

General Education Curriculum
and
Economics 500: The Evolution of Economic Thought

Preface: *Meeting the General GEC Principles.*

The Evolution of Economic Thought is a course on the origins and development of economic ideas. Although a wide array of schools of economic thought persist today, contemporary economics is a field that is generally anchored to a specific methodology, positivism, and a specific epistemological tool set, neoclassical economics. Economics has not, however, always been predominantly influenced by a positivist approach and neoclassical ideas. In fact, as the history of economic thought sets out to explore, the field of economics has a long, rich, and diverse history. Most of the early thinkers in economics fundamentally engaged in the study of the inner workings of a newly developed capitalist economy transcended “formal” economic boundaries in their analyses. As opposed to adhering to positivism most early thinkers in economics engaged in the practice of political economy which, by definition, embraces a mixed methods and interdisciplinary conceptualization of economic phenomena. Due to this fact students of the history of economic thought have the opportunity to study and evaluate the methods and ideas of early thinkers as compared to contemporary economic practices. In the spirit of critical thinking, students then have the opportunity to evaluate the pros and cons of different economic methodologies and theories. As such, these principles meet the general principles of the GEC Model Curriculum in the Arts and Humanities and Historical Study. Students quite clearly “gain from their courses both substantive knowledge and an appreciation of different methodologies” as well as being exposed to a “synthesis of knowledge that transcends the boundaries of discrete disciplines” allowing the course to “play an important role in general education.”

I. This course meets the GEC requirements for Breadth C: Arts and Humanities. (3) Cultures and Ideas.

- A. The GEC requirement for Breadth C: Arts and Humanities states:
“Students evaluate significant writing and works of art. Such studies develop capacities for aesthetic and contextual response and judgment; interpretation and evaluation; critical listening, reading, seeing, thinking, and writing; and experiencing the arts and reflecting on that experience.”
- B. The GEC requirement for Breadth C: Arts and Humanities Learning Objectives State:
 - 1. Students develop abilities to be informed observers or active participants in the visual, spatial, performing, spoken, or literary arts.
 - 2. Students describe and interpret individual achievement, specific creative works, and/or movements in the arts and literature.
 - 3. Students explain how works of art and literature explore the human condition.

C. Cultures and Ideas Objectives:

1. Students develop abilities to analyze, appreciate, and interpret major forms of human thought and expression.
2. Students develop abilities to understand how ideas influence the character of human beliefs, the perception of reality, and the norms which guide human behavior.

D. Rationale:

The purpose of a history of economic thought course is for students to “evaluate significant writing” via a historical survey of ideas. “Students develop abilities to be informed observers” by directly reading and then evaluating for themselves, via argument papers, the meanings of the ideas that appear in the primary writings of many of the economists of the past. Through critical reading and writing, students have the opportunity to develop “abilities to analyze, appreciate, and interpret major forms of human thought and expression.” For example, students may be confronted by the work of Francois Quesnay. Quesnay was an 18th century French physiocrat. The physiocrats lived in a society with a strong feudal legacy of agrarian orientation. Although the physiocrats were aware of the larger societal changes associated with a manufacturing economy, they continued to emphasize the significance of land as the only necessary production input. Ideally, through their own interpretive investigation, students will come to understand and recognize why the physiocrats had a predilection toward elevating the importance of land above and beyond the significance of other inputs of production.

Another element involved in the evaluation of “significant writing” is the dissection of persuasion. It is not enough that students are exposed to and learn to understand the ideas of past political economists. Students must also recognize that some ideas, whether superior or not, find wider audiences and greater success than do other ideas. One reason as to why this is the case is related to the rhetorical skills of the thinker. For example, during the Great Depression many economists set out to understand and then explain the causes of the economic calamity. Although many of his ideas about macroeconomic phenomena were also identified and discussed by other theorists of his time, the work of John Maynard Keynes is still identified as having “revolutionized” the field. The fact that Keynes’ ideas are now referred to as Keynesian economics is a testament to his persuasiveness as a writer. In fact, when he set out to offer an explanation for the Great Depression that differed from the dominant view of the day, Keynes readily acknowledged that he needed to effectively persuade fellow economists. As a result, it is important that students have the opportunity to interpret and evaluate the effectiveness of different rhetorical approaches. Through the argument paper concept not only will students be encouraged to develop an understanding of ideas, but

they are also positioned to develop an “aesthetic and contextual response” with respect to the rhetoric of economists.

