Syllabus: ECON 311/HIST 307

Fall 2020

A History of Economic Thought from the Scholastics to Keynes

Instructor: Jason Brent

MWF, 1:45-3:00. Social Sciences 139 (or wherever you are in the world).

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Some Opening Notes on 2020

So, wherever you are, this is going to be strange. I want to start by saying a couple of things about my expectations and my hopes for this class.

First, you should understand that we are in this together. Things I am going to try may not work and I may make mistakes trying to do new things. I also understand that the same will be true of all of you. So, let’s be patient with each other.

Second, this is in no way going to be a lesser or dumbed-down version of this course or this content. Some of the mechanics may get choppy from time-to-time but we are going to cover a lot of ground and I hope that while the new environment will make this challenging, I also think it will open up some new ways of thinking about things.

Third, in the interest of trying to get the most out of this new environment, I’m going to experiment with some alternative ways for us to engage and interact in this course. We will start by checking in together on Monday over Zoom and I’ll talk a little bit about the myself and the course.
Fourth, the real world is going to intrude on this course. It will do so in large and small ways throughout the semester – for some of us personally – and you should feel free to let me know when you may need some flexibility and I trust you not to take advantage of this more than you need to.

Finally, and perhaps and perhaps most importantly, enormous things are moving and shifting and uncertain about the world around us right now. Much of this course is about how we have dealt with seismic shifts in the world including the Great Depression, the Industrial Revolution, the end of slavery, wars, and enormous fears and hopes about unknown futures. While this class may, at times, be a refuge from some of what is going on, it is also very much connected to the world around us. It is unlikely that anything we study will provide concrete answers to problems we are facing, but it should remind us that understanding the past is often crucial to making sense of the present.

**Zoom Expectations and Process**

For most of us, all or most of the live-time meetings of this course will occur over Zoom. We may amend these as we proceed but I’d like to set down some basic expectations about how we will use Zoom.

1. I will not regularly use Zoom to just talk at you for 45 minutes. We will break things up with a variety of other uses of our Zoom time to keep things interactive. When I have a chunk of straight lecturing, I will try to record at least some of it so you can watch on your own outside of our meeting.

2. Because our Zoom meetings will be most valuable when we are interacting, I also expect you to be actively engaged when you are
logged in via Zoom. If you cannot, recordings of Zoom classes will be available shortly after each class.

3. When you are on Zoom you should be visible to the other participants, whenever possible. I recognize that some issues of privacy or other circumstances might mean you cannot or do not want to appear on screen where you may be – and that’s completely fine – but please make an effort to be engaged and participate even if you can only join with audio.

4. Promptness and all other classroom norms are expected for formal class meetings.

5. I will have a range of virtual availabilities, including drop-in virtual office hours, but I am also available to meet (or Flunch) over Zoom by appointment throughout the semester.

1. Overview of the Course

This course explores the historical roots of the field of economics as we know it today. Before “Economics” existed as a distinct intellectual discipline, humans tackled questions of justice and fairness in the allocation of resources, the nature of money, the role of borrowing, lending, and banking, and the nature of exchange of goods, services, and payments. Over time, which issues would define the field and what tools would be employed by its practitioners took shape, even as the nature of economic life was changing as well.

This course is roughly divided into two parts.

First, we will cover a survey of major thinkers and schools of thought in economics from some of the earliest writings on economic life through John Maynard Keynes. This will allow us to trace the origins of much of the contemporary mainstream economics that is covered in our undergraduate economics curriculum in order to
give you an understanding of the theories, tools, and questions that were key in the development of the field.

The second half of this course will cover key critical alternatives to the dominant paradigms of their time. Some of these – including Keynesianism and early behavioral economics – have been substantially absorbed into the mainstream of the field, while others – Austrian economics, Marx, feminist critiques – rarely appear in modern technical analysis. All of them contested some combination of what mainstream economists considered worth studying, what modes of thought they valued, and even their understanding of the fundamental structures of economic life.

As a whole this course will then allow us to build an understanding of the key historical roots of modern economic thought, trace the evolution of the field in both form and function, and think more broadly about economics as a discipline.

