Course: ECON 4033 History of Economic Thought
Prerequisite: (ECON 2013 and ECON 2023) or ECON 2143 or ECON 3053.

Course Description:
Historical, critical analysis of economic theories relative to their instructional background.

Welcome:
Welcome to our study of history of economic thought and analysis. We will explore the development of economic ideas and the analytical contributions of a variety of sources and “schools” of analysis. Viewing each contributor, or “school,” we will consider how that work explained and/or altered our understanding of the workings of the economy. We’ll learn about the development of economic ideas, as well as re-check some modern economics. I look forward to our discussions. In Monty Python and the Holy Grail, they shouted “Bring out your dead!” Unlike Monty Python, we bring out our dead for better purposes than to bury them.

Text:

Format:
Lectures, videos & FAQs, readings and discussion.

Teaching/Learning:
I see my role as sharing expertise and engaging your critical skills in ways that involve “active learning.” For example, prior preparation helps the discussion.

E-mail Etiquette:
(1) If you do send e-mail messages, use a good subject line so that I’m less likely to accidentally delete it. Use our course (ECON 4033) in the subject line. (2) The privacy requirements do not allow me to discuss the specifics of scores/grades by e-mail/voice-mail, & I’m unable to play “tag.” (3) Submitting an assignment means to submit it to the right place (assignments on Blackboard), within the due date/time, or it cannot be accepted. (4) I’ll respond as promptly as possible. (5) Other? Please see me at the office.

Evaluations:
Since this is a senior level class, you should be prepared enough for class in order to contribute to the class time. Many of you will be heading for graduate school in law or business or economics or another field. In graduate school you often have everything depending upon one
Exams & Assignments:
We will have four exams. If having four exams bothers you, then you can spread the risk by completing a well-crafted paper (a senior paper requirement for economics students in the arts & sciences program) according to the attached schedule (to fit the Dallas Fed ESP). The four equally weighted exams, (& a senior paper for A&S economics students), for **400 points (or 500 if there is a senior paper), plus other assignments (in-class essays, quizzes, etc.) worth up to approx. 50 - 100 points (or more) - TBD.**

Our 4 exams will be given only at the scheduled times [Feb. 9 (Th), March 6 (T), April 3 (T), April 26 (Th)] so that you can (tentatively) count on those days as exam days. Because the exams should be the same degree of opportunity it is not possible to give exams either early or late. If this is a problem, see me during our first week of classes when there are opportunities to enroll in other classes. Otherwise, you have accepted all of the conditions in our syllabus as part of advance, informed consent. If there is a special problem, see me at the office. Our time at class takes preparation and focus so let’s not turn that into office time. With the anticipated number of folks in class it normally takes about 2-3 weeks to grade the exams. I do read them with a rubric (template). When papers are returned, the grade is tentative for 1 week (our last exam is an exception). No changes will be made after one week. Papers are returned once. See me during regular office hours for unclaimed papers. There is no final exam. It is difficult to include more than 2,000 years in a 2 hour final.

Course grades:
Grades are only assigned when the course is completed. The timing depends upon the work involved to read and to score senior papers during the busy month of April. The overall course scores can be adjusted by the record of attendance. **Course grade questions** will only be handled on a case by case basis during the final exam week. Class materials are not kept after the last day of class (except for senior papers).

A Senior Writing Requirement (a paper - - as part of the Dallas Fed ESP) for Economics Majors in the Fulbright College of Arts & Sciences [optional for all others]: A&S economics students must complete a well-crafted senior paper. If you complete an honors thesis it counts as your senior paper. Others can complete a paper for this course, receive an additional score, and enlarge their overall points. Declare your intention by the end of our first week of class. See details after the tentative schedule in our syllabus. **Time line (all by 12:00 noon):** Proposal & prelim references by Feb. 2 (Th) (after we visit by Jan. 26), first draft Feb. 18 (F) second draft Feb. 25 (F), and final paper by March 5 (M) (along with all reference materials). All senior papers must be submitted as proposals for consideration in the Economic Scholars Program (ESP) at the Federal Reserve Bank of Dallas (in cooperation with Austin College). Proposals are due by Feb 6 (M), and, if accepted (decision by Feb. 21 (M) with paper submissions by March 5), for presentation at the Federal Reserve Bank of Dallas March 30 (F). Support will be sought for you to participate. If support is not obtained, then no participation is expected. For additional information and details about this special opportunity, please visit with me during our first two weeks of the term and check the following link for details & FAQs [http://dallasfed.org/educate/events/2012/12esp.cfm](http://dallasfed.org/educate/events/2012/12esp.cfm) I’ve sent e-mail notes to each econ major.
ahead of the term. Completing it in a later year means following the same procedures listed here (approval, proposal, drafts, & final paper).

