed, and the professor may include as part of the semester's grades, marks for the quality and quantity of students' participation in class.

Course Calendar:

Introduction – Sept. 5

Economics in Ancient Greece - Sept. 7, Aristotle, Nichomachean Ethics, [Ostwald translation], Bobbs-Merrill, 1962, Bk. V, Chs. 2 to 5, pp.115-128, Course Pack, pp. 1-8.

The Scholastic Economics of the Just Price – Sept. 10, DeRoover, Raymond, "The Concept of the Just Price: Theory and Economic Policy," JEH, Dec. 1958, pp. 418-38, Course Pack, pp. 15-25.

The Scholastic Teaching on Usury – Sept. 12, McLaughlin, "Notes on Usury," Course Pack, pp. 27-34.

Adam Smith on Mercantilism - Sept. 14, Smith, A., WN, pp.117-152.

A Critical Evaluation of Smith's Views on Mercantilism – Sept. 17, Dickey, L., "Smith's Critique of Mercantilism, Appendix III, in Smith, Adam, WN, L. Dickey, editor, Hackett, 1993, pp. 226-242, and Rashid, S., "Adam Smith's Interpretation of The History of Economics," QREB, Autumn, 1987, pp. 56-69, Course Pack, pp. 61-67.

The Physiocrats - Sept. 19, Smith, A, WN, pp.152-166, and Gide, C., and Rist C., "The Physiocrats," in A History of Economic Doctrines, D.C. Heath, 1948, ch. 1, pp. 21-68, Course Pack, pp. 35-59.

Adam Smith's Economics - Bk I – Sept. 21, Smith, A., WN, pp.1-49

Adam Smith's Economics – Bk II – Sept. 24, Smith, A., WN, pp.49-83.

Adam Smith's Economics – Bk V – Sept. 26, Smith, A., WN, pp.83-116 and 166-219.

Evaluation of Smith's Economics I – Sept. 28, Rosenberg, N, "Some Institutional Aspects of the Wealth of Nations," JPE, Dec. 1960, pp. 557-570. Course Pack. pp. 69-82.

Evaluation of Smith's Economics II – Oct. 1, Stigler, G., J. "The Successes and Failures of Professor Smith," JPE, Dec. 1976, pp. 1199-1213. Course Pack, pp. 83-90.

Malthus' Economics – Oct. 3 and 10, Robert Malthus: The First of the Cambridge Economists, in Keynes, J. M., Essays in Biography (Harcourt, Brace and Company: New York, 1933), pp. 95-149. Course Pack, pp. 91-118.

First Hour Examination - Oct 12

Ricardo's Economics I, - Oct 15, Dorfman, R., "Thomas Robert Malthus and David Ricardo", JEP, Summer, 1989, V. 3, No.3, pp. 153-164. Course Pack, pp. 119-129.

Ricardo's Economics II, - Oct 17, Stigler, G. J., "The Ricardian Theory of Value and Distribution," JPE, June, 1952, pp, 187-207. Course Pack, pp. 133-151.

Ricardo's Economics III, - Oct 19, Stigler, G. J., "Ricardo and the 93% Labor Theory of Value", AER, Vol. XLVIII (June, 1958), pp. 357-367. Course Pack, pp. 153-158.

Economics in Post-Ricardian England, Oct 22, Checkland, S.G., "The Propagation of Ricardian Economics in England," Economica, New Series, Vol. 16, No. 61 [February 1949], pp. 40-52. Course Pack, pp. 159-171.

John Stuart Mill's Economics, Oct 24 and 26, Taylor, O.H., A History of Political Economy (McGraw Hill, 1960, Ch. 10, "John Stuart Mill: Economics and Political Economy," pp. 247-270. Course Pack, pp. 173-185.

Marx' Economics, Oct 29, and 31 and Nov 2, Schumpeter, J.A., "Marx the Economist," Capitalism, Socialism and Democracy, Harper, N.Y., N.Y., 1976, Ch. 3, pp. 21-44. Course Pack, pp. 187-199.

Marginalism I, Nov. 5, Hutchison, T.W., "The 'Marginal Revolution' and the Decline and Fall of English Political Economy," HOPE, Fall, 1972, pp. 442-468. Course Pack, pp. 201-214.

Marginalism II, Nov 7, Henry, J. F., "J.B. Clark and the Marginal Product: an Historical Inquiry into the Origins of Value Free Economic Theory," HOPE, V. 15, Fall, 1983, pp. 375-389. Course Pack, pp. 215-222.

Walras and General Equilibrium, Nov 9, Friedman, M., "Leon Walras and His Economic System," AER, V. 45, Dec. 1955, pp. 900-909. Course Pack, pp. 223-227.

The Problem of Capital and Interest, Nov. 12 and 14, McLaughlin, "Schumpeter's Theory of Economic Development." Course Pack, pp. 229-232.

Second Hour Examination, Nov. 16

Historical and Institutional Criticism, Nov. 19, McLaughlin, "The History of American Labor Economics." Course Pack, pp. 241-243, and Dorfman, J., "The Role of the German Historical School in American Economic Thought," AER, May, 1955, pp. 17-28. Course Pack, pp., 233 -239.

Thanksgiving Holidays – Nov. 21 and 23

The Economics of Alfred Marshall – Nov 26 and 28, Viner, Jacob, "Marshall's Economics in Relation to the Man and to his Times," AER, June, 1941, pp. 223 to 235. Course Pack, pp. 253-259, and Schumpeter, J., "Alfred Marshall's Principles: A Semi-Centennial Approach," AER, Vol. 22, No. 2, June 1941, pp. 236-248. Course Pack, pp., 245-251.

The Economics of Keynes - Nov. 30 and Dec 3, McLaughlin, "Keynes' Challenge to the Classical Tradition," Course Pack, pp. 261-269.

The Monetarist Counter-Revolution – Dec. 5 and 7, Johnson, Harry G., "The Keynesian Revolution and the Monetarist Counter-Revolution," AER, May 1971, pp. 1-14. Course Pack, pp. 271-284.

A Summing Up – Dec. 10, Samuelson, Paul, "Economists and the History of Ideas" AER, March, 1962, pp. 1-18. Course Pack, pp. 285-294.

Final Examination – Dec. 14 at 9:00 a.m.