This course covers topics in the history of economic thought from Aristotle to John Maynard Keynes. Course grades will be based on a comprehensive final exam and on two preliminary exams. The final exam will count for 40 percent of the total examination score. The preliminary exams will each count for 30 percent. Exams will be based on the material covered in class and on the readings. Students are expected to do all assigned reading, take examinations at the scheduled times, and attend and participate in class. Attendance and participation will be considered in determining final letter grades. All assigned readings are available on Blackboard Vista.

**Topic 1.**

Economics in Aristotle and ancient Greek philosophy (Sept. 5, 7, 10)

**Readings:**

- Aristotle, *Nicomachean Ethics*, Bk. V, Ch 2 through Ch. 5 Blackboard Vista: Ethics

**Questions to guide your reading:**

What economic content can you find in Aristotle’s Ethics and Politics? How about economic content in Greek philosophy generally? Is there any insight into economic structure? Is the economics analytical? If so, is it positive or normative analysis? Does it have contemporary relevance? If so, what is its relevance?

**Topic 2.**

The Economics of Aquinas and the Scholastic Doctors (Sept, 12, 14, 17)

**Readings:**

- Aquinas, *Summa Theologica*, Q. 77 Blackboard Vista: Q77
- Aquinas, *Summa Theologica*, Q. 78 Blackboard Vista: Q78

**Questions to guide your reading:**
What was the time span in which Aquinas and the scholastic doctors did their work? What economic questions did they ask? What was the method used to provide answers? What were the answers? What was the primary concern of the Scholastics? Did their work contribute to analytical understanding that bears a relation to modern economic analysis? Did their work contribute in any other way to the development of economic understanding, and if so, how? What led to the decline of scholastic economics?

**Topic 3.**

**The Economics of the Mercantilists (September 19 and 21)**

**Readings:**

Mun, Thomas, *England’s Treasure* Blackboard Vista: Mun Eng Treas

**Questions to guide your reading:**

Was mercantilism an integrated and coherent school of economic thought? Who was Thomas Mun? Is he representative of all those described as mercantilists? On the basis of your reading of Mun what seem to be the main elements of mercantilist thought? How does Smith’s description and critique of mercantilism compare with what you have read in Mun? What are the essential elements in Smith’s critique of mercantilism?

**Topic 4.**

**The Economics of John Locke (September 24 and 26)**

**Readings:**

Locke, John, “Some Considerations of the Consequence of the Lowering of Interest and the Raising the Value of Money (1691) Blackboard Vista: LockeInterest

**Questions to guide your reading:**

How does Locke explain the origin of the institution of private property? How does his explanation compare with the reasoning of Aristotle about private property in the *Politics*? How do you think it might compare with Aquinas’ teaching on private property? What role does Locke’s theory of private property play in his theory of the origin of Civil Government? In what way does it provide an argument for the beneficence of a capitalist economic system? What contributions to modern economic analysis of prices, interest, and money can you find in Locke’s thought expressed in the second reading? Is there a moral component in Locke’s essay on money and interest, or does it fit exclusively into the category of positive economic analysis? Is there any hint of mercantilist inclinations in Locke?

**Topic 5.**
The Economics of Richard Cantillon (September 28)

Readings:

Cantillon, Richard, Essay on the Nature of Commerce etc (1755), Blackboard Vista: CantillonEssai

Questions to guide your reading:

Why does Jevons think of Cantillon’s Essay as the “veritable cradle of Political Economy”? How is the thinking of Cantillon on money and interest similar to, and how is it different from the thinking of Locke? What unique insight into economic growth is contained in Cantillon? In what way is Cantillon distinctively modern, an in what way does his work contain elements of Physiocratic thought? Does Cantillon contain any elements of mercantilism?

Topic 6.

The Economic Essays of David Hume (October 1, 3)

Readings:


Questions to guide your reading:

How is Hume’s thinking on money and interest similar to, and how is it different, from the thinking of Locke and Cantillon? What is the significance of his theorizing about the size of the money supply in an isolated kingdom as opposed to a kingdom in contact with other kingdoms? What key distinction does Hume make between the size of the money supply and whether it is growing or declining, and what is the importance of this distinction? What is the significance of the distinction he makes between a cause and a collateral effect? In what way does he make a significant theoretical argument about the mercantilist focus on the need to maintain a favorable balance of payments?

FIRST HOUR EXAMINATION – OCTOBER 5

Topic 7:

The Economics of the Physiocrats (October 10)

Readings:

Meek, Ronald J., “Tableau Economique,” Economic Journal, September 1951, pp. 591-93 Blackboard Vista: MeekEJ1
Questions to guide your reading:

Who were the Physiocrats? Who was Francois Quesnay and what was his relation to physiocratic thought? What are the essential elements of their theory of economic structure? What were the strong and weak points of their theoretical reasoning? What were the policy implications of their thought? What contribution did they make to a theory of economic growth?

Topic 8:

Adam Smith’s Wealth of Nations – the growth and functioning of a market economy (October 12, 15, 17)

Readings:

Smith, Adam, The Wealth of Nations, Bk I Blackboard Vista: WNBkI
Smith, Adam, The Wealth of Nations, Bk I Blackboard Vista: WNBkII

Questions to guide your reading:

What are the elements of Smith’s theory of growth? What role did labor play in his theory of growth and his theory of value? What were the effects of the division of labor? What psychological elements of human nature are important from Smith’s economic perspective? What are the various approaches to an intelligent reading of Smith’s work? How would you distinguish Smith’s theory of growth from his theory of economic policy? What is meant by the Smithian revolution in economic thought?