Importantly, any thoughtful rendition of the history of economic thought will also take into consideration the cultural and historic influences that impacted the development of the various ideas of the early thinkers that are discussed throughout the course. In order for students to “develop abilities to understand how ideas influence the character of human beliefs, the perception of reality, and the norms which guide human behavior,” they must be confronted with the notion that the social, cultural, political, and economic circumstances of the different thinkers respective ages’ colors the manner in which thinkers develop their ideas and world views. For example Adam Smith had spent time in France and nearly dedicated his most famous work, *The Wealth of Nations*, to Quesnay. Smith, however, was also a product of the Scottish Enlightenment and had a keen awareness of the circumstances surrounded the early capitalist economic relations. In addition, Karl Marx was German born and originally studied law before turning his focus toward philosophy, particularly the German idealism of Hegel, and then toward political economy. If the course is successful, students will learn to recognize how subtle social and cultural norms guide the behavior of theorists and their ideas.

E. Addressing Breadth C: Arts and Humanities (3) Cultures and Ideas
Questions:

1. How do the particular objectives of the course fit the objectives of the Breadth C: Arts and Humanities (3) Cultures and Ideas category?

The course, being the study of the evolution of economic thought, exposes students to various ideas within their historic context. Most ideas that have been developed to explain economic phenomena arose in response to or as a result of relevant economic, social, political, and cultural circumstances. For example the French physiocrats of the 18th century, living in a predominantly agrarian nation that retained the vestiges of feudal traditions and culture, not surprisingly emphasized the importance of land as the primary source of economic value. In order to put the physiocrats into appropriate context requires an awareness of the social and cultural norms common to feudalism and how the legacy of feudalism may have influenced the later physiocratic thinking.

2. How do the readings assigned fit the objectives of the Breadth C: Arts and Humanities (3) Cultures and Ideas category?

The reading assignments focus on the theoretical and methodological insights of specific thinkers within their specific societal circumstances. For example mid 19th century thinker John Stuart Mill wrote in a day an age influenced by Utopian Socialists. As such, while Mill’s work did not include the fictional character of the Utopian’s visions, Mill did address

the possible alternatives to capitalism. Therefore, as is the case with all of the theorists discussed through the course, the readings seek to strike the relationship between Mill's ideas and ideas common to his day.

3. How do the weekly/lecture topics fit the objectives of the Breadth C: Arts and Humanities (3) Cultures and Ideas category?

The topics, including lectures and class discussions, will bring to the fore the how the assigned readings reflect the times of their writers' and how they would have been received by their contemporary audiences.

4. How do the written assignments fit the objectives of the Breadth C: Arts and Humanities (3) Cultures and Ideas category?

The written assignments, both the term paper and the argument papers, are designed to have students critically examine, evaluate, decipher, and compare the theoretical insights of the different writers. As such, the students are asked to recognize how the thinker's cultural identity may have influenced the development and evolution of their ideas.

5. How does the course aim to sharpen students' response, judgment, and evaluation skills?

Students are asked to write argument papers in support of or disputing ideas proposed by different thinkers. Therefore, aside from the in-class discussion that relates to the material being covered, the classes after argument papers are submitted, will include time for the students to discuss and present the arguments they propose in their argument papers.

6. How will students experience and interact with the arts and/or literature in this course?

Portions of the students' readings are primary sources. As such, students directly experience and interact with the ideas of the thinkers assigned throughout the course.

F. Assessment

1. Specific Assessment and Learning Objectives

The course exams consist of essay questions. In order to assess whether or not students have effectively retained the subject matter in such a way as to be consistent with the Breadth C: Arts and Humanities (3) Cultures and Ideas category of the GEC curriculum, from one quarter to the next (with appropriate alterations in order to prevent academic dishonesty) there will be key *Embedded Questions* included on exams. The following is a list of potential *Embedded Questions*:

- i. Why does economic theory, like any social theory, have a normative character? Explain.

ii. Using specific examples from at least three different thinkers that have been discussed this quarter, describe how each thinker has grounded their economic ideas in a set of moral and ethical ideas.

iii. Using specific examples of ideology, explain how different moral and ethical ideas developed as human economic development transformed from feudalism to capitalism.

