

UNIVERSITY OF TORONTO
Department of Economics
ECO429Y: Summer, 2011
History of Economic Thought

Kieran Furlong, k.furlong@utoronto.ca
Office Hours. GE 344: 5:00 – 6:00 PM

Textbooks:

Adam Smith, *The Wealth of Nations*
David, Ricardo, *Principles of Political Economy*
Karl, Marx, *Capital (Oxford: Abridged Edition, 2008)*
Marshall, Alfred, *Principles of Economics* (Prometheus Books, New York, 1997)
Keynes, John Maynard. *General Theory of Employment, Interest, and Money*
(Michael Lewis, *The Real Price of Everything*, Sterling, 2008, has the complete Smith and Ricardo plus other authors in hard cover for about \$40, an unheard of price)

Secondary Sources:

Hollander, Samuel. *Classical Economics*. Toronto
Blaug, Mark *Economic Theory in Retrospect*, 2000
Deanne, Phyllis. *The Evolution of Economic Ideas*, 1978
Dobbs, Morris. *Theories of Value and Distribution since Adam Smith*, 1973
Gram, H. and V. Walsh. *Classical and Neoclassical Theories of General Equilibrium*, 1980
Schumpeter, Joseph. *History of Economic Analysis* Cambridge, 1954

<u>Evaluation</u>	1 Page Class Presentation (First Term)	4%
	Seminar Participation (First Term)	6%
	1 Page Class Presentation (Second Term)	4%
	Seminar Participation (Second Term)	6%
	15 page essay due July 27	20%
	Midterm Exam (2 hours) June 22 (1:10 – 4:00PM)	20%
	Final Exam (3 hours) Final Exam Period	40%

The midterm and final exams are a combination of short-answer and essay type questions with some choice in questions answered. Students who miss the midterm exam due to a documented absence (e.g., doctor's note) must write the make-up exam, which will occur 2 weeks later. Please note that there is no choice on the make-up exam.

The 15 page essay (i.e., 15 double space pages with normal margins and 12 point type, not including bibliography) will analyze primary and secondary sources specified by me on an aspect of the theories of one of the authors discussed in the course. I will only accept late essays during lectures or my office hours. The penalty for lateness is 1% per day in the first week and 2% per day for each subsequent week. Essays that are a week or more late are not eligible for remarking. All students must hand in two copies of the essay. You must also be prepared to give me a digital copy for submission to Turnitin upon my request.

Presentation marks are given for a 1 page presentation (12 point, double-spaced, normal margins given to me before the presentation) on designated pages from an author during one seminar period for a potential 4 marks and **the right to get one participation mark for a comment or question per seminar** (which take place between 1:10 and 2:00 PM in the

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classroom prior to the lecture) up to a maximum of 6 marks for six seminars. Students will sign up for their presentation day per term in the first class of each term. If you miss your presentation, you must provide documentation of a legitimate reason, submit your original presentation, and do a replacement presentation that I will assign.

Seminar Schedule:

