



E. Ahmet Tonak

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## ECON 306: History of Economic Thought

### Course Description and Objectives:

This course will serve as an introduction to the history of economic thought. Given the almost exclusive domination of a single school of economic thought in the mainstream literature, i.e., neoclassical economics seasoned to a certain extent with a Keynesian flavour, the course will introduce the student to other modes of thinking. The latter includes the Classics, Marxian, Sraffian, Post-Keynesian and Institutional economics.

The course has several aims:

- 1) To instill in the student the awareness of the multiplicity of viewpoints concerning the same economic phenomena in the modern world.
- 2) To lay bare the ideological assumptions behind the way economists look at economic phenomena.
- 3) To bring out the relationship between developments in the material world and the world of ideas.
- 4) To compare and contrast different viewpoints on certain economic issues of fundamental importance (e.g. market vs. state intervention, market vs. planning, development, globalization, economic crisis etc.).

### Course Requirements

#### *Grading*

Mid-term Exam.....	%25
Final Exam.....	%35
Critical Commentaries/Charts [(5+5) x 3].....	%30
Participation.....	%10

The final and mid-term exams will be based upon pre-circulated essay type study questions and short definitional questions.

Critical Commentaries/Charts will be based on the assigned readings and WSJ pieces. The structure of the critical commentaries and charts will be explained in the first-class meeting. By following the link below, you can get a reduced student subscription rate for the WSJ (\$4 for 4 weeks, \$12 for the term): <https://r.wsj.com/PROF57fk>

### ***Note on Academic Honesty***

Penalties for any breach of academic honesty (such as giving or receiving help or using outside material during exams, or plagiarism) are severe and include University disciplinary action. Information on the University's academic honesty policy and examples of academic dishonesty are available under Academic Honesty Policy at [http://www.umass.edu/dean\\_students/academic\\_policy](http://www.umass.edu/dean_students/academic_policy).

### **Reading Material**

#### ***Textbooks***

Robert Heilbroner. 1996. *Teachings from the Worldly Philosophy*. New York: W. W. Norton. (henceforth RH).

E. K. Hunt and Mark Lautzenheiser, 2011. *History of Economic Thought : A Critical Perspective*. New York: M. E. Sharpe, Inc. (henceforth HL).

*Wall Street Journal*; to be used for critical commentaries and charts.

#### ***Supplementary books***

Ken Cole. 1995. *Understanding Economics*. London: Pluto Press.

William J. Barber. 1985. *A History of Economic Thought*. Middlesex: Penguin Books.

Daniel R. Fusfeld. 2002. *The Age of the Economist*. Boston: Pearson Education.

E. Ray Canterbery. 2002. *A Brief History of Economics*. New Jersey: World Scientific Publishing.

W. J. Samuels, J. E. Biddle and J. B. Davis eds. 2003. *A Companion to the History of*

*Economic Thought*, Oxford: Blackwell. (henceforth, CHOET)

### *Original sources*

Smith, Adam. [\*The Wealth of Nations\*](#).

Ricardo, David. [\*Principles of Political Economy\*](#).

Marx, Karl, [\*Capital\*](#), [Volume 1](#), [Volume 2](#), and [Volume 3](#):

Marshall, Alfred. [\*Principles of Economics\*](#)

Keynes, John. [\*The General Theory of Employment, Interest, and Money\*](#)

Sraffa, Pierro. [\*Production of Commodities by Means of Commodities\*](#)

Veblen, Thorstein. [\*The Theory of the Leisure Class\*](#)

Lenin, V. I. [\*Imperialism, the Highest Stage of Capitalism\*](#)

### **Weekly Readings**

***Week 1: Introduction, the rise of capitalism and the methodology of economics***

HL: 3-22

[Pin Worker Productivity since Adam Smith](#)

### *Supplementary*

Robert L. Heilbroner. 1987. [\*Capitalism\*](#). *The New Palgrave Dictionary of Economics*. edited by John Eatwell, Murray Milgate, and Peter Newman. Palgrave MacMillan.