The learning objectives that each of the above questions sets out to achieve is closely related to GEC requirements for Breadth C: Arts and Humanities (3) Cultures and Ideas. If students are effective at answering each of the above questions, then they will have to clearly understand the idea of normative reasoning which is an important skill for understanding unique cultural norms. In addition students will be confronted with, and have to identify, the social, cultural, economic, and ideological factors behind the origin of economic ideas. As a result, if students truly understand the evolution of economic ideas, then the fact that Adam Smith was a Moral Philosopher at the University of Glasgow or that Thomas Robert Malthus was both a minister and a political economist will represent more than merely historical facts, these factors will reflect relevant historical considerations.

2. General Student Assessment:

a. Survey

At the conclusion of the quarter students will be asked to articulate whether or not the course has fulfilled the Breadth C: Arts and Humanities (3) Cultures and Ideas GEC criteria. The following questions may appear on the survey:

i. Did the course enhance your ability to analyze major forms of human economic thought?

ii. As a result of the class, did you learn to appreciate major forms of human economic thought?

iii. Did the course enhance your ability to interpret major forms of human economic thought?

iv. Did the course aid in your understanding how ideas influence the character of human beliefs?

v. Did the course aid in your understanding of how ideas influence the perception of reality of different economic thinkers?

vi. Given the ideas that you learned throughout the class, what ideas do you believe were the most important?

vii. Which economist of the past do you believe was the most accomplished rhetorician?

viii. Why do you think some theorists are better rhetoricians than others?

II. This course meets the GEC requirements for Historical Study.

A. The GEC requirement for Historical Study states:

“The purpose of courses in this category is to develop students’ knowledge of how past events influence today’s society and help them understand how humans view themselves.”

B. The GEC learning objectives for Historical Study state:

1. Students acquire a perspective on history and an understanding of the factors that shape human activity
2. Students display knowledge about the origins and nature of contemporary issues and develop a foundation for future comparative understanding;
3. Students think, speak, and write critically about primary and secondary historical sources by examining diverse interpretations of past events and ideas in their historical contexts.

C. Rationale:

The purpose of the course is to expose students to the ideas of the great economists of the past. Economics has a rich history. As such history of economic thought analyzes the texts of many different thinkers over time always recognizing that each theorist’s own existential experience fundamentally shapes their perception of the world they are studying. As such “Students acquire a perspective on history and an understanding of the factors that shape human activity.” For example, in the late 18th and early 19th centuries the British Parliament passed a series of “Corn Laws” restricting the importation of agricultural products from continental Europe into England. The passage of these laws stimulated the interest of two prominent thinkers of the era, David Ricardo and Thomas Robert Malthus. Ricardo developed an elaborate theoretical defense “free trade” and sought to have the “Corn Laws” repealed. To the contrary, recognizing the importance to the English economy of English landowners, Malthus argued on behalf of trade restrictions arguing that free trade would erode the purchasing power of the landowners and thus undermine English economic activity. While David Ricardo’s

contribution to the “Corn Law” debate is known today as the theory of comparative advantage, Malthus’ work stimulated the curiosity of 20th century economist John Maynard Keynes and his evaluation the Great Depression. Clearly the ideas of Ricardo and Malthus were heavily influenced by their experiences. Of course, with respect to Keynes’ experience with the Great Depression, another door opens to another example how the existential condition encountered by each thinker shapes many of their views.

In addition, while David Ricardo’s clarification of the merits of free trade arose out of Ricardo’s desire to repeal the corn laws, Ricardo’s clarification of the concept of comparative advantage has also had a profound effect on the study of economics and continues to persist to this day as a fundamental tenet of economic theory and features in contemporary policy discussions. As a result, “Students display knowledge about the origins and nature of contemporary issues and develop a foundation for future comparative understanding.” There are also instances in which the ideas of economic thinkers of the past, although providing potentially useful insights regarding the role, function, and performance of economic system, have had their ideas forgotten. Littered throughout the works of the “Worldly Philosophers” are ideas and concepts that contemporary economics may have too easily dismissed. Thus, the thinkers of the past still have much to say about the present. Therefore, given the variety of thinkers and their backgrounds, students develop a greater sense of the evolution of Western economic ideas as well as “how humans view themselves” within the broad context of their historical circumstances.

D. Addressing History Requirement Questions:

1. How do the particular objectives of the course fit the objectives of the Historical Study category?

The course is about the history of ideas in the field of economics, therefore students are exposed to the various ideas that have been developed to explain economic phenomena and how they are responses to the times in which they were developed. As such, “Students acquire a perspective on history and an understanding of the factors that shape human activity” while gaining “knowledge about the origins and nature of contemporary issues in economics.” Additionally, due to the diversity of ideas and subsequent disagreements among thinkers of the past, the course encourages students to “think, speak, and write critically about primary and secondary historical sources by examining diverse interpretations of past events and ideas in their historical contexts.”

