

UNIVERSITY OF TORONTO
Department of Economics
ECO429Y: Summer, 2012
History of Economic Thought

Kieran Furlong, k.furlong@utoronto.ca
Office Hours. MW 5:20 – 6:10 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 and there are no extensions. The penalty for lateness is 5% on August 3, 8% on August 8, and 10% on August 15.. Late essays 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.

Lecture and Reading Schedule

May	14	Introduction and the Greeks: Aristotle <i>Politics</i> , Book I and II; Ethics, Book V
May	16	T. Mun, <i>England's Treasure</i> , Ch. II-XX; W. Petty, <i>A Treatise of Taxes</i> , Ch. III-V
May	23	Physiocrats: Francois Quesnay, <i>Tableau Économique</i> , and A.R.J. Turgot, <i>Reflections</i> .
May.	28	Adam Smith: Division of Labour and Value. <i>Wealth of Nations</i> , Book I, Ch. 1-5.
May	30	Smith: Price, Distribution, and Growth. <i>Wealth of Nations</i> , Book I, Ch. 6-9
June	4	Malthus: An Essay on the Principle of Population, Ch. 1 - II
June	6	David Ricardo: Value and Price . <i>Principles</i> , Vol. I, Ch. 1, Sections I - VII
June	11	Ricardo: Rent and Growth. <i>Principles</i> , Ch. 6, 7, 21, 26, 30, 31
June	13	Karl Marx: C + V + S. <i>Capital</i> (v.1), Ch. VI-IX
June	18	Marx: Absolute and Relative Surplus Value. <i>Capital</i> (v.1), Ch. XII, XVI-XVIII
June	20	Mid-term Exam
July	4	Marx: Capitalist Accumulation. <i>Capital</i> (v.1), Ch. XXV, Sections 1-4
July	9	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	16	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	23	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	30	J.M. Keynes: Classical Critique, <i>General Theory</i> , Chapters 2, 3, 7-10
August	1	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	13	Milton Friedman: Monetarism. "The Role of Monetary Policy", <i>AER</i> (1968), 1 - 17

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Seminar Schedule:

May	23	Aristotle. <i>Politics</i> , Book I and II, <i>Nichomachean Ethics</i> , Book V.
May.	28	T. Mun, <i>England's Treasure</i> , Ch. II-X; W. Petty, <i>A Treatise of Taxes</i> , Ch. III-V
May	30	Francois Quesnay, <i>Tableau Économique</i> ; A.R.J. Turgot, <i>Reflections</i> , Points 1-34
June	4	Adam Smith,: Division of Labour: <i>Wealth of Nations</i> , Book I, Introduction, Ch. I-IV
June	6	Adam Smith: Value. <i>Wealth of Nations</i> , Book I, Ch. V-VII
June	11	Malthus: <i>An Essay on the Principle of Population</i> , Preface, Ch. 1 - II
June	13	David Ricardo: Labour Value. <i>Principles</i> , Chapter I, Sections I - VII
June	18	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	9	Karl Marx: Reserve Army. <i>Capital</i> (V.1), Ch. XXV- XXVII
July	11	Jevons: Chapter III, 36-61
July	16	Menger: Chapter III, 115-141
July	18	Walras. Lesson 10: 143 – 149; Lesson 40: 419-428
July	23	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	30	Bohm-Bawerk: II, 17-23: V, 273 – 281 and Fisher: V: 61-63; 99 - 124
August	1	Keynes: Ch. 2, 4 – 22; Ch. 7, 74-85
August	8	Keynes: Ch. 14, 175 – 185; Ch. 18, 245 - 254
August	13	Friedman: “Nobel Lecture”, JPE (June, 1977), 451-72 Friedman: “The Role of Monetary Policy”, <i>AER</i> (1968), 1 – 17