**History of Economic Thought (ECON 302)**

Term: Spring 2017

Class location: Zane Showker Hall 104

Class time: TuTh 3:30-4:45

**Instructor**: John Robinson (robinsja@jmu.edu)

**Office Hours**: Tuesday 12:00-3:00 and Wednesday 9:00-12:00 in Zane Showker 420

**Catalog Description:** Major contributions within the history of economic thought are studied in relation to both the historical circumstances within which they arose and the role each played in shaping contemporary, competing economic doctrines.

**Attendance:** Not required

**Electronics:** All laptops, phones, etc. are strictly prohibited. Students caught using a contraband device will have 5 points deducted from their overall grade.

**Academic Honesty and Integrity:** All students are expected to comply with JMU policy about academic integrity and honesty at all times. I take this very seriously, as should you. Penalties for honor code violations include a grade of “F” assigned for the course. No exceptions. (<http://www.jmu.edu/academicintegrity/>)

**Disabilities notice:** If you have not already done so, you will need to register with the Office of Disability Services, Student Success Center, First Floor, Suite 1202, 568-6705, and provide me with an Access Plan letter outlining your accommodations. Accommodations will be made for students with disabilities in accordance with JMU policy <http://www.jmu.edu/JMUpolicy/1331.shtml>

**Inclement weather policy**: During inclement weather, be aware of closure notice directly from the university or by checking the university web page. If class is cancelled for another reason, I will send an announcement. <http://www.jmu.edu/JMUpolicy/1309.shtml>

**Religious observance accommodation:** Notify me as early as possible before the add/drop deadline if you expect to need accommodation for religious observance or engagement of great personal importance that will cause you to miss instructional or testing time. We will discuss the appropriate accommodation at that time.

**Required Text**: Lawrence White, The Clash of Economic Ideas

**Grades**: Your grade will be based on 10 quizzes (worth 20 points each) and a final exam (worth 50 points). Your grade in this class will be based on a point system. **[A ≥ 200; 200 > B≥ 175; 175 > C ≥ 150; 150 > D ≥ 125; 125 > F]** You will notice that obtaining a perfect score on all quizzes and the final exam would result in a final total of 250 points. Thus an 80% on any assignment is an “A” if you complete every assignment. Your average would have to be higher if you plan to miss any quizzes.

**\***You should expect the quizzes to be challenging. Don’t be surprised if your first few grades are well below an “A” until you understand the sorts of ideas you should be focusing on when you do your reading for the class. I also provide a number of opportunities for extra credit throughout the semester – be on the lookout for those!

**Quizzes**: You will take the quizzes at the beginning of each Tuesday class beginning on **January 17**. Each quiz will cover material from the previous two classes as well as material from the assigned reading for the upcoming week. Each quiz will have a few short answer questions. In order to receive full credit for quiz questions, your answer will have to be technically accurate, clearly reasoned, and concisely stated. You **may not** make up any quizzes.

**Final Exam**: The final exam will be cumulative and will take place on Tuesday, May 2nd from 1:00-3:00. Do not schedule to leave before this date. You will take the exam at the appointed time or receive a “0” on the exam.

**Tentative Schedule:** The assignments that follow may be modified at any time by the course instructor, with a minimum of 48 hours-notice. Changes will be announced in class as well as on Canvas.

The number refers to the week number. For example, “1” refers to the first week of class. Beginning the second week, you must read all of the assigned readings before our first meeting on Tuesday. (You should have read everything listed under “2” by Tuesday, January 17.)

1. **January 10 & 12: Introduction and Motivation**

Peter Boettke: “Why Read the Classics in Economics?”

(<http://www.econlib.org/library/Features/feature2.html>)

Kenneth Boulding: “After Samuelson, Who Needs Adam Smith?”

(<http://hope.dukejournals.org/content/3/2/225.full.pdf>)

Bruce Caldwell: “Of Positivism and the History of Economic Thought”

(<http://public.econ.duke.edu/~bjc18/docs/Of%20History%20of%20Economic%20Thought%20final.pdf>)

1. **January 17 & 19: Keynes and Hayek [early 20th century]**

White, Chapter 1

Keynes, “The End of Laissez-Faire” (JSTOR)

Hayek, “Individualism: True and False”

(<https://mises.org/sites/default/files/Individualism%20and%20Economic%20Order_4.pdf>)

Hayek, “The Pretense of Knowledge”

(<http://www.nobelprize.org/nobel_prizes/economic-sciences/laureates/1974/hayek-lecture.html>)

1. **January 24: The Ancients [400-300 BC]**

Plato: *Republic,* (search for “money”)

(<http://oll.libertyfund.org/titles/plato-the-republic-1888-ed>)

Aristotle: *Politics*, Bk. 1, sections 8-11

(<http://oll.libertyfund.org/people/aristotle>)

Aristotle: *The Nichomachean* *Ethics*, Bk. 1, sections 6-11; Bk 2, sections 6-7; Bk 5, section 5

(<http://oll.libertyfund.org/people/aristotle>)

1. **January 31 & February 2: Pre-Smithian Economics [17th-18th century]**

John Locke, *Two Treatises of Government*, Bk 2, paragraphs 4-51

(<http://oll.libertyfund.org/people/john-locke>)

Bernard Mandeville, *The Grumbling Hive*

(<http://oll.libertyfund.org/people/bernard-mandeville>)

