

**RH351, Rhetoric of Economic Thought
Rose-Hulman Institute of Technology, Spring 2008**

Instructor: Kevin Christ, Moench Hall A-203d, 872-6226 (phone), 877-8909 (fax)
Email: kevin.christ@rose-hulman.edu
Course Web Site: <http://www.rose-hulman.edu/~christ/history/rh351home.htm>

Course Description:

This course surveys the history of economic thought by exploring secondary and original source literature from historical, methodological and rhetorical points of view. The required readings are extensive, and writing assignments are the major component of the grading criteria. The course is designed for students with a serious interest in economics. The only prerequisite is SL151, Principles of Economics.

As the course progresses, we will survey the development of economic thought from ancient speculations and pre-classical doctrines, through the great classical economics of the 19th century, to the mathematical formalism that came to dominate economic thought in the 20th century. Along the way we will consider dissenting views outside the mainstream, such as Marxism and Institutionalism, and will consider these and other broad questions:

- How did the economic way of thinking, by which is meant the orthodox reductionist view of rational decision making, come to dominate our views about how society organizes itself?
- What analytical and rhetorical strategies have economists used to make their arguments?
- What claims can a social science such as economics make concerning the knowledge that it produces? Is social science knowledge equivalent to the knowledge generated by other sciences?
- What relationship, if any, exists between economics and ethics?

The format of the class will consist of lectures, discussion days, in-class writing exercises, individual student conferences, one examination and student research papers. See the schedule on this syllabus for a tentative plan and the course web site for a more detailed and updated schedule, as well as links to lecture outlines and readings.

Assignments and Grades:

Grades will be based upon the following criteria and weights:

Participation	25%
Examination	10%
Writing Exercises (4)	40%
Research Paper	25%

Helpful Sources for Information on the History of Economic Thought:

Further background information on the subjects and people we will be discussing, as well as many primary texts, are available online at a number of different sites devoted to the history of economic thought. Students are encouraged to consult these sources prior to lectures and class discussions.

History of Economic Thought Website at New School University: <http://cepa.newschool.edu/~het/home.htm>
This is the most comprehensive source of information about the history of economic thought.

McMaster University Economic Thought Archive: <http://socserv.mcmaster.ca/econ/ugcm/3113/>
This archive contains a large number of significant texts in the history of economic thought.

Philosophy on the EServer: <http://philosophy.eserver.org/texts.htm>
This archive contains a large number of philosophy texts.

Course Outline / Reading List:

Background Readings / Course Texts (available at the campus bookstore)

- Heilbroner, Robert L. (1992), *The Worldly Philosophers*. New York: Touchstone (Primary Text).
- Hirschman, Albert O. (1977), *The Passions and the Interests* (Secondary text – week 2).
- Sen, Amartya (1987), *On Ethics and Economics*. Marlden, MA: Blackwell (Secondary Text – week 8).
- Hausman, Daniel M. (1994), “Introduction”, from *The Philosophy of Economics* (handout).

Original Sources / For Discussion Days (available online via course web site links or as handouts)

1. Introduction and Ancient Economic Thought – Heilbroner, I and II

Leviticus, chapter 25.

Aristotle, Selections from *Nicomachean Ethics*, Book 5, chapters 3 – 5, and *Politics*, Book 1, chapters 3 – 10. [*The Basic Works of Aristotle*, Richard McKeon, ed. New York: Random House (1941), 1007 – 1012 and 1130 – 1141.]

Thomas Aquinas, Selections from *Summa Theologica*. [Available in Dino Bigongiari, ed., *The Political Ideas of St. Thomas Aquinas*. New York: Hafner (1953), pp. 1 – 23.]

2. Pre-Classical Economics – Hirschman

Mandeville, Bernard, “The Grumbling Hive.” [Selections available in Robert Heilbroner, *Teachings from the Worldly Philosophy*. New York: Norton (1996), pp. 19 – 23.]

Mun, Thomas, Selections from *England’s Treasure by Forraign Trade*”, chapters 2 – 4. [Available, in part, in Robert Heilbroner, *Teachings from the Worldly Philosophy*. New York: Norton (1996), pp. 24 – 28.]

Quesnay, Francois, *Tableau Economique*, 3rd ed. (1974). [Marguerite Kuczynski and Ronald L. Meek, *Quesnay's Tableau Economique*. London: Macmillan (1972).

