

UNIVERSITY OF TORONTO
Department of Economics
ECO429H1 S: Winter, 2017
History of Economic Thought Post 1870

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Office Hours. Wednesdays: 4:00 – 5:50 PM in UC D301

Textbooks (Get them online or through Amazon):

Marshall, Alfred, *Principles of Economics* (Prometheus Books, New York, 1997)
Keynes, John Maynard. *General Theory of Employment, Interest, 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	5%	
	Seminar Participation	10%	
	Midterm Exam	February 15	15%
	15 page essay due	March 22	25%
	Final Exam (3 hours)	Final Exam Period (April 10-28)	40%

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 sell at the beginning of the term at cost (@\$10). The secondary sources cited above are for your personal reference and not required.

Starting with our second meeting (January 18), class consists of a seminar during the first hour (9:10 – 10:00AM) and a lecture during the second and third hours (10:10AM – 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.

The final exam is a combination of short-answer and essay type questions with some choice in questions answered. The midterm is just short-answer questions with some choice. The exams 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 on a topic chosen from a list posted on our website on Blackboard. Students may look up additional sources to expand their research but need not do so. Students may look up additional sources to expand their research but need not do so. The paper is due March 22. 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 29) and 15% for the second week (April 5). Late essays are not eligible for remarking.

“Students must submit their course essays to Turnitin.com (Blackboard) for a review of textual similarity and detection of possible plagiarism. In doing so, students will allow their essays to be included as source documents in the Turnitin.com reference database, where they will be used solely for the purpose of detecting plagiarism. The terms that apply to the University’s use of the Turnitin.com service are described on the Turnitin.com web site.”

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A presentation accounts for 5% 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 and a brief presentation of the review to the class. The presentation gives **the right to get one participation mark for a comment or question per seminar**. You also get 1 participation mark for an effective oral presentation and for answering a question in the seminar that you conduct. 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	11	Introduction and Overview
Jan	18	W.S. Jevons: Marginal Utility and Value. <i>Theory of Political Economy</i> , Chs. I-IV
Jan	25	Carl Menger: Marginal Utility and Value. <i>Principles of Economics</i> , Chs. III-IV
Feb	1	Leon Walras: General Equilibrium. <i>Elements of Pure Economics</i> , Lessons 5-10
Feb	8	Alfred Marshall: Utility and Demand. <i>Principles</i> , Book III, Chapters 1-4, 6
Feb	15	MIDTERM: 9:10 – 10:10AM Alfred Marshall: Factor Prices and Supply. <i>Principles</i> , Book V, Chapters I - III
March	1	Eugene Bohm-Bawerk (<i>Positive Theory of Interest</i>)
March	8	Irving Fisher (<i>The Rate of Interest</i>): Capital and Interest
March	15	J.M. Keynes: Classical Critique, <i>General Theory</i> , Chapters 2, 3, 7-10
March	22	J.M. Keynes: The General Theory, <i>General Theory</i> , Chapters 11-14, 18
March	29	Milton Friedman: Permanent Income, Phillips Curve, “Nobel Lecture”, JPE (June, 1977)
April	5	Milton Friedman: Monetarism. “The Role of Monetary Policy”, <i>AER</i> (1968), 1 - 17

Seminar Schedule:

Jan	18	J.S. Mill: <i>Principles of Political Economy</i> , V.I, Book III, Ch. II and III
Jan	25	Jevons: <i>Theory of Political Economy</i> , Chapter III, 36-61
Feb	1	Menger: <i>Principles of Economics</i> , Chapter III, 115-141
Feb	8	Walras: <i>Elements of Pure Economics</i> , Lesson 10: 143 – 149; Lesson 40: 419-428
Feb	15	Midterm Test (9:10 – 10:10 AM) in class
March	1	Marshall: <i>Principles</i> , Demand: Book III, Ch. III. Elasticity: Book III, Ch. IV.
March	8	Marshall: <i>Principles</i> , Supply: Book V, Ch. III. Cost: Book V, Ch. IV
March	15	Bohm-Bawerk: <i>Interest</i> II, 17-23: V, 273 – 281. Fisher: <i>Interest</i> V: 61-63; 99 - 124
March	22	Keynes: <i>General Theory</i> , Ch. 2, 4 – 22; Ch. 7, 74-85
March	29	Keynes: <i>General Theory</i> , Ch. 14, 175 – 185; Ch. 18, 245 - 254
April	5	Friedman: “Nobel Lecture”, JPE (June, 1977), 451-72 Friedman: “The Role of Monetary Policy”, <i>AER</i> (1968), 1 – 17