**The University policy on academic integrity applies to all work in our course.** Please see our most recent version at [http://provost.uark.edu/245.php](http://provost.uark.edu/245.php)

**Attendance/Opportunities/Engagement:**
"Students are expected to be diligent in the pursuit of their studies and regular in their class attendance. Students have the responsibility of making arrangements satisfactory to the instructor regarding all absences. Such arrangements should be made prior to the absence if possible. Policies of making up work missed as a result of absence are at the discretion of the instructor, and students should inform themselves at the beginning of each semester concerning the policies of their instructors." - Undergraduate Studies Catalog.

**Course Goals:** (1) to survey, (2) to dis-assemble & re-assemble the contributions, (3) to interact in class, and (4) to potentially help yourself and others in class. In our class this means that you should check with other students ahead of class (and our Blackboard site) about any changes in the schedule, assignments, obtaining notes, and so forth. Attending class is a choice that you make, along with the degree of participation in class. College is a place of learning. Learning can be active as well as passive. When you attend class you should participate. Classrooms are places of learning and you are expected to contribute to the assignment for the day. Like many things, attendance is simply priced. This resembles a job without immediate pay. **Regardless of the reason (official or unofficial absences) you are limited to four free recorded class absences. Use them prudently, if needed. In other words, it is a record of excessive absences, not the source (or “cause”) of the absence, that matters.**

If you have questions about the attendance record, check with me at the actual class period. Later requests for record changes cannot be honored. Any further absences are priced. Any additional absence costs 1% overall per class. A record of perfect attendance (or one absence) has a 1% point overall bonus. Attending (and being engaged) should appear as better work on your exams if you incorporate material into your understanding and into your answers. Similar to exams, homework, pop quizzes, and so forth, excessive absences are "priced" to provide an additional incentive for you to attend class (and to hopefully be an active learner). If there is a problem about class dates for the semester, see me by the end of our first week of class.

**Other General University Policies:**
**Your right to privacy** is explained in the most recent "Faculty Handbook":
"Campus Council policy affirms the 'Fundamental responsibility of instructors to inform students of their progress in courses as accurately and completely as possible.' However, the Family Rights and Privacy Act of 1974, as amended, prohibit disclosure of personally identifiable education records without prior written consent. Accordingly, faculty should ensure that grade information posted or made available through graded papers left for collection in public places (such as offices or hallways) is not 'personally identifiable.' The Department of Education Regulations for the Act define 'personally identifiable' information as that data or information which includes (1) the name of the student, the student's parent, or other family members; (2) the student's address; (3) a personal identifier (such as a social security number or student number); or (4) a list of personal characteristics, or other information which would make the student's identity easily traceable."
**Equal treatment:**
Equal treatment for all is endorsed in the spring of 1983 by the UA Campus Council (amended in the fall of 1991), and is stated in the Undergraduate Studies catalog: "The Campus Council...does not condone discriminatory treatment of students or staff on the basis of age, disability, ethnic origin, marital status, race, religious commitment, sex, or sexual orientation in any of the activities conducted on this campus. Members of the faculty are requested to be sensitive to this issue when, for example, presenting lecture material, when assigning seating within the classroom, when selecting groups for laboratory experiments, and when assigning student work. The University faculty, administration, and staff are committed to provide an equal educational opportunity to all students." Our work will conform to these guidelines.

**Religious Holiday Observance:**
The University does not observe religious holidays, however the Campus Council has passed the following resolution concerning individual observance of religious holidays and class attendance: “When members of any religion seek to be excused from class for religious reasons, they are expected to provide their instructors with a schedule of religious holidays that they intend to observe, in writing, before the completion of the first week of classes.” See [http://registrar.uark.edu/945.php](http://registrar.uark.edu/945.php)

**Learning-related issues,** certified by Campus Access, must be reported in writing to me by the third class meeting. The proper arrangements should be timely to best handle learning-related matters.

