

Boston College
Department of Economics
Fall Semester, 1997

EC 333 - History of Economic Thought

Instructor: Professor F. M. McLaughlin

Office: Carney 130

Office Hours: MWF 10:00 a.m. to 10:55 a.m. MW 2:30 p.m. to 3:30 p.m.,
and by appointment

Class Meetings: MWF at 9:00 a.m.

Place: Campion 231

Required Texts:

Smith, A., An Inquiry into the Nature and Causes of the Wealth of Nations, [University of Chicago Press, 1976]. Cited as WN below.
Heilbroner, R.L., The Worldly Philosophers, [Simon and Schuster, Sixth Edition, 1992]. Cited as WP below.

Scope of the Course

This course will survey the history of economic thinking 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 John Maynard Keynes and the neo-classical synthesis of Paul Samuelson. Attention will also be given to contemporary developments.

Reserve Reading:

Required reading other than in the required texts will be available at the reserve desk in O'Neill.

Attendance:

Students are expected to attend class and raise questions about the assigned reading which should be done in advance of class meetings. Regular class attendance ought to be regarded as a minimum requirement for full participation in the course.

Examinations:

There will be four hour examinations given during the course of the semester, and there will be a comprehensive final in the examination period. Each of the hour examinations will count for fifteen percent of the final grade, and the final examination will count for the remaining 40 percent. The dates for the hour examinations and the final examination are given below. No make-up examinations will be given for any of the hour examinations which you miss, so you should plan to be present on the examination dates. If you miss one of the hour examinations for a legitimate reason, the final examination will carry proportionately greater weight in the computation of your final grade. Students are responsible for the assigned readings, and should prepare for class by doing it currently.

Calendar

- I Introduction.
- II Economics in Ancient Greece
Aristotle, Nichomachean Ethics, Bk. V, chs. 2-5.
- III The Scholastic Doctors and the Theory of the Just Price
DeRoover, R, "The Concept of Just Price...", Journal of Economic History, December 1958, pp. 418-38.
- IV The Scholastic Teaching on Usury
McLaughlin, "Notes on the Usury Question."
- V. Adam Smith's Views on Mercantilism
Smith, WN, Vol. II, Bk IV, chs. 1 to 8
- VI A Critique of Smith's Views on Mercantilism.
Rashid, S., "Adam Smith's Interpretation of The History of Economics...", Quarterly Review of Economics and Business, Autumn, 1987, pp. 56-69.
- VII Adam Smith's Views on the Physiocrats
Smith, WN, Vol. II, Bk IV, ch. 9.
- VIII A Summary of Physicratic Thought
McLaughlin, "An Essay on Physiocracy."
First Hour Examination [Sept. 24]
- IX Adam Smith: The Man and His Economics
Heilbroner, WP, Ch. 3, pp. 42-74
- X Adam Smith and the Division of Labor
Smith, WN, Vol.I, Bk I, chs.1-4, pp.7-33.
- XI Adam Smith's Price Theory
Smith, WN, Vol.I, Bk I, chs.5-7, pp. 34-71.
- XII Adam Smith's Theorizing on the Level of Wages
Smith, WN, Vol.I, Bk I, ch. 8, pp.72-97.
- XIII Adam Smith's Theorizing on the Levels of Profit and Rent
Smith, WN, Vol.I, Bk I, chs. 9 and 11, pp. 98-110, and 161-197.
- XIV Adam Smith on the Structure of Wages and Profit

Smith, WN, Vol.I, Bk I, ch. 10, pp. 111-160.

Second Hour Examination [Oct. 10]

XV Adam Smith's Theory of Capital I

Smith, WN, Vol.I, Bk II chs.1-3, pp.291-309 and 351-371.

XVI Adam Smith's Theory of Capital II

Smith, WN, Vol.I, Bk II chs.4-5, pp.372-397.

XVII Adam Smith on Public Spending for Defense, Justice, and Public Works

Smith, WN, Vol.II, Bk V ch. 1, pp-213-223 and 231-253.

XVIII Adam Smith on Educational Finance and Taxation

Smith, WN, Vol.II, Bk V chs. 1 and 2, pp. 282-325; 349-352.

XIX Malthus

Heilbroner, WP, Ch. 4, pp. 75-104.

XX Ricardo

Dorfman, R., "Thomas Robert Malthus & David Ricardo", The Journal of Economic Perspectives, Summer 1989, Vol. 3, No.3, pp. 153-164.

Third Hour Examination [Oct. 31]

XXIV John Stuart Mill and the Utopian Socialists.

Heilbroner, WP, ch. 5, pp. 105-135

Taylor, O. H., "John Stuart Mill: Economics & Political Economy," A History of Economic Thought (McGraw-Hill, 1960), pp. 247-270.

XXV Karl Marx

Heilbroner, WP, ch. 6, pp. 136-170.

XXVI Marginalism and General Equilibrium.

Heilbroner, WP, ch. 7, pp. 171-178.

McLaughlin, "The Transformation of the Paradigm of English Classical Economics."

XXVII The Problem of Capital and Interest.

McLaughlin, "Schumpeter's Theory of Economic Development."

Fourth Hour Examination [Nov. 19]

- XXIX The Underworld of Economics.
Heilbroner, WP, Ch. 7, pp. 178-206.
- XXX Historical and Institutional Criticism.
Heilbroner, WP, Ch. 8 pp. 213-248.
McLaughlin, "Notes on the History of American Labor Economics."
- XXXI Alfred Marshall
Heilbroner, WP, pp. 206-212.
McLaughlin, "Notes on Marshall and Monetary Theory."
- XXXII John Maynard Keynes
Heilbroner, WP, ch. 9, pp. 249-287.
Tobin, J., "How Dead is Keynes?", Economic Inquiry, Oct., 1977,
pp. 459-468.
- XXXIII Monopolistic Competition.
Bishop, R. L., "The Theory of Monopolistic Competition after
Thirty Years: The Impact on General Theory," American Economic
Review, May, 1954, pp. 33-43
- XXXIV The Contributions of Paul Samuelson [11/17]
Kendry, Adrian, "Paul Samuelson and the Scientific Awakening of
Economics," in J.R. Shackleton and Gareth Locksley, Twelve
Contemporary Economists (New York: Wiley, 1981), pp. 219-239.
- XXXV New Classical Thought.
Klamer, A., Conversations with Economists (Rowman and
Allenheld, 1983), pp. 1-25, and 237-254.
- XXXVI Austrian Economic Thought.
Barry, N., "Restating the Liberal Order: Hayek's Philosophical
Economics," in J.R. Shackleton, and Gareth Locksley Twelve
Contemporary Economists, (New York: Wiley, 1981), pp. 87-107.
- XXXVII A Summing Up
Heilbroner, Robert L., "Modern Economics as a chapter in the
history of economic thought," History of Political Economy,
Vol. 11, No. 2, Summer, 1979, pp. 192-198.

Final Examination [Dec. 17 - 9:00 a.m.]