

ECONOMICS 337

CRN: 14826

HISTORY OF ECONOMIC THOUGHT TO 1870

Fall 2010

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BEC 340

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Office Hours: Monday and Thursday 1:30-2:30, or by arrangement

Description: The course will cover the ideas of the major economist from the 17th Century to the end of classical period in about 1870. The course will concentrate on the central economic theories contained in the writings of the major classical economists, particularly Smith, Malthus, Ricardo and Mill, and the economics of Marx. The course will cover the major theories of economic growth, population, value and price, wages, profits, and rents, international trade, monetary theory, and the role of government. Attention will be given to the surrounding intellectual, political, and economic context within which these ideas were developed.

Web Site: The course web page is at <http://web.uvic.ca/~rutherfo/econ337.html> or can be accessed through the Department of Economics home page at <http://web.uvic.ca/econ> or my own home page at http://web.uvic.ca/~rutherfo/mr_home.html

This page contains the course outline and links to electronic archives in the history of economics. A good number of the key texts in the history of economics are now available in electronic form. The page also contains links to pages dealing with English economic and political history (including time lines and entries on subjects such as the corn laws and poor laws), internet entries for Hobbes, Locke, Hume, Bentham, and J. S. Mill, and to the excellent New School History of Economic Thought site.

The web page also contains my lecture overheads. These are in the form of Powerpoint files. Students should print off the overheads prior to the lecture and bring them to class. The overheads are *NOT* a substitute for attending lecture as they are mostly headings and bullets, sometimes only questions, and, at most, very abbreviated explanations. Having the overheads with you, however, will allow you to concentrate on the lecture, take additional notes as I talk, and ASK QUESTIONS, instead of having to concentrate on writing down what is on the slides.

Texts

Ingrid H. Rima, Development of Economic Analysis, 7th Edition 2009 (paperback). The 6th Edition is also acceptable.

Roger E. Backhouse, The Ordinary Business of Life: A History of Economics From the Ancient World to the Twenty-First Century, 2002 (paperback).

Both of these texts are required and are also used for Econ 338.

I encourage students to purchase the Oxford paperback edition of Adam Smith's Wealth of Nations. This is an inexpensive edition of the foundational work in classical economics. A significant amount of class time will be spent on this book. The book is also available in electronic form on the Web.

Additional Readings: (Available on Reserve)

Mark Blaug, Economic Theory in Retrospect, 5th Edition, 1996.

C. Gide and C. Rist, A History of Economics Doctrines.

L. Kolakowski, Main Currents of Marxism: The Founders, 1978.

J.S. Mill, Principles of Political Economy, any ed.

P.C. Newman (ed.), Source Readings in Economic Thought, 1954.

D. P. O'Brien, The Classical Economists, 1975.

D. Ricardo, Principles of Political Economy, any ed. except the 1st.

A. Smith, The Wealth of Nations, any ed.

T. Sowell, Marxism: Philosophy and Economics, 1985

COURSE OUTLINE

Introduction

1. Interpretations of the History of Economics

Blaug, Introduction

Backhouse, Prologue

Pre-classical economics

2. The Intellectual and Economic Background

Backhouse, Chs. 1 and 2

Rima Ch. 1

Timelines: <http://www.victorianweb.org/science/science.html>

<http://www.victorianweb.org/technology/ir/irchron.html>

<http://www.victorianweb.org/history/historytl.html>

3. Mercantilism: Trade and National Eminence

Backhouse, Chs. 3 and 4

Rima, Ch. 2 and 3

Blaug, Ch. 1, sections 1 - 10

Newman, pp. 22-42, 86-90 (Selections from Mun, von Hornick, and Hume)

4. The French Physiocratic School

Rima, Ch. 4

Backhouse, Ch. 5

Gide and Rist, Ch. 1

Newman, pp. 91-105 (Selections from Quesnay and Mercier de la Riviere)

Classical economics

5. The Scottish Enlightenment and the Background to Classical Economics

Backhouse, Ch. 6

6. Adam Smith and the Wealth of Nations

Rima, Ch. 5

Smith, Wealth of Nations, Book I Ch's 1-11 (omit the digression on silver); Book II, Ch's 1, 3 and 5; Book III, Ch.1; Book IV, Ch's 1 and 2; Book V, Ch's 1 and 2 (part I and first part of part II only)

7. Malthus: Population and Rent

Rima, Ch. 6

Blaug, Ch. 3

Newman, pp. 170-190 (Selection from Malthus)

8. Utilitarianism and Classical Economics

Backhouse, Ch 7

Newman, pp. 165-169 (Selection from Bentham)

9. The Ricardian Model

Rima, Ch. 7

Blaug, Ch. 4, part 1

Ricardo, Principles, Ch's 1, 2, 4, 6, 7, 21, 31

10. J. S. Mill and Late Classical Economics

Rima, Ch. 8 and 9

Mill, Principles, Book I, Ch's 2-5, 9-13; Book III, Ch's 6, 16, 17, 18 and Book IV, Ch's 5 and 6; Book V, Ch's 8-11

11. Say's Law and Classical Monetary Theory

Blaug Ch. 5

Newman, pp. 157-166 (Selection from Say)

12. Classical Economics and Policy

O'Brien Chs. 6 and 10

Marxian economics

13. The Marxian Analysis of Capitalism

Rima, Ch. 10

Blaug, Ch. 7

Sowell, Ch's 2 and 7

Kolakowski, Book 1, Chs 11-13

Additional notes on Marx (see course web page)

Concluding Remarks

14. The Decline of Classical Economics

EXAMS

Exams will be of an essay type with a choice of questions. Note form answers are not acceptable. Students should be able to explain clearly, using words and diagrams, the various theories discussed in class. Students should also be able to compare and contrast the work of different writers or schools of writers, and be able to engage in a critical discussion of the various views and theories presented. To score highly, an answer must contain no significant errors or omissions, be directed to the question as asked, logically constructed, and written in coherent English.

GRADING

The course grade will be based on a mid-term and final exam. Both exams are of an essay type. The mid-term will be worth 40% of the course grade and the final exam worth 60%. The mid-term date is Thursday October 21, and normally covers through Malthus (topic #7). Each grade component will be awarded a percentage score, and the final mark will be converted to a letter grade using the following equivalences:

90-100 A+

85-89 A

80-84 A-

75-79 B+

70-74 B

65-69 B-

60-64 C+

55-59 C

50-54 D

0-49 F

Students will be expected to provide identification for exams. No E grades will be awarded. Deferred exams will be given **only** on the basis of documented illness or family affliction. Deferred exams will be given only on one date and time in January to be arranged.

The standards and reputation of a University are the shared responsibility of its faculty and student body. Students are expected to observe the same standards of scholarly integrity as their academic and professional counterparts. Plagiarism and cheating are considered to be a most serious breach of academic integrity and shall be dealt with as such by the Department of Economics.

The University of Victoria is committed to promoting, providing and protecting a positive and safe learning environment for all its members.