This is likely to be very different from any other course you have taken from the economics department. Primarily, this is a course in thinking about economics as opposed to doing economics. We will use a textbook (which is a solid general resource) but the focus will be on original sources. Your main assignments over the course of the semester are designed to develop your ability to interpret, write and speak about how economics has changed how it thinks about key issues over time. There will be a final take home exam.

The course is coded W and R.

2. Course Objectives

This is a course about economic ideas. It explores a broad sampling of the history and range of economic thought from the Scholastics through the
middle of the twentieth century. It covers the people who produced them, key areas of intellectual agreement and conflict, and debates over theory and policy over time. We will also consider how changes in the world – technology, trade, political and cultural conflict and transformation – changed the nature of economic life and thus the changed the field of economics. This is not directly a course in economic history or economic policy – although you will learn enough of each to make sense of the theories. Rather, the course deals with the content of economic writings such as Adam Smith’s *Wealth of Nations* and Karl Marx’s *Capital.*

Upon successful completion of this course, each student will:

1. Be able to identify the major ideas associated with each group or thinker covered in the course, and thereby better understand the roots of contemporary economic thinking.
2. Be able to place the ideas and theories studied within the context of the times in which they developed and in relation to other economic ideas.
3. Be able to identify theories that differ radically from mainstream modern theory, and thereby better understand how the theoretical basis of economics has been, and continues to be, contested.
4. Be able to use writing and speaking skills to express well-reasoned economic arguments clearly and concisely.
5. Be able to analyze economic models and concepts in order to understand, explain and critique them as analytic tools.

At its core, this is a course in economic reasoning. You are certainly intended to acquire knowledge of the history of the
discipline of Economics, but much more importantly it is the goal of this course to unlock your economic reasoning skills in ways that will be useful to your historical understanding as well as to your contemporary and future analysis.

3. Essay Assignments

There will be two essay assignments for this course. The first is a short technical essay on Adam Smith, focused on an issue known as Das Adam Smith Problem. The topic for the second paper will be chosen in consultation with the professor.

4. Reading Response Blog

Each student will be required to post a blog response to a specific question based on the required reading for each class. Response are due by noon each Monday for which the reading response is assigned. An effective blog response should be at least 2 to 3 paragraphs. Blog Questions will be posted by 5 pm each Friday on my blog on Sakai.

5. Attendance/Classroom Rules

This class is designed to be a collaborative exercise. Every student should come to class prepared to participate in the day’s discussion and remain attentive and volunteer participation throughout the classes. Students are expected to have completed the readings assigned for each day prior to class.

6. Disabilities
If any student requires assistance or appropriate academic accommodations for a
disability, please contact me after class, by email, during office hours or by individual
appointment. You must have established your eligibility for disability support services
through the Division of Student Affairs, Disability Services.

7. Grading

a) Reading Responses (10 Percent): Grades will be awarded on the basis of 0 for
no response, 2-3 for a late response (within one week) or one with obviously
inadequate effort, and 4-5 for any reasonable effort. Blog posts will not be
graded for correctness or accuracy. Students may drop one grade for the
semester’s blog responses.

b) Participation/Friday Discussion Leadership (10 Percent): Each student is
expected to regularly participate in the lectures on Mondays and Wednesdays.
However, the majority of the participation grade will be based on Friday
discussions, both as a leader and a participant. Given the uncertainty of the
current environment, we may need to be flexible but my current plan is to hold
small group seminars – either in person or by video – where students will lead
detailed discussions of questions to be specified in advance.

c) Adam Smith Essay (20 Percent): Grades will be based on the final accepted
essays. Late assignments (either first or revised submissions) will lose 1 point off
the final grade for each 24-hour period they are late.

d) Debate Assignment (10 Percent): Grades will be assigned to judges on the
quality of their outlines and analysis, and to debaters on the content of their
oral arguments. A more detailed rubric will be provided prior to the first debate session.

e) Final Essay (30 Percent): Your final paper will be a 12-15-page paper on a single theme examined over several periods or schools of thought. A more detailed rubric will be provided as the semester progresses.

f) Final Exam – Take Home (20 Percent): You will be able to use all notes and materials from the class during the take final exam. Scheduling will be flexible.

