

The Evolution of Economic Thought
Economics 500
Professor: Justin A. Elardo

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Prerequisites: Econ. 200 and 201

Required Textbook:

Hunt, E.K. 2002. History of Economic Thought: A Critical Perspective.
M.E. Sharpe; Update, 2nd edition. (HET)

Supplemental Textbooks:

Heilbroner, Robert. 1999. The Worldly Philosophers: The Lives, Times
and Ideas of the Great Economic Thinkers. Touchstone; Revised 7th
edition. (WP)

Heilbroner, Robert. 1996. Teachings from the Worldly Philosophy. New York:
W.W. Norton & Company. (TWP)

Selections from the following Primary Sources:

Keynes, John Maynard. The General Theory of Employment, Interest, and
Money.

Marshall, Alfred. Principles of Economics.

Ricardo, David. The Principles of Political Economy and Taxation.

Smith, Adam. An Inquiry into the Nature and Causes of the Wealth of Nations.

Veblen, Thorstein. Theory of the Leisure Class.

Course Objectives:

“A study of the history of opinion is a necessary preliminary to the emancipation of the mind.”

John Maynard Keynes

The purpose of the course is to expose students to the ideas of the great economists of the past. Economics has a rich history. Many economists of the past have colorful personalities that, in and of themselves, yield fascinating stories. For example, famous 20th century economist John Maynard Keynes served as a member of British delegation at the Treaty of Versailles following World War One. Keynes, frustrated with the Allies decision to impose reparations on Germany, resigned from the British delegation in protest and later wrote of his experiences in a book entitled *The Economic Consequences of the Peace*. At the same time much of what the economic thinkers of the past have had to say about the role, function, and performance of economic system gives us a greater

understanding of the field of economics in the present. For example, one major facet of Adam Smith's famous book, *An Inquiry into the Nature and Causes of the Wealth of Nations*, is Smith's critique of the mercantilist ideas that predominated economic thinking in the 18th century. Smith, in critiquing the mercantilists, moved the realm of economic thinking away from wealth being a function of money to wealth being a function of productive capabilities. To this day, economists of all stripes, owing a debt to Smith, recognize that the wealth of a nation is a function of a given nation's ability to produce goods and services. Additionally, littered throughout the works of the "Worldly Philosophers" are ideas and concepts that contemporary economics may have too easily dismissed. For example, 19th century thinkers David Ricardo and Karl Marx anchored their theoretical ideas to a theory of value that elevates human labor as the source of all value embodied in commodities (the Labor Theory of Value), while many contemporary thinkers anchor argue that value is dependent upon each individual's subjectively held beliefs about the worth of different commodities (the Utility Theory of Value). The two approaches produce two different views of the nature of the economic system. Exploring these distinctions has the possibility of expanding our understanding of the economic system in the present. The thinkers of the past still have much to say about the present.

This course meets GEC requirements in three areas – Skills (Writing and Related Skills), Breadth (Arts and Humanities: (1) Literature and (3) Cultures and Ideas), Historical Study.

Achieving GEC Objectives:

Discovering the intellectual gems of the early thinkers requires reading the early thinkers. In fulfilling **GEC requirement for Breadth C: Arts and Humanities** states the course will set out, as often as possible and plausible, to expose students to the selected thinkers via primary sources and, therefore, allow students to "evaluate significant writing." Of course, reading the early thinkers also presents unique challenges. Many of the works are written in a style foreign to contemporary students. As a result, students must adapt to the writing style of each thinker. As such students "develop capacities for...historical response and judgment; interpretation and evaluation;..., reading, ..., thinking, and writing." In reading classic works, much like studying art, having a sense of the writer's state of mind, era, and influences, allows for greater understanding of the intent of the writer.

To aid in this adaptation process, the course will employ two methods. First, the textbook(s) used in the course, while necessarily interpretive of the thinker's work, will be chosen based on the extent at which they leave considerable space for extended passages from the primary sources while at the same time offering clarity of insight over the meaning of the passages. Ideally, this will allow students the opportunity to read and make their own interpretations while also having assistance in the form of a source of reference. Second, in introducing each thinker, an effort will be made to provide the appropriate background to the student regarding the economic conditions relevant to the writers in their day thereby fulfilling the **GEC requirement for Historical Study**. In essence then students' will learn "how past events influence today's society and help them understand how humans view themselves."

Lastly in the assessment portion of the course the **GEC requirement for Skills A: Writing and Related Skills** will be fulfilled. The reading intensive nature of the course coupled with four argument papers as well as a term paper requirement creates the opportunity for students “to develop skills in writing, reading, critical thinking” as is required for the **GEC for Skills A: Writing and Related Skills**.

Argument Papers:

Each student will be required to write four argument papers over the course of the quarter. Each paper will address a specific idea discussed by one of thinkers.

Argument Paper Requirments (There are several points):

- a. The argument paper is to be within a 500 word maximum (double spaced, 12pt font) in length.
- b. Each argument paper will be graded on a 5 point scale.
 - i. A point for staying within the length requirement.
 - ii. A point for identifying one side of the argument.
 - iii. A point for identifying the alternative side of the argument.
 - iv. A point for staking a position with respect to one-side or the other of the argument.
 - v. A discretionary point dependent upon writing quality.
- c. The argument papers must be submitted by email (elardo.1@osu.edu) by midnight the night before class.
- d. In the subject heading of your email please clearly state that you are turning in an argument paper.
- e. Please put your name in the body of your paper.
- f. Please attach your argument paper to the message as an MS Word topic.
- g. Students are required to attend the class that corresponds to their argument paper submission because the argument papers form the basis for class discussion.
- h. Failure to attend the class that follows a argument paper submission will negatively affect your class participation grade.

