

DEPARTMENT OF ECONOMICS

COLORADO STATE UNIVERSITY

**ECON 505: POLITICAL ECONOMY I**

Spring 2009

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**Course Description:**

This course introduces students to heterodox approaches to economics in the context of the history of economic thought. The course begins with a brief overview of the history of economic thought. Students then read some of the original works of the Classical Political Economists, the Marginalists (whose work became the basis for orthodox or neoclassical economics), John Maynard Keynes and his colleagues at Cambridge University, the American Institutionalists, and finally the Austrian economists. Building upon the classics students are introduced to ideas of the modern heterodox schools of thought; Neo-Marxism, Post-Keynesianism, New Institutionalism, and Feminist Economics.

This is a seminar class. It is expected that students complete the readings for each class and come to class with notes and engage in a discussion of the readings.

**Course Objectives:**

At the conclusion of this course students should;

1. Have an understanding of the evolution of economic thought from Classical Political Economy through modern orthodox and heterodox thought.
2. Have an understanding of the basis for orthodox economic thought in the ideas of the Marginalists.
3. Have an idea of the basis for heterodox approaches to economics in the ideas of Marxian economics, Keynesian economics, Institutional economics, and Austrian economics.
4. Have an understanding of the differences between orthodox and heterodox approaches to economics particularly in terms of methodology.

Readings: Duncan Foley. 2006. *Adam's Fallacy: A Guide to Economic Theology*. The Belknap Press of Harvard University Press.

Robert Heilbroner. 1980. *Marxism For and Against*. W.W. Norton.

Douglass North. 1990. *Institutions, Institutional Change and Economic Performance*. Cambridge University Press

Geoffrey Harcourt. 2006. *The Structure of Post-Keynesian Economics: The Core Contributions of the Pioneers*. Cambridge University Press.

Marianne Ferber and Julie Nelson (eds.) 2003. *Feminist Economics Today: Beyond Economic Man*. Routledge.

Additional articles and book chapters on ram-ct and on-line.

Assignments: Short papers on each of the following; (1) Adam's Fallacy, (2) Classical Political Economy, (3) Marx and Marxian economics, (4) Neo-Marxism and Structuralism, (5) Marginalism, (6) Institutional economics and New Institutionalism, (7) Keynes and Keynesian economics, Post-Keynesian Economics, (8) Austrian Economics, (9) Feminist Economics

*Note: these are due in class a week after they are indicated on the class schedule.*

Final paper -- Literature review on a topic/issue from a heterodox perspective.

Participation in class discussions – rotating responsibility for leading the discussions.

*Note: Instructions on assignments will be provided separately.*

<u>Grades:</u>	Short papers (9*20 points each)	180 points
	Participation in class discussion	70 points
	Final paper	100 points
	Total	350 points

Assignment of grades is standard; 90% and above is an A, 80-89% is a B, 70-79% is a C, 60-69% is a D, and less than 60% is an F. Plus/minus grading will be used at the discretion of the professor.

### **Class schedule:**

Week 1 T 1/20 Introduction to the History of Economic Thought:

Reading: Duncan Foley Chs 1-2

Week 2 T 1/27 Introduction to the History of Economic Thought:

Reading: Duncan Foley Chs 3-6 (PAPER 1)

Week 3 T 2/3 Classical Political Economy: Smith, Malthus, Ricardo

Reading:

Adam Smith, *The Wealth of Nations*.

<http://www.econlib.org/library/smith/smWN.html>

David Ricardo, *On the Principles of Political Economy and Taxation*

<http://www.econlib.org/library/Ricardo/ricP.html>

Thomas Malthus, *An Essay on the Principle of Population*

Books.google has the book available on-line.

Week 4 T 2/10 Mill, Bentham (PAPER 2)

Reading:

John Stuart Mill, *Utilitarianism*

Books.google has the book available on-line

Jeremy Bentham, *Writings on the Poor Laws*

In Volume I *The Collected Works of Jeremy Bentham*, Edited by Michael Quinn

Books.google has the book available on-line

Week 5 T 2/17 Marx:

Reading:

Karl Marx, *Grundrisse*, Penguin Classics, 1993

Books.google has the book available on-line

Karl Marx, *Das Kapital*

<http://www.marxists.org/archive/marx/wroks/1867-c1>

Week 6 T 2/24 Marx:

Reading: Robert Heilbroner, *Marxism for and Against*. (PAPER 3)

Available as a pdf on ram-ct.

Week 7: T 3/3 Neo Marxism:

Reading: Herbert Gintis, Samuel Bowles, Robert Boyd, and Ernst Fehr (eds) *Moral Sentiments and Material Interests: The Foundations of Cooperation in Economic Life*. MIT Press: Cambridge Mass. 2005. Intro, Ch 1, Ch 13

Available as a pdf on ram-ct

Week 8: T 3/10 Structuralism: Taylor and Foley (PAPER 4)

Reading: TBD

SPRING BREAK

Week 9: T 3/24 The Marginal Revolution: Jevons, Walras, Menger, Clark, Pareto (PAPER 5)

Reading:

William Stanley Jevons, *The Theory of Political Economy*

<http://www.econlib.org/library/YPDBooks/Jevons/jvnPE.html>

John Bates Clark, *The Distribution of Wealth: A Theory of Wages, Interest and Profits*

<http://www.econlib.org/library/Clark/clcDW.html>

Carl Menger, Principles of Economics

<http://mises.org/Books/Mengerprinciples.pdf>

Read about the work of Walras and Pareto – econlib.org has good short summaries

Week 10: T 3/31 American Institutionalism: Commons, Ayres, Veblen, Schumpeter.

Reading:

Thorsten Veblen, *Theory of the Leisure Class*

Books.google has this available on-line.

John R. Commons, *The Distribution of Wealth*.

Books.google has this available on-line.

Joseph Schumpeter, *Capitalism, Socialism and Democracy*.

Selected chapters available on ram-ct.

Week 11: T 4/7 New Institutionalism:

Reading: Douglas North. *Institutions, Institutional Change and Economic Performance*. (PAPER 6)

Available as a pdf on ram-ct.

Week 12: T 4/14 Keynes:

Reading:

John Maynard Keynes, *Essays in Persuasion*

Books.google has this available on-line.

Hyman Minsky . *John Maynard Keynes*. McGraw Hill: New York. 2008. Ch 1, Ch 3, Ch 7

Available as a pdf on ram-ct

Week 13: 4/21 Post Keynesian Economics:

Reading: Geoff Harcourt. *The Structure of Post-Keynesian Economics* (PAPER 7)

Week 14: T 4/28 Austrian Economics: Schumpeter\*, Von Mises and Von Hayek (PAPER 8)

Reading:

Ludwig Von Mises, *Profit and Loss*

<http://mises.org/books/profitandloss.pdf>

Freidrich Von Hayek, *Individualism and Economic Order*

Books,google has this available on-line

Week 15: T 5/5 Feminist Economics: (PAPER 9)

Reading: Marianne Ferber and Julie Nelson (eds.) *Feminist Economics Today: Beyond Economic Man*. Routledge. 2003

Note: Paper 9 is due on Friday 5/8 by noon.

Finals week: May 13 9:10-11:10 am Literature review DUE in my office during this time.