8. Regrade Requests

a. All regrade requests must be made within one calendar week (7 days) of the assignment being returned.

b. All regrade requests must be made at least 24 hours after the assignment has been returned. I want you to take time to think about the feedback rather than reflexively asking for a higher grade. The time to come and talk to me is while you are working on the assignment in order to get working feedback on your ideas.

c. In all cases, I reserve the right to regrade your entire assignment, so there is always a possibility that regrading will lower your grade.

9. Attendance and Technology Policy

Students are expected to arrive on time for class. Arriving late twice will constitute an absence; arriving late four times will constitute two absences; etc. If looking ahead you think that for any reason you will not be able to attend class regularly and on time, this is not a class for you.
All absences are considered unexcused except for medical emergencies (a physician’s or counselor’s note is required) and extracurricular commitments (e.g., sports competitions) that are cleared with me at the beginning of the course.

Students are not permitted to use computers, cellphones or any other electronic devices in the classroom without specific permission. The classroom should be a place of focused discussion and electronic distractions make such an environment impossible.

10. Readings, and other Resources

Texts

This course has four required texts. There is a general reference with a good narrative history and some biographical details (Spiegel), the single most important work to the early development of economics (and arguably of all time) – Smith’s The Wealth of Nations. There are also two works critical of mainstream thought: DuBois’ Black Reconstruction and a collection of Karl Marx’ most influential work. I will be using the editions listed below but any good edition will suffice for any of these.


**Other Readings and Original Sources**

There are several web sites containing classic works in the history of economics. The most extensive is the McMaster University Archive located at [http://socserv2.mcmaster.ca/econ/ugcm/3ll3/](http://socserv2.mcmaster.ca/econ/ugcm/3ll3/). (Note: Last four characters are 3 ell ell 3.) Other online resources are available from the History of Economics Society web page: [http://www.eh.net/HE/](http://www.eh.net/HE/). *Please remember that not all on-line transcriptions are accurate and you should use original sources (which may be available online as pdf files) whenever possible*. Many of the most important periodicals in economics (as well as in other disciplines) are now available electronically as e-journals; these are available through Perkins Library, which has subscriptions to them.

*Perkins Library*: Because faculty and students at Duke have for many years had a deep interest in the history of economics the Library has an excellent collection of materials related to the subject. You are urged to become acquainted with this treasure trove. In particular, you should consider using the Goldsmith-Kress Library
of Economic Literature (printed books through 1800, on microfilm), which is available in Bostock. A printed user's guide tells you how to take advantage of this collection. The Rubenstein Special Collections Library in Perkins has built up a collection of prominent economists’ manuscripts and other documents that could be used for your essays. A list of these papers is available at http://library.duke.edu/specialcollections/collections/economists/. It is a unique experience to use manuscript resources first-hand, and the Duke Library is the best place to do that in this field.

*History of Political Economy (HOPE)*: This foremost journal in the history of economic thought is edited and published at Duke. A complete set is in the stacks of Perkins Library. All issues are also available online via HighWire Press; on the library’s homepage, click “E-journals” then type “history of political economy” in the “e-journals locator” window. Vol. 15, No. 4, of *HOPE* contains author and subject indexes covering volumes 1-15 (1968-1983), and Vol. 30, No. 4, brings this index up through 1998. For students, subscriptions are available for $35; this includes four regular issues plus a hardback supplement. Other important periodicals in the field include the *Journal of the History of Economic Thought*, the *European Journal of the History of Economic Thought*, the *History of Economics Review*, and the *History of Economic Ideas*. The Center for the history of Political Economy (CHOPE), located in Social Sciences, is the foremost center for research in the history of economic thought. There are lectures, workshops, and other activities at the Center to which you are cordially invited, as well as frequent visitors with whom you might share interests. You may Google “CHOPE Duke” for the web site with updated information and valuable links.