1. **February 7 & 9: Pre-Smithian Economics [mid-to-late 18th century]**

David Hume, *Essays*

(<http://oll.libertyfund.org/people/david-hume>)

1. “On the Independence of Parliament”
2. “Of Money”
3. “Of the Balance of Trade”
4. “Of the Jealousy of Trade”
5. “Of The Rise And Progress Of The Arts And Sciences”

Jean-Jacques Rousseau, *A Discourse Upon Political Economy*

(<http://oll.libertyfund.org/titles/rousseau-the-social-contract-and-discourses>)

1. **February 14 & 16: Smith [late 18th century]**

Adam Smith: *Theory of Moral Sentiments*

(<http://www.econlib.org/library/Smith/smMS.html>)

1. Part 1, Sections 1 & 3
2. Part 2, Section 1, Chapter 1
3. Part 3, Section 5 & 6
4. Part 4
5. Part 7, Section 3

Adam Smith: *The Wealth of Nations*

(<http://www.econlib.org/library/Smith/smWN.html>)

1. Book 1, Chapters 1,2,3,5, & 10
2. Book 3, Chapter 1
3. Book 4, Chapters 2 & 9
4. **February 21 & 23: Smith [late 18th century]**

Adam Smith: *The Wealth of Nations*

(<http://www.econlib.org/library/Smith/smWN.html>)

1. Book 5, Chapter 1, Section f
2. Book 5, Chapter 3
3. **February 28 & March 2: Responses to Laissez-Faire [late 18th century]**

Thomas Robert Malthus, Essay on the Principle of Population (1798 edition), Chapters 1 & 2

(<http://oll.libertyfund.org/titles/malthus-an-essay-on-the-principle-of-population-1798-1st-ed>)

Thomas Robert Malthus, Essay on the Principle of Population (1826 edition), Chapters 1 & 2

(<http://oll.libertyfund.org/titles/malthus-an-essay-on-the-principle-of-population-vol-1-1826-6th-ed>)

David Ricardo, Principles of Political Economy and Taxation, Chapters 7 & 31

(<http://oll.libertyfund.org/titles/ricardo-the-works-of-david-ricardo-mcculloch-ed-1846-1888>)

1. **March 7 & 9: Spring Break**
2. **March 14 & 16: Laissez-Faire defended [19th century]**

James Mill, Commerce Defended, Chapter 6

(<http://oll.libertyfund.org/titles/mill-commerce-defended-1808>)

John Stuart Mill, *Principles of Political Economy*

1. “Of the Stationary State”
2. “On the Probably Futurity of Labour”

(<http://oll.libertyfund.org/titles/mill-principles-of-political-economy-ashley-ed>)

Frederic Bastiat

1. “The Petition”
2. “What is Seen and What is Not Seen”
3. “The Law”

(<http://oll.libertyfund.org/people/frederic-bastiat>)

William Baumol, “Say’s (at Least) Eight Laws, or What Say and James Mill May Really Have Meant”

(<http://www.jstor.org/stable/2553717>)

1. **March 21 & 23: Socialist Calculation [early 20th century]**

White, Chapters 2 & 4

Hayek, “The Use of Knowledge in Society”

(<http://www.jstor.org/stable/1809376>)

Von Mises. “Economic Calculation in a Socialist Commonwealth”

(<https://mises.org/library/economic-calculation-socialist-commonwealth>)

Thomas Leonard, “Eugenics and Economics in the Progressive Era”

(<http://www.princeton.edu/~tleonard/papers/retrospectives.pdf>)

1. **March 28 & 30: The Keynesian Revolution [early 20th century]**

White, Chapter 5

Keynes, The General Theory, Chapter 12 & 24

(<https://www.marxists.org/reference/subject/economics/keynes/general-theory/>)

1. **April 4 & 6: Game Theory**

Thomas Schelling, “An Astonishing Sixty Years: The Legacy of Hiroshima”

(<http://www.jstor.org/stable/30034324>)

Roger Myerson, “Nash Equilibrium and the History of Economic Theory”

(<http://www.jstor.org/stable/2564872>)

Thomas Schelling, “Hockey Helmets, Concealed Weapons, and Daylight Saving: A Study of Binary Choices with Externalities”

1. **April 11 & 13: Political Economy [mid-20th century]**

White, Chapters 6 & 13

James Buchanan, “The Constitution of Economic Policy”

(<http://www.jstor.org/stable/1804093>)

Stigler, “An Economic Theory of Regulation”

1. **April 18 & 20: Chicago School**

White, Chapters 12 & 15

Milton Friedman, “The Role of Monetary Policy”

Frank Knight, “Laissez Faire: Pro and Con”

(<http://www.jstor.org/stable/1829571>)

Gary Becker, “The Economic Way of Thinking”

(<http://www.jstor.org/stable/2138769>)

Ronald Coase, “The Market for Goods and the Market for Ideas”

(<http://www.jstor.org/stable/1816070>)

Lucas, “My Keynesian Education”

1. **April 25 & 27: Institutional Economics**

Ronald Coase, “The Problem of Social Cost”

Ronald Coase, “The Institutional Structure of Production”

([www.jstor.org/stable/2117340](http://www.jstor.org/stable/2117340))

Elinor Ostrom, “Collective Action and the Evolution of Social Norms”

1. **May 2 (1:00-3:00pm): Final Exam**