May	25	Aristotle. <i>Politics</i> , Book I, Ch. VIII – X, <i>Nichomachean Ethics</i> , Book V.
May.	30	T. Mun, <i>England's Treasure by ... Trade</i> , Ch. 2; W. Petty, <i>A Treatise of Taxes</i> , Ch. 3.
June	1	Francois Quesnay, <i>Tableau Économique</i> ; A.R.J. Turgot, <i>Reflections</i>
June	6	Adam Smith,: Division of Labour: <i>Wealth of Nations</i> , Book I, Introduction, Ch. I-IV
June	8	Adam Smith: Value. <i>Wealth of Nations</i> , Book I, Ch. V-VII
June	13	Malthus: <i>An Essay on the Principle of Population</i> , Preface, Ch. 1 - II
June	15	David Ricardo: Labour Value. <i>Principles</i> , Chapter I, Sections I - VII
June	20	David Ricardo: Wages, etc... <i>Principles</i> , Chapter II - V
July	4	Karl Marx: Degree of Exploitation. <i>Capital</i> (V.1), Ch. VIII - IX
July	6	Karl Marx: Reserve Army. <i>Capital</i> (V.1), Ch. XXV- XXVII
July	11	Jevons: Chapter III, 36-61
July	13	Menger: Chapter III, 115-141
July	18	Walras. Lesson 10: 143 – 149; Lesson 40: 419-428
July	20	Marshall. Demand: Book III, Ch. III. Elasticity: Book III, Ch. IV.
July	25	Marshall. Supply: Book V, Ch. III. Cost: Book V, Ch. IV
July	27	Bohm-Bawerk: II, 17-23: V, 273 – 281 and Fisher: V: 61-63; 99 - 124
August	3	Keynes: Ch. 2, 4 – 22; Ch. 7, 74-85
August	8	Keynes: Ch. 14, 175 – 185; Ch. 18, 245 - 254
August	10	Friedman: “Nobel Lecture”, JPE (June, 1977), 451-72 Friedman: “The Role of Monetary Policy”, AER (1968), 1 – 17

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Lecture and Reading Schedule (H refers to Hollander)

May	16	Introduction and the Greeks: Aristotle <i>Politics</i> , Book I, Ch. VIII - X
May	18	Scholastics (H, 15-18) and Mercantilists (H: 19-38). Thomas Mun, <i>England's Treasure by Foreign Trade</i> , Ch. 2; W. Petty, <i>A Treatise of Taxes</i> , Ch. 3
May	25	Physiocrats: Francois Quesnay, <i>Tableau Économique</i> , and A.R.J. Turgot, <i>Reflections</i> .
May	30	Adam Smith: Division of Labour and Value. <i>Wealth of Nations</i> , Book I, Ch. 1-5.
June	1	Smith: Price, Distribution, and Growth. <i>Wealth of Nations</i> , Book I, Ch. 6-9
June	6	Malthus: An Essay on the Principle of Population, Ch. 1 - II
June	8	David Ricardo: Value and Price . <i>Principles</i> , Vol. I, Ch. 1, Sections I - VII
June	13	Ricardo: Rent and Growth. <i>Principles</i> , Ch. 6, 7, 21, 26, 30, 31
June	15	Karl Marx: C + V + S. <i>Capital</i> (v.1), Ch. VI-IX
June	20	Marx: Absolute and Relative Surplus Value. <i>Capital</i> (v.1), Ch. XII, XVI-XVIII
June	22	Mid-term Exam
July	4	Marx: Capitalist Accumulation. <i>Capital</i> (v.1), Ch. XXV, Sections 1-4
July	6	W.S. Jevons: Marginal Utility and Value. <i>Theory of Political Economy</i> , Chs. I-IV
July	11	Carl Menger: Marginal Utility and Value. <i>Principles of Economics</i> , Chs. III-IV
July	13	Leon Walras: General Equilibrium. <i>Elements of Pure Economics</i> , Lessons 5-10
July	18	Alfred Marshall: Utility and Demand. <i>Principles</i> , Book III, Chapters 1-4, 6
July	20	Alfred Marshall: Factor Prices and Supply. <i>Principles</i> , Book V, Chapters I - III
July	25	Eugene Bohm-Bawerk (<i>Positive Theory of Interest</i>) and Irving Fisher (<i>The Rate of Interest</i>): Capital and Interest
July	27	J.M. Keynes: Classical Critique, <i>General Theory</i> , Chapters 2, 3, 7-10
August	3	J.M. Keynes: The General Theory, <i>General Theory</i> , Chapters 11-14, 18
August	8	Milton Friedman: Permanent Income, Phillips Curve, "Nobel Lecture", JPE (June, 1977)
August	10	Milton Friedman: Monetarism. "The Role of Monetary Policy", <i>AER</i> (1968), 1 - 17