***Week 2: The Mercantilists and the Physiocrats***

HL: 23-39.

RH: 24-28 and 35-40

### *Supplementary*

D. A. Fusfeld: 7-22

L. G. Magnusson. *Mercantilism* in CHOET

***Week 3: The Classical School: Adam Smith-I***

HL: 40-64.

RH: 73-105

[Smith's Pin Factory](#)

*Supplementary*

D. A. Fusfeld: 7-22

W. J. Barber: 17-22

***Week 4: Adam Smith-II, Thomas Robert Malthus, and David Ricardo***

HL: 65-90.

RH: 106-126.

*Supplementary*

D. A. Fusfeld: 23-36

***Week 5: David Ricardo and the Classical theory of capital accumulation***

[International Trade: Cases from the USA](#) (video)

*Supplementary*

D. A. Fusfeld: 37-48

W. J. Barber: 76-93

***Week 7: Karl Marx and Marxian economics-I***

HL: 202-219

RH: 161-183

Marx, K. 1859. *A Contribution to the Critique of Political Economy*, "[Preface](#)"

*Supplementary*

PolyLuxMarx is a Berlin-based collective that produced a guidebook for Capital, vol. I and a series of PowerPoint [slides](#).

D. A. Fusfeld: 57-74

***Week 8: Karl Marx and Marxian economics-II***

HL: 220-246

RH: 183-195

*Supplementary*

M. Heinrich. 2013. [Crisis Theory, the Law of the Tendency of the Profit Rate to Fall, and Marx's Studies in the 1870s](#). *Monthly Review*. Volume 64, Issue 11.

Guglielmo Carchedi and Michael Roberts. 2013. [A Critique of Heinrich's, 'Crisis Theory, the Law of the Tendency of the Profit Rate to Fall, and Marx's Studies in the 1870s](#). *Monthly Review*. December.

Shane Mage. 2013. [Response to Heinrich—In Defense of Marx's Law](#). *Monthly Review*. December.

[Heinrich Answers Critics](#)

***Week 9: Thorstein Veblen and the institutional economics***

HL: 316-346 and 495-501

RH: 247-263

*Supplementary*

G. Hodgson. 1998. [The Approach of Institutional Economics](#), *Journal of Economic Literature*, 36(1), March, pp. 166-92.

Videos:

1) G. Hodgson

2) D. Acemoğlu

***Week 10: Theories of imperialism: Hobson, Luxembour, and Lenin***

HL: 347-370

*Supplementary*

A Seminar series on Development Thought and Policy at Economics Department, The New School, NY. (March 6, 2012): *Is Imperialism a useful concept in the age of financial globalization?*

***Week 11: The Keynesian Revolution I***

HL: 398-433

*Supplementary*

Annenberg Learner: The Great Depression and the Keynesian Revolution ([video](#))

***Week 12: The Keynesian Revolution II and Post-Keynesians***

HL: 493-495 and 501-509

RH: 275-296

[G. Harcourt on Keynesians and Post-Keynesians](#)

*Supplementary*

E. R. Canterbery: 250-272

***Week 13: Pierro Sraffa***

HL: 509-516

Amartya Sen. 2003. '[Sraffa, Wittgenstein, and Gramsci.](#)' *Journal of Economic Literature*, 41(4), December, pp. 1240-1255.

Ajit Sinha. n.d. [A Comment on Sen's "Sraffa, Wittgenstein, and Gramsci."](#)

Amartya Sen. 2016. "[Sraffa's Ideas and his Books](#)" at the conference launching *The Catalogue of the Library of Piero Sraffa*

***Week 14: Heterodox Economics and Its Future***

HL: 517-544

Matias Vernengo, 2014. [Radical and Heterodox Economics](#)

David Harvey. 2018. [Value in Motion.](#)

*Supplementary*

Faculty Panel Discussion: Vision in Heterodox Economics | The New School

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