2. How do the readings assigned fit the objectives of the Historical Study category?

The reading assignments focus on the theoretical and methodological insights of specific thinkers. The students are then confronted with the existential circumstances under which each thinker derived their ideas. As a result, the students have an opportunity to recognize economic ideas as a byproduct of historic events. In other words, students will examine “diverse interpretations of past events and ideas in their historical contexts.”

3. How do the weekly/lecture topics fit the objectives of the Historical Study category?

The weekly/lecture topics discuss what was assigned via the reading. As a result during lectures students are encouraged to “think critically” and then asked to “speak” in class as to the content of the “primary and secondary historical sources” that they have been asked to read.

4. How do the written assignments fit the objectives of the Historical Study category?

The written assignments, both the term paper and the argument papers, are designed to have students critically examine, evaluate, decipher, and compare the theoretical insights of the different theorists. This process encourages students to “display knowledge about the origins and nature of contemporary issues and develop a foundation for future comparative understanding.”

5. How will students sharpen communication skills through the preparation of essay exams and papers and through participation in discussions in this course?

Students are asked to write argument papers in support of or disputing ideas proposed by different thinkers. Therefore, aside from the in-class discussion that relates to the material being covered, the classes after argument papers are submitted, will include time for the students to discuss and present the arguments they propose in their argument papers. This process ensures that students are engaged in a process in which they “write critically about primary and secondary historical sources.”

E. Assessment

1. Specific Assessment and Learning Objectives

- a. The course exams consist of essay questions. In order to assess whether or not students have effectively retained the subject matter in such a way as to be consistent with the GEC requirements for Historical Study, from one quarter to the next (with appropriate alterations in order to prevent academic dishonesty) there will be key *Embedded Questions* included on every exam. The following is a short list of potential *Embedded Questions*:

- i. In what ways are the ideas of the physiocrats still evident in contemporary economics? Why? Explain.
- ii. Which group of contributors to economic thought did Adam Smith's work challenge? Why? Explain.
- iii. Why were the Corn Laws so important to Thomas Robert Malthus and David Ricardo? Explain.
- iv. How are the outcomes of the marginalist revolution still evident in contemporary economics? Explain.
- v. Are Marx and Veblens' challenges to marginal productivity theory relevant today? Explain.

b. The learning objectives that each of the above questions sets out to achieve is closely related to GEC requirements for Historical Study. If students are effective at answering each of the above questions, then they will have to clearly understand the importance of placing thinkers within their unique historic context. For example, Adam Smith, like all great thinkers, gathered ideas from many sources. In Smith's case, the French physiocrats were an important source of insight. This is not to say that Smith agreed with all the ideas presented by the physiocrats. Smith, as a result of his own existential circumstances, accepted some physiocratic ideas while altering others to better explain the phenomena he encountered. Additionally, Smith's most influential work, *The Wealth of Nations*, sought to challenge many of the still pervasive mercantilist ideas common in Smith's time. Again, in order for students to address these questions, they must recognize the significance of Smith's challenge to the mercantilist and understand why, based on historical circumstances, Smith challenged their ideas. In many respects the same reasoning applies to the Corn Laws and the work of Malthus and Ricardo. The Corn Laws were the dominant economic and political debate of their day. Each theorist, sometimes employing similar ideas and sometimes employing different theoretical tools, staked a claim regarding the significance of the Corn Laws. Malthus, pursuing the land holders interests, argued on behalf of the Corn Laws while Ricardo, in support of manufacturers, argued against.

2. General Student Assessment:

a. Survey

At the conclusion of the quarter students will be asked to articulate whether or not the course has fulfilled the GEC requirement for

Historical Study. The following questions may appear on the survey:

- i. Did the course enhance your ability to understand the history of major economic events that shaped economic ideas?
- ii. As a result of the class, did you learn to appreciate the historic development of new economic ideas?
- iii. Did the course enhance your ability to interpret major theoretical ideas that shape the history of human economic thought?
- iv. Did the course aid in your understanding how historic events influence the character of economic ideas?
- v. Did the course aid in your understanding of how historic circumstances influence the perception of reality of different economic thinkers?