11. Lectures and Friday Sessions
Lectures

Lectures will be given on Mondays and Wednesdays. Please arrive punctually for all class meetings. Unexplained absences are unacceptable and will be reflected in your final grade. Class members should expect to contribute at every Friday session. You are expected to have read the assigned readings (the boldface items in the list of the reading assignments; see below) and be prepared to discuss the material. The non-boldface readings will be of interest to those with a particular interest in the topic. In addition, they

Friday Sessions

Starting (hopefully) with the second week, Fridays will be reserved for class discussion. In addition to general participation in discussions, each class member will be expected to direct part of one of the Friday discussions once during the semester. A schedule for this will be establish once the final roster is set and you have selected areas of focus for the semester.

12. Debate Assignment

Toward the end of the semester, the students will participate in debates on several of the key disputes covered in the course, each student will be able to choose among a variety of topics covered in the class up until that time. While it is impossible to guarantee everyone’s first choice, it has never been an issue to match students with issues they found engaging. Students will be allowed to complete the assignment as debaters or judges. Debaters will construct and deliver arguments in a short speech supporting one side of a particular issue. Judges will write up a summary of all
remarks in a given debate and then produce a written judgement of which side’s arguments were more convincing and why. Style will factor neither negatively or positively in debaters’ evaluations.

13. Writing Assignments

As discussed above, there are three distinct types of written assignments

Reading Responses (one a week (roughly))

Each student will be required to post a blog response to a specific question on the course’s website, based on the required reading for each week. Response are due by nine am each Monday for which the reading response is assigned. An effective blog response should be at least 2 to 3 paragraphs. Blog response grades are not primarily based on accuracy. Any response that is on time and makes a credible effort to answer will receive 4/5. Those with particular insight will receive 5/5 and late blogs will receive 2/5. Reading responses more than one week late will receive 0/5. Blog Questions will be posted by 5 pm each Friday on my blog on the course website.

Adam Smith Paper

Your first paper will be a short (750-word maximum) paper on the writings of Adam Smith. In particular, you will be addressing what has come to be known as Das Adam Smith Problem, a fundamental conflict some writers claim exists between some of Smith’s most prominent ideas. A more detailed rubric will be provided once we begin reading Smith, but students will be expected to read and critique each other’s works, and the final grade will be a combination of the quality of the initial essay, the insightfulness (and usefulness) of the critiques and the strength of the revisions.
Final Paper

The largest work-product for this course is the Final Paper. The first step will be to select a topic that is both engaging to you and is addressed in interesting and distinct ways over time by different schools of thought. It has been my experience that if you can find a good specific topic, we should almost always be able to find a way to find material that addresses it in a compelling manner. The first Friday discussion (the second Friday of the semester) will involve us brainstorming as a way of illustrating how to find an effective essay topic. Time permitting, as we move through the semester, there may be a Friday or two when students will be able to preview the arguments of their final papers for their colleagues.

Each paper should address an ongoing issue in economic thought using at least three different thinkers or schools of thought. At least one of these thinkers/schools should come from the mainstream classical/neo-classical tradition and at least one should come from the heterodox/critical traditions.

After we have introduced the course and had a couple of discussions, I will provide you with a detailed timeline for how we are to proceed through the essay during the semester.

Possible Themes

To allow you to begin to mull some of the topics you’d eventually like to write on, here is a thorough but far from exhaustive list of themes you might want to consider.
Theoretical Themes

What was the distinctive theory employed to explain the following economic variables over the different periods? What aspects of your variable are the focus in each period and why? Some of these are relatively narrow, while others are very broad in scope, but all are capable of producing strong and complex analysis.

1. Wages
2. Profits
3. Rent
5. Economic growth
6. Prices of consumer goods and services
7. International trade and foreign exchange
8. Human nature and economic behavior

Institutional Themes

1. The market
2. Workers, guilds and trade unions
3. Banks and lenders
4. Business firms
5. The role of the state in the economy
6. Property rights
7. The family
Policy-Oriented Themes

How were policy debates on one of the following topics illuminated by economics during the four periods?