Term Paper

Each student will be required to write a paper. The student can choose to write their paper about Smith, Ricardo, Mill, Marx, Veblen, or Keynes. In the paper the student must identify the unifying theme central to the thinker’s work, how the thinker addresses their theme, what conclusion the thinker draws with respect to their theme, and problems and shortcomings that exist with regard to their solution.

Term Paper Requirements

1. Each paper must include an introductory and concluding section.
2. Aside from the introductory and concluding sections, subsequent sections should address the elements of the above topic you have chosen.
3. At a minimum, five sources are required.
4. Internet sources such as wikipedia will **NOT** be allowed.
5. Sources may include peer reviewed books or journal articles, as well as newspaper articles.
6. Students must cite outside sources.
7. When citing sources, the MLA citing style is required.
8. Papers must be double spaced using Times New Roman 12 pt. font.
9. 2500 word maximum.

The Writing Center offers Writing Across the Curriculum support. Insofar as resources allow, Writing Center staff can provide the following services:

- individual or group conferences about concrete ways to integrate writing and related skills into courses;
- suggestions for tailoring writing assignments to a specific course syllabus;
- models for responding to and evaluating student writing;
- samples of approved courses for second- and third-level writing courses for the GEC;
- background information and research on writing in general and on writing in the disciplines in particular;
- materials that address a variety of relevant issues and challenges: using peer response and collaborative learning techniques; integrating writing into content area courses; using alternative grading models (e.g., portfolios); responding to and evaluating student writing; dealing with student errors; and attending to issues of difference in content-area courses.

Course Topics, Thinkers, and Timeline:

Week 1	I. The Earliest Economic Thought a. The Bible b. Aristotle c. St. Thomas Aquinas	HET Ch. 1 TWP 1-14
Week 2	II. The Commercial Revolution a. Bernard Mandeville b. Thomas Mun c. Richard Cantillon d. Francois Quesnay e. Anne Robert Jacques Turgot	HET Ch. 2 TWP 15-52 WP Ch. i-ii
Week 3	III. The Classical Economists a. Adam Smith (Passages, Wealth of Nations)	HET Ch. 3 TWP 53-105 WP Ch. iii
Week 4	III. The Classical Economists Cont... a. Thomas Robert Malthus and David Ricardo (Passages, Principles of Political Economy and Taxation)	TWP 106-126 HET Ch. 4-5 WP Ch. iv
Week 5	III. The Classical Economists Cont... a. Jeremy Bentham b. Jean Baptiste Say c. John Stuart Mill d. Frederic Bastiat MIDTERM	HET Ch.6 and 8 TWP 127-158 WP Ch. v (126-135)

Week 6	IV. Karl Marx	HET Ch. 9 TWP 159-196 WP Ch. vi
Week 7	IV. Karl Marx Cont...	-----
Week 8	V. The Marginalists a. Carl Menger b. William Stanley Jevons c. Leon Walras d. John Bates Clark e. Alfred Marshall (Passages, Principles of Economics)	HET Ch.10 HET Ch.11 (351-371) TWP 197-244
Week 9	VI. Twentieth Century Economists a. Thorstein Veblen (Passages, The Theory of the Leisure Class) b. John Maynard Keynes	HET Ch. 12 HET Ch. 15 TWP 245-296 WP Ch. ix
Week 10	VI. Twentieth Century Economists Cont... b. John Maynard Keynes Cont... (Passages, The General Theory of Employment, Interest, and Money). d. Joseph Alois Schumpeter	TWP 297-330 WP Ch. x

FINAL

Exams

There will be two exams given in this course. The exams will be essay. The exams will be designed to see whether students grasp the general concepts discussed in the readings and analyzed during lectures.

Grading

Midterm	25%
Final	30%
Term Paper	20%
Argument Papers	20% (4 papers @ 5% apiece)
Class Participation	5%

Class Policy

- *Extra Credit will *NOT* be made available.
- *Your final grade is *your final grade*, no exceptions.
- *Professors do not give grades, students earn them.

*Students are expected to respect and understand school policy towards plagiarism and cheating.

*There is no set attendance policy for this course.

* Only in the event of a legitimate medical excuse, or other emergency, will make up exams be made available.

Academic Misconduct

It is the responsibility of the Committee on Academic Misconduct to investigate or establish procedures for the investigation of all reported cases of student academic misconduct. The term “academic misconduct” includes all forms of student academic misconduct wherever committed; illustrated by, but not limited to, cases of plagiarism and dishonest practices in connection with examinations. Instructors shall report all instances of alleged academic misconduct committee (Faculty Rule 3335-5-487). For additional information, see the Code of Student Conduct (http://studentaffairs.osu.edu/info_for_students/csc.asp).

Disability Services

Students with disabilities that have been certified by the Office for Disability Services will be appropriately accommodated, and should inform the instructor as soon as possible of their needs. The Office of Disability Services is located in 150 Pomerene Hall, 1760 Neil Avenue; telephone 292-3307, TDD 292-0901; <http://www.ods.ohio-state.edu/>.