

# History of Economic Thought - EC311

## Syllabus

EC 311- Fall '06

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Boise State University

*Where is the wisdom we have lost in knowledge? Where is the knowledge we have lost in information? (T.S. Eliot)*

**Office:** B-311, 208.426.1469

### Texts:

Backhouse, Roger E. **The Ordinary Business of Life**, Princeton University Press, 2002.

### Other good references:

Heilbroner, Robert L. **The Worldly Philosophers**, 7<sup>th</sup> edition, Touchstone Book, Simon and Schuster, 1995 (original from 1953).

Heilbroner, Robert L. **Teachings from the Worldly Philosophy**, WW Norton and Company, 1996.

**The New Palgrave: a Dictionary of Economics** is available in the library. It is an excellent source of material.

<http://www.boisestate.edu/econ/lreynol/web> , This web site contains course material that will be used in class.

History of Economic Thought web site at the New School

<http://cepa.newschool.edu/het/>

You should expect to read 2 or three other sources on the major topics. Part of education is learning how to critically select things to read. There are a large number of books on all manner of history of economics topics.

### Objectives:

A core problem addressed in many of the contributions to the development and evolution of economic thought is the nature of the relationship between the individual and society in the process of allocating and using resources. The "**big question**" is; "***How can the integrity and freedom of the individuals be balanced with the commonweal?***" There are a large number of possible perspectives with respect to this problem. These perspectives vary over time and from person to person.

The development of economic thought is also intertwined with the development of "scientific" as well as religious, political and social thought. A primary objective of this History of Economic Thought course is to investigate various perspectives that have influenced economic thought in different periods and places as well as to identify the "mainstream" of Western economic thought.

A second objective is to critically evaluate some of the major contributions to the theory of *value*, the theory of *production*, and the theory of *distribution*. While these topics form the core of economic thought, there are two basic categories of questions that can be asked about these three (and other) topics. First, the joint questions of "***What do I know?***" and "***How do I know?***" and second, "***What do I believe?***" and "***Why do I believe it?***"

There have been many attempts to construct theories to explain value, production and distribution. In the process, economists have developed price theory, cost theory, growth theory, macroeconomics, population theory and a plethora of other theories that both reflect and influence the way that individuals and societies perceive human behavior and relationships between the individuals and the commonweal.

As technology and society continues to evolve, the economic theory used to explain phenomena also changes. In the past the enclosure movement, agrarian and industrial revolutions have fundamentally altered social institutions. Popular views often argue that we are in another period of transformation. The nature and effects of this transformation are not clearly understood. Hopefully, history teaches us some of the questions to ask and provides some guidance for dealing with the changes that confront society and individuals.

The purpose of this course is then:

- **To acquaint students with the creation and evolution of alternative schools of economic thought.**
- **To investigate the technological, ideological and social forces that have influenced these schools of thought and the associated theories that were used to explain and analyze particular choices.**
- **To consider the impacts that alternative schools of thought have had on "mainstream" economics.**
- **To encourage the discussion and study of how the rapidly changing events will alter society's (and the student's) perspective about economic relationships. What new economic theories will these altered perspectives encourage?**
- **To encourage students to ask themselves the questions:**
  - "What do I know?"
  - "How do I know?"
  - "What do I believe?" and
  - "Why do I believe it?"

#### **Grades:**

Grades will be based on Quizzes, midterm, a comprehensive final exam, written work and class participation. No makeups will be given. The lowest quiz score will be dropped.

#### **Exams: 50%**

Exam 1 – 10 October '06

Final exam – 13 December '06, 10.30am-12.30pm

#### **Quizzes: 25%**

**Participation: ±5%** Participation requires that you attend class, however attendance alone does not constitute "participation." Participation includes attending class, asking questions, answering questions, engaging in discussions and offering information relevant to the course. Quizzes will be included as an important part of participation. Participation is important. **Do not assume you will get 25 points automatically.** This requires attendance, asking questions and offering insights during class. It is necessary to demonstrate that you understand and can discuss the ideas in the class. The ability to communicate orally is as important as written work. Just attendance will not be credited with any points. Students missing more than 7 classes may be assigned a grade of F. The final grade may be reduced by one letter if 5 or more classes are missed.

#### **Writing assignments and class presentations: 25%**

You will be responsible for two essays (5-10 pages each) that you will duplicate for the class and present to the group. One paper is on the contributions of a specific economist (due 6 October '06), the other on the evolution of a specific concept or school of thought (due 17 November '06). Guide lines and suggestions will be provided in a separate handout. Please note the dates the papers are due. Late papers will be dropped one letter grade per week on the first paper and I will not accept papers after 17 November '06. I strongly recommend that you begin the papers early.

## THE GRADING SCALE IS:

90 - 100% = A  
80 - 89% = B  
63 - 79% = C  
55 - 62% = D

+/- will be awarded if you are close to grade boundary. Participation may be considered in the use of +/-

It is assumed that you will read the book and ask questions regarding the material. It is the responsibility of the instructor to "summarize" the material, answer questions, add ideas and concepts not in the text, and to ask students questions to encourage independent thought on economic issues.

Attached is an outline. There are no dates on the outline; we will begin with Item I. and progress as rapidly as we can. You will be held responsible for the material discussed in class as well as the material on the outline. It is the students' responsibility to read the outline and a text. It is also the responsibility of the student to ask questions about ideas that they do not understand.

Participation in a community requires that everyone [student and instructor] be treated with respect. While all ideas are not of equal value [some ideas are "better" than others], it is necessary to treat each person and their ideas with respect. In this manner, it is possible to explore the reasons why some ideas are "better" than others. One of the functions of the educational process is to make the participants uncomfortable with what they think they know. This process encourages an individual to seriously investigate what they believe and to consider alternatives. They may or may not conclude that what they originally believed should be retained. Training is the process of instructing a student in what to think and how to do specific tasks. This course is not training.

This investigation and open, competitive discussion is one way that the "best" ideas can emerge. The competitive atmosphere for ideas must be structured so that each idea can be accepted or rejected on its merits. No ideas should be accepted or rejected only because its proponents or detractors are "rude."

In any community, there must be some standard of acceptable behavior. Common courtesy among the members of any community is required. If you were talking to me, it would be common courtesy for me to excuse myself before turning and walking away or starting a conversation with someone else. The way in which we treat one another not only makes the class a more pleasant experience, but it also affects the nature of the learning experience.

### **Student Responsibilities**

Students will be expected to follow the provisions of the student policies and procedures of the Student Handbook.