1. Environmental protection
2. Constraint/misuse of economic power
3. Alleviation of poverty (welfare)
4. Racial or gender equality
5. The purpose and nature of education

7. Course Outline and Assignment Deadlines

<table>
<thead>
<tr>
<th>Date</th>
<th>Lecture Topic (Note: Friday discussions will usually be on material covered on Monday and Wednesday)</th>
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<tbody>
<tr>
<td>M Aug. 17</td>
<td>Introduction and some brief framing and economic history</td>
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Part One: The Mainstream Tradition
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<tr>
<th>Date</th>
<th>Topic</th>
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<tr>
<td>W Aug. 19</td>
<td>Thomas Aquinas, the Calvinists and some brief economic history</td>
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<tr>
<td>F Aug. 21</td>
<td>The Mercantilists and morality</td>
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<td>M. Aug. 24</td>
<td>Precursors of Classical Economics: Hume and Quesnay</td>
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<tr>
<td>W. Aug 26</td>
<td>Adam Smith I: Theory of Moral Sentiments and Intro</td>
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<td>F. Aug. 28</td>
<td>Adam Smith II: The Foundation</td>
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<td>M. Aug. 31</td>
<td>Adam Smith III: The System</td>
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<tr>
<td>W. Sep. 2</td>
<td>Adam Smith IV: Capital Accumulation and Policy</td>
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<tr>
<td>F. Sep. 4</td>
<td>Discussion: Smith and Morality</td>
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<td>M. Sep. 7</td>
<td>Jeremy Bentham on Utility</td>
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<tr>
<td>W. Sep. 9</td>
<td>Thomas Malthus on Population and Effective Demand</td>
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<td>Date</td>
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<td>F. Sep. 11</td>
<td>Discussion: Bentham and Malthus</td>
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<td>M. Sep. 14</td>
<td>David Ricardo</td>
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<td>W. Sep. 16</td>
<td>Ricardo, Utopian Socialists</td>
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<td>F. Sep. 18</td>
<td>Discussion: Ricardo and Economic Models</td>
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<td>M. Sep. 21</td>
<td>Marginal Revolution: the rise of mathematics?</td>
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<tr>
<td>W. Sep. 23</td>
<td>Carl Menger</td>
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<td>F. Sep. 25</td>
<td>The Marginal Revolution and your economics.</td>
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<tr>
<td>M. Sep. 28</td>
<td>Alfred Marshall</td>
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<tr>
<td>W. Sep. 30</td>
<td>Marshall and Pigou</td>
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<tr>
<td>F. Oct. 2</td>
<td>Supply and Demand and Pigovian taxation</td>
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Part II: Critics and Heterodox Economics
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<thead>
<tr>
<th>Date</th>
<th>Topic</th>
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<tbody>
<tr>
<td>M. Oct. 5</td>
<td>Introduction to Part II: Alternatives to the Mainstream</td>
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<tr>
<td>W. Oct. 7</td>
<td>Karl Marx I: Social Effects of the Industrial Revolution</td>
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<td>F. Oct. 9</td>
<td>Discussion: Assessing Karl Marx and Normative Economics</td>
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<td>M. Oct. 12</td>
<td>Marx II: The Mechanisms of Kapital</td>
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<td>W. Oct. 14</td>
<td>Marx III: Crisis Theory</td>
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<td>F. Oct. 16</td>
<td>Discussion: Marx and the structure of economic life</td>
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<tr>
<td>W. Oct. 21</td>
<td>Thorstein Veblen and Institutional Economics</td>
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<tr>
<td>F. Oct. 23</td>
<td>Discussion of topics for major papers</td>
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<tr>
<td>M. Oct. 26</td>
<td>Marilyn Waring and Feminist Economics</td>
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W. Oct. 28  F.A. Hayek I

F. Oct. 30  Discussion: Critiques of mathematical formalism.

M. Nov. 2  Hayek II: The Use of Knowledge in Society

W. Nov. 4  John Maynard Keynes I

F. Nov. 6  Discussion: Keynes and Hayek

M. Nov. 9  Keynes II

W. Nov. 11  Keynes III

F. Nov. 13  Discussion: the purpose of economics

M. Nov. 16  Keynes and closing discussion

F. Nov. 20  Final Papers Due

Nov. 20-24  Final Exam Period
9. Reading Assignments

The reading list that follows gives references for each of the subjects to be covered during the lectures. Boldfaced items are required for Friday class discussions and represent works to be discussed in your reading reports; the others will prepare you for the lectures or point you in the direction of further readings for your theme essays.