3. Classical Economics – Heilbroner, III and IV

Smith, Adam, Selections from *An Inquiry into the Nature and Causes of the Wealth of Nations*, especially Book 1, chapters 1 – 7. [Harvard Classics edition, New York: Collier (1909), pp. 9 – 67.]

Ricardo, David, Selections from *The Principles of Political Economy and Taxation*, chapters 4 – 5. [Everyman’s Library edition, Rutland, VT: Tuttle (1973) pp. 48 – 63.]

Mill, John Stuart, Selections from *Principles of Political Economy*. (1848, 1871, 7th ed.) Book III, Chapter 1, “Of Value”; Book III, Chapter 2, “Of Demand and Supply”; Book III, Chapter 14, “Of Excess of Supply”; Book IV, Chapter 6, “Of the Stationary State”.

4. Marxism and Socialism – Heilbroner, V and VI

Marx, Karl, Selections from Capital (Volume I, 1867). Also of interest: *The Communist Manifesto* (1848). Reprinted in *Karl Marx: Selected Writings*, Lawrence H. Simon, ed. Indianapolis/Cambridge: Hackett (1994).

Hayak, Frederich, Chapter, “The Great Utopia”, from *The Road to Serfdom* (1944).

5. Marginalism, Neoclassicalism, Heterodox Views – Heilbroner, VII and VIII

Jevons, William Stanley, “Preface” and “Introduction”, *The Theory of Political Economy* (1871).

Marshall, Alfred, “Inaugural Address,” and selections from *Principles of Economics* (1890).

Veblen, Thorstien, “The Limitations of Marginal Utility.” *The Journal of Political Economy* 17:9 (November 1909): 620-636.

6. Keynesianism and the birth of modern macroeconomics – Heilbroner, IX

Keynes, John Maynard, “The End of Laissez Faire” (1926). From *Essays in Persuasion*, Volume 9 of *The Collected Writings of John Maynard Keynes*. Cambridge: St. Martin’s Press (1972).

Keynes, John Maynard, selections from *The General Theory of Employment, Interest, and Money* (1936).

Samuelson, Paul A., Chapter 12, “Savings and Investment”, from *Economics, An Introductory Analysis*. New York: McGraw-Hill (1948).

7. Modern formalism and current trends – Heilbroner, X

Samuelson, Paul A., Chapter 2, “Equilibrium Systems and Comparative Statics”, from *Foundations of Economic Analysis*. Cambridge: Harvard University Press (1947).

Arrow, Kenneth, selections from *Social Choice and Individual Values* (1951, 2nd ed. 1963).

Lucas, Robert E., “Econometric Policy Evaluation: A Critique.” Reprinted in *Studies in Business-Cycle Theory*. Cambridge, MA: The MIT Press (1991).

Friedman, Milton, selections from *Capitalism and Freedom* (1962).

8. Welfare economics, social choice, and economic policy – Sen

9. Philosophy of science and economic methodology – Heilbroner, XI

Friedman, Milton, “The Methodology of Positive Economics.” [From Daniel M. Hausman, ed., *The Philosophy of Economics: An Anthology*, 2nd ed. Cambridge: Cambridge University Press (1994), 180 – 213.]

McCloskey, Donald, “The Rhetoric of Economics.” *Journal of Economic Literature* 21 (June 1983), 481-517.

Tentative Course Schedule:

Consult the course web site for a more detailed schedule that will reflect any modifications to this tentative schedule, and which will include links to many of the original source readings. On this grid, days in are primarily lecture days with some discussion, while days in are seminar discussion days.

Week of ...	Monday	Tuesday	Thursday	Friday
March 3	Introduction	Studying intellectual history	Precursors to Economics	Ancient texts
March 10	Great gap and great transformation	Mercantilism and early social science	Mandeville, Mun, Quesnay	In-class writing #1
March 17	Adam Smith	Classical economics	Smith	Ricardo, Mill
March 24	Marx	The systems debate	Marx, Hayak	In-class writing #2
April 7	Marginalism and neoclassical economics	Alternative views	Jevons, Marshall	Veblen
April 14	Keynes and Keynesianism	The Keynesian crisis	Keynes	In-class writing #3
April 21	Modern formalism and the Chicago school	Empirical economics and some current trends	Lucas, Arrow	Friedman
April 28	Welfare economics and economic policy	TBD	Sen	In-class writing #4
May 5	Student research paper conferences (no class)	Philosophy of science and economic methodology	Friedman, McCloskey	Examination
May 12	Student research paper seminar	Student research paper seminar	Student research paper seminar	Student research paper seminar