Topic 9:

The Economics of Robert Malthus (October 19, 22, 24)

Readings:

Questions to guide your reading:

What are the elements of Malthus’ population theory? What role did William Godwin play in stimulating Malthus’ development of his population theory, and what role did he play in opposition to it? Is the more to Malthus’ economics than his population theory, and if so what are these other theoretical aspects of Malthus’ work? What is the importance of the distinctions between the first edition of his Essay on Population and the later editions? What is the contemporary relevance of Malthus’ work, if any?

Topic 10:

The Monetary theory of David Ricardo and Henry Thornton (Oct 26, 29)

Readings:

Ricardo, David, The High Price of Bullion, Blackboard Vista: HighPriceB
Thornton, Henry, An Enquiry into the Nature and Effects of the Paper Credit of Great Britain Blackboard Vista: Thornton

Questions to guide your reading:

What is the historical and theoretical significance of Ricardo’s essay on the high price of bullion? Is the monetary theory it contains analytical? If so, explain why you think so. Is his monetary theory new and original? What is the link between Ricardo and Thornton? What is significantly different from Ricardo and Thornton, and in what way do they agree? What is the substance of Thornton’s criticism of Adam Smith on money? In what sense was Thornton a century ahead of his time?

Topic 11:

The Value and Distribution Theory of David Ricardo (Oct 31, Nov. 2)

Readings:

Ricardo, David, Principles of Economics Blackboard Vista: RicardoText

Questions to guide your reading:

What led Ricardo to develop his theories of value and distribution? What was the relation of Adam Smith’s theorizing on value to Ricardo’s theory of value? What is the chain of reasoning engaged in by Ricardo in developing and expositing his theory of value? In what way is it a labor theory of value? In what way is it not a labor theory of value? What connection does Ricardo’s theory of value have to his distribution theory? What work of Malthus did Ricardo draw upon in developing his distribution theory? What explains the importance of Ricardo in the classical period? To what extent is Ricardo’s work important in understanding modern economics?

SECOND HOUR EXAMINATION – November 5

Topic 12:

The Economics of John Stuart Mill (November 7, 9)

Readings:


Questions to guide your reading:

What are the links between Mill and Ricardo? In what ways can Mill and Ricardo be contrasted and compared? What was the influence of Harriet Taylor on Mill? What does Gertrude Himmelfarb mean by referring to the other John Stuart Mill?

Topic 12:

The Economics of Karl Marx (Nov. 12, 14)

Readings:

Marx, Karl, A Contribution to the Critique of Political Economy Blackboard Vista: MarxI
Marx, Karl, Capital Blackboard Vista: MarxII

Questions to guide your reading:

In what important ways is the perspective of Marx different from other economists of the classical period? What various streams of thought are brought together in Marx? What does it mean to say that Marx had a theory of history? What are the core elements in Marx’ economic theory? In what sense is Marx a classical economist?

Topic 13:

A retrospective on economic growth from the French Physiocrats through
the English classical economics of the nineteenth century (Nov. 16)

Reading:


Questions to guide your reading:

What is it that links together the physiocrats and the classical economists? How were the physiocrats, Smith, and the classics distinguished most sharply from both the mercantilists and the marginalists? What was the importance of a theory of value in resolving the differences between those economists with physiocratic inclinations and the economists who stressed the importance of manufacturing?

Topic 14:

The shift to the margin and the rise of neo-classical economic thought in the third quarter of the nineteenth century (Nov. 26, 28)

Readings:

Jevons, W. Stanley, Theory of Political Economy, Blackboard Vista: JevonsTheory
Notes on the Marginal Productivity Theory of Distribution, Blackboard Vista: MPDistThNote

Questions to guide your reading:

What were the principal features in the approach to economic theorizing connected with the writings of Stanley Jevons, Leon Walras, and Carl Menger? What does it mean to say that if there was a revolution in economic thought that the revolution was in the adjective marginal and not the noun utility? What important shift in the theory of distribution took place in the early years of the neoclassical period? What was meant by the problem of the exhaustion of the product? What special problems arose in efforts to explain profits and interest as shares of national income?

Topic 15:

Alfred Marshall and the maturation of English neoclassical economic theory (Nov. 30, Dec. 3)

Readings:


Questions to guide your reading:

What was the principal contribution of Alfred Marshall to the development of neoclassical economics as a mature science? How would you sum up John Maynard Keynes assessment of Marshall and his work? What are important aspects of Marshall as a person that are important in understanding his economics? What are important features of Marshall’s approach to and study of economics? What is the unique contribution Marshall made to the quantity theory of money?

**Topic 16**

John Maynard Keynes and modern macroeconomic theory (Dec. 5, 7, 9)

Readings:


Keynes J.M., “The End of Laissez Faire,” (1926), Blackboard Vista: Keynes2


Questions to guide your reading:

What was it that led Keynes to write his General Theory of Employment, Interest, and Money? What are the key elements in his critique of classical and neo classical economics? What are the key elements in his reformulation of economic theory? What is the relevance of Keynes to contemporary economic theorizing?

**FINAL EXAMINATION DECEMBER 13 AT 12:30**