

UNIVERSITY OF TORONTO
Department of Economics
ECO429H1 S: Winter, 2015
History of Economic Thought Post 1870

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Office Hours. NF004: W 9:00 AM – 12:00 PM

Textbooks:

Marshall, Alfred, *Principles of Economics* (Prometheus Books, New York, 1997)
Keynes, John Maynard. *General Theory of Employment, Interest, and Money*

Secondary Sources:

Blaug, Mark *Economic Theory in Retrospect*, 2000
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	10%	
	Seminar Participation	10%	
	15 page essay due	March 18	30%
	Final Exam (3 hours)	Final Exam Period (April 8-30)	50%

This course surveys seminal thinkers in the history of economic thought from approximately 1870 to 1960. The required readings are the canonical texts of Marshall and Keynes above (which I suggest that you purchase) and a package of my notes and readings from other authors that I will at the beginning of the term at cost (@\$5). The secondary sources cited above are for your personal reference and not required.

Starting with our second meeting (January 15), class time consists of a seminar during the first hour (9:10 – 10:00PM) and a lecture during the second and third hours (10:10 – 12:00PM). The seminars entail discussions of the previous lecture led by students who will have each read one of the articles listed for the topic.

There is one exam, a three hour final during the final examination period, worth 50% of the total mark. The exam covers only the material in the lecture notes. Each student must also write a 15 page essay (12 point type, double spaced, normal margins) critically examining all the articles and books on a topic chosen from a list that I will provide. The paper is due March 18 and is worth 30% of the total mark. Students are encouraged to look up additional sources to expand their research but need not do so. 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 essays during lectures or office hours and there are no extensions. The penalty for lateness is 5% for the first week (March 25) and 15% for the second week (April 1). Essays that are a week or more late are not eligible for remarking. All students must hand in two copies of the essay and be prepared to submit to Turnitin if asked.

A presentation accounts for 10% of the total mark and seminar participation accounts for the remaining 10% of the grade. The presentation consists of a 1 page review (12 point, double-spaced, normal margins submitted to me at the beginning of the seminar) of designated pages from an assigned author, a brief presentation of the review to the class, and answering questions from the class. The presentation gives **the right to get one participation mark for a comment or question per seminar**; there are no participation marks for the seminar that you conduct.

ECO429H1 S: Winter, 2015

Students sign up for their presentation day during the first class. If you miss your presentation, you must provide documentation of a legitimate reason, submit your original presentation, and do a replacement presentation on another topic.

Lecture and Reading Schedule

Jan	7	Introduction and Overview
Jan	14	W.S. Jevons: Marginal Utility and Value. <i>Theory of Political Economy</i> , Chs. I-IV
Jan	21	Carl Menger: Marginal Utility and Value. <i>Principles of Economics</i> , Chs. III-IV
Jan	28	Leon Walras: General Equilibrium. <i>Elements of Pure Economics</i> , Lessons 5-10
Feb	4	Alfred Marshall: Utility and Demand. <i>Principles</i> , Book III, Chapters 1-4, 6
Feb	11	Alfred Marshall: Factor Prices and Supply. <i>Principles</i> , Book V, Chapters I - III
Feb	25	Eugene Bohm-Bawerk (<i>Positive Theory of Interest</i>)
March	4	Irving Fisher (<i>The Rate of Interest</i>): Capital and Interest
March	11	J.M. Keynes: Classical Critique, <i>General Theory</i> , Chapters 2, 3, 7-10
March	18	J.M. Keynes: The General Theory, <i>General Theory</i> , Chapters 11-14, 18
March	25	Milton Friedman: Permanent Income, Phillips Curve, "Nobel Lecture", JPE (June, 1977)
April	1	Milton Friedman: Monetarism. "The Role of Monetary Policy", <i>AER</i> (1968), 1 - 17

Seminar Schedule:

Jan	14	J.S. Mill: <i>Principles of Political Economy</i> , V.I, Book III, Ch. II and III
Jan	21	Jevons: <i>Theory of Political Economy</i> , Chapter III, 36-61
Jan	28	Menger: <i>Principles of Economics</i> , Chapter III, 115-141
Feb	4	Walras: <i>Elements of Pure Economics</i> , Lesson 10: 143 – 149; Lesson 40: 419-428
Feb	11	Marshall: <i>Principles</i> , Demand: Book III, Ch. III. Elasticity: Book III, Ch. IV.
Feb	25	Marshall: <i>Principles</i> , Supply: Book V, Ch. III. Cost: Book V, Ch. IV
March	4	Bohm-Bawerk: <i>Interest II</i> , 17-23; V, 273 – 281
March	11	Fisher: <i>Interest V</i> : 61-63; 99 - 124
March	18	Keynes: <i>General Theory</i> , Ch. 2, 4 – 22; Ch. 7, 74-85
March	25	Keynes: <i>General Theory</i> , Ch. 14, 175 – 185; Ch. 18, 245 - 254
April	1	Friedman: "Nobel Lecture", JPE (June, 1977), 451-72 Friedman: "The Role of Monetary Policy", <i>AER</i> (1968), 1 – 17