

UNIVERSITY OF TORONTO
Department of Economics

ECO198HI F L0101: 2020 Winter
Seminar in the History of Classical Economic Thought
Monday: 10:00AM to 12:00 Noon in UC148

Kieran Furlong, k.furlong@utoronto.ca
Office Hours. Wednesdays 12:30 – 2:30PM

Textbooks: Posted on the Website

Menger, Karl (1871) *Principles of Economics*
Marshall, Alfred (1890, 1920) *Principles of Economics*
Fisher, Irving (1907) *The Rate of Interest*
Keynes, John Maynard (1936) *General Theory of Employment, Interest, Money*

Secondary Sources:

Blaug, Mark *Economic Theory in Retrospect*, 2000

<u>Evaluation</u>	Five One-Page Literature Reviews	(Each worth 10%)	50%
	Seminar Participation		20%
	Final Exam	March 30 (UC148)	30%

This course examines the major contributions to economic thought of 4 authors – Menger, Marshall, Fisher, and Keynes – after 1870. We have two goals: understanding these major contributions and writing more effectively. Students will write relatively little – 5 total pages - to concentrate on clarity and organization. We will focus on reading and discussing pages from our authors but I will provide course notes (\$5) on the authors to help your understanding.

The seminar meets twelve times. Our first meeting is an introduction, overview, and chance to air your expectations and the last meeting (March 30) is an in-class exam on the course material. The other 10 meetings are seminars driven by student preparation and participation.

Each student will write five one-page reviews (12 point type, double-spaced, normal margins) of one of the readings from each author for a potential 10 marks for each review. Please hand in reviews at the beginning of class. Students sign up for the dates and topics of their reviews in the first class.

We will discuss the specific readings from our authors in the seminars. I will award 1 mark for an initial comment or question during each seminar and an additional mark for additional participation for a potential total of 20 marks for each student over the 10 seminars. You can each earn 20 marks here but it does depend on your participation.

The final exam is a combination of short-answer and essay type questions with some choice in questions answered..

ECO198HI F L0101: 2020 Winter Outline

Seminar and Reading Schedule

Jan.	6	Introduction to the Marginal and Utility Revolution
Jan.	13	Menger: Equimarginal Principle, <i>Principles</i> , Ch. III, 121-128; Radford, ‘POW Camp’
Jan.	20	Menger: Higher Order Value and Money, <i>Principles</i> , Ch. III, 149-156, Ch. VIII, 257-262
Jan.	27	Marshall, Utility, Demand, Surplus. <i>Principles</i> , Book III, Ch. III and VI. 78-85, 103-14
Feb.	3	Marshall: Returns and Supply. <i>Principles</i> , Book V, Chapters XIII, III
Feb.	10	Marshall: Equilibrium and Investment. <i>Principles</i> , Book V, Ch. II, IV
Feb.	24	Fisher: Present Value and the Interest Rate. <i>Rate of Interest</i> , Ch. 5
March	2	Fisher: Productivity, Exploitation, and Abstinence Theories. <i>Rate of Interest</i> , Ch. 2, 3.
March	9	Keynes: Critique of Classical Wages and Interest, <i>General Theory</i> , Chapters 1, 2, 14
March	16	Keynes: Consumption, Investment, and Liquidity, <i>General Theory</i> , Chapters 8–10, 11,13
March	23	Keynes: Equilibrium and Policy, <i>General Theory</i> , Ch. 18 and 24
March	30	Final Exam

References:

- Menger, Carl (1871) *Principles of Economics*, (trans.). The Free Press, New York, 1950,
- Radford, R.A. “The Economic Organisation of a P.O.W. Camp”. *Economica*, New Series, Vol. 12, No. 48 (Nov., 1945), pp. 189-201.
- Marshall, Alfred (1920), *Principles of Economics* (8th ed., 1920). New York, Prometheus Books, 1997.
- Fisher, Irving, *The Rate of Interest*. Macmillan, 1907.
- Keynes, J.M. *General Theory of Employment, Interest, and Money*. Prometheus Press, 1936.