**Introduction**

H. Spiegel, Introduction


**Scholastics**

Spiegel, chapters 3


**Mercantilists**
Spiegel, chapters 5


Assessing the Mercantilists and Economics and Morality

Spiegel, chap. 8 pp. 171-183


Precursors of Classical Economics: Hume and Quesnay

Spiegel, chap. 8 pp. 183-200


Smith, The Wealth of Nations: Chapter 5 pp. (34-43, This is from the start of the chapter stopping after his discussion of the price of corn and labor and before the types of metal used to make coins.). All of Chapters 6&7; Chapter 8,(pp. 72-82, From the start of the chapter through the discussion of what happens to wages in a declining country, stopping before the specific discussion of wages in England); Chapter 9, pp. (98-99, the first two pages, stopping after the relationship between rates of return to stock and interest rates, 109-110, the last two pages, starting with the relationship between the ratio of interest to profit and the rate of profit); Chapter 11 (pp. 161-3, The first 3 pages up until the beginning of PART I & 269-78, The last 10 pages before the charts, starting with Effects of the Progress of Manufacture upon the real Price of Manufactures).
Smith, Wealth of Nations: Book II, Chapters 1, 3 (pp.351-65), 4. Book IV, Chapter 1 (pp. 450-456), Chapter 2 (pp. 474-80).

For those of you working from other editions:

BOOK II

Chapter 3 (pp. 351-65) are the first 15 pages of the chapter. In my version that stops with his discussion of how much the production of England has improved since the restoration of Charles II, yet observing the wave of pamphlets that have been written describing the decline of England.

BOOK IV

Chapter 1 (pp. 450-456) are the first 7 pages of the chapter. In my version this ends with the discussion of why gold and silver are more effectively self-regulating according to differences in effective demand than any other commodity.

Chapter 2 (pp. 474-80) are the first 7 pages of the chapter. In my version this ends with the discussion of whether it would be reasonable to pass laws protecting the Scottish wine industry if it were 30 times as expensive to produce wine in Scotland as to purchase it from other places.

Jeremy Bentham on Utility

[McMaster] An Introduction to the Principles of Morals and Legislation,

Chapters 1-4
Malthus on Population and Effective Demand


Bentham and Malthus

Spiegel, chapters 12-13

David Ricardo

Spiegel, chapter 14


Ricardo, Utopian Socialists

Spiegel, Chapter 11

Ricardo and Economic Models


Marginal Revolution
Spiegel, chapters 22, 24


**Menger and Austrian Economics**

Spiegel, chapter 23


**Marshall and Pigou**
Spiegel, chapter 25


Karl Marx

Spiegel, chapter 20


Tucker. The Marx-Engels Reader: Engel’s Speech at the Graveside of Marx (pp. 679-81). A Sample from Das Kapital (pp. 329-36; 361-67)


Karl Marx

Spiegel, chapter 21

Tucker. The Marx-Engel Reader: Socialism: Utopian and Scientific (pp. 700-17 starting with Section III)

Tucker. The Marx-Engel Reader: The Communist Manifesto (pp. 473-91; 499-500)

_HOPE 5.2_ (1973), pp. 359-74

[e-reserves] M. Bronfenbrenner, "The Vicissitudes of Marxian Economics,"


W.E.B. DuBois

W.E.B. Dubois, _Black Reconstruction_, chapters 1-5, 13&14.

Thorstein Veblen and American Institutionalism

Spiegel, chapter 27


[e-reserves] J. Biddle, "Purpose and Evolution in Commons' Institutionalism,"

_HOPE 22.1_ (1990), pp. 19-47.


Marilyn Waring

M. Waring, “The invisibility of women’s work: the economics of local and global ‘bullshit’.” (1997) [In Sakai, Resources]

M. Waring, “Counting for something! Recognizing women’s contributions to the global economy through alternative accounting systems.” (2010) [In Sakai, Resources]
F.A. Hayek


Access via link below, courtesy of the Mises Institute:

[Hayek, The Road to Serfdom (Condensed)]

John Maynard Keynes


Keynes and F. A Hayek