**Inclement Weather Policy:**
Follow UA policy. Please see [http://vcfa.uark.edu/Documents/2100.pdf](http://vcfa.uark.edu/Documents/2100.pdf)

According to the UA instructions for reporting **final grades**, they generally reflect the following:

**A - Outstanding achievement** (90%+), given to a relatively small number of excellent scholars [high attendance record; relevant contributions in class; organized, well integrated text, class notes, readings into answers; “excellent”] “A” is NOT for “attendance”

**B - Good achievement** (80% +) [Above average level of scholarship, attendance, contributions; solid references to text, class notes, readings; “well-done”] “B” is NOT for “being there”

**C - Average achievement** (70% +) [OK – solid but unexceptional outcomes; general but spotty knowledge displayed in answers; uneven reference to text, class notes, readings] “C” is NOT for “coming to class”

**D - Poor, but passing work** (60% +) [passing w/o a consistent record of solid work on exams; reflects lower performance; excessive absences; few appropriate references to text, class notes] “D” is NOT for “doing time”

**F - Failure, given for unsatisfactory work.** [No credit is earned for a grade of "F" (below 60%)]

Additional references (selected): In addition to your text, there are several other sources that you might find helpful. The following are among some of the best intellectual gems in this area.


George Stigler's Memoirs of an Unregulated Economist (Basic Books, 1988) is a lively account of his life and events in the profession. Stigler was literally a towering figure in economics. There is a famous image of Stigler & Friedman (often seen on t-shirts) walking across campus with tall Stigler & not-so-tall Friedman.

James M. Buchanan's Better Than Plowing and Other Personal Essays (University of Chicago Press, 1992) is a revealing intellectual journey and personal history by this Nobel Laureate and former President of the Mont Pèlerin Society. Also available are The Collected Works of James Buchanan, 20 volumes (Liberty Fund: Indianapolis, 2002). See http://www.dallasfed.org/research/ei/ei0302.pdf


For a definitive contrast between so-called historical and economic interpretations of economic historical events and intellectual history see Mercantilism as a Rent-Seeking Society: Economic Regulation in Historical Perspective (1981) and Politicized Economies: Monarchy, Monopoly, and Mercantilism (1997) both by Robert B. Ekelund, Jr., and Robert D. Tollison (published by Texas A&M University Press).

The roles played by ideas and events are thematic of some works by George J. Stigler. Also see The Myth of the Robber Barons, Burton W. Folsom (Young America Foundation, 1987), and


In a similar vein, Austrian economists favor an individualist perspective along with what they contend is the subjective nature of costs and decisions. Among others, see the works of Ludwig von Mises (see http://www.dallasfed.org/research/ef/ei0104.pdf), such as Human Action (Mises Institute 1990) and Liberalism (Liberty Fund 2005). Other prominent Austrians include Menger, Böhm-Bawerk, Wieser, and Hayek. See http://www.dallasfed.org/research/ef/ei9901.pdf for biographical sketches along with the clever, haunting love song for Hayek at http://www.youtube.com/watch?v=psosLpDALuA Among other Austrian economists see the ideas and works of Haberler, Hazlitt, Machlup, Rothbard, Kirzner, and Boettke.

**Tentative Schedule:**

w/Chapter, or Dallas Fed Economic Insight (EI), or the *Concise Encyclopedia of Economics*  
http://www.econlib.org/library/CEEBiographies.html

**I. Pre-classicists (or ethics as economics)**

Jan 17 - Background Search and On-line History of Economic Thought/Analysis – 1
Jan 19 - Theory & Individuals - 1  
[Senior writing topic? See me in office time, Declaration of intent is due.]

Jan 23 (M) Advance, informed consent deadline for course procedures in our syllabus. Staying past this date constitutes consent.

Last day to register for spring 2012 classes

Jan 24 - Scholastics – Discussion of selected verses.
Jan 26 – Scholastics (continued); Mercantilists. Senior writing (econ ARSC) or term paper topic approval.

**II. Classicists (value, production & distribution)**

Jan 31 - Smith’s Moral Philosophy & Smith's Economic System – 2
Feb 2 - video & discussion; Senior Writing Proposal and References Due (electronic by 12:00 noon); approval is necessary to continue with the topic. Focus on the development of someone’s analysis and its subsequent impact, or focus on a school of thought. Select an area/person that won’t duplicate our study.

Feb 6 (M) Proposal Due for the Dallas Fed ESP Conference. All senior (or term) writing topics must be submitted to them.
Feb 7 - Smith's Economic Analysis – 2; http://www.econlib.org/library/Enc/bios/Smith.html
Feb 9 – Exam A – Chs. 1-2, and other. Normally allow two-three weeks for grading.

Feb 14 - Ricardo & Free Trade – 4; Roberts on Smith, Ricardo, & Trade (1:02:27) Library of Econ & Liberty  
http://www.econtalk.org/archives/2010/02/roberts_on_smit.html or  
http://web.mit.edu/krugman/www/ricardo.htm or  
http://www.econlib.org/library/Enc/ComparativeAdvantage.html
http://www.econlib.org/library/Enc/bios/Malthus.html
[Feb 17 (F) First Draft of Senior Paper DUE by 12:00 noon]

[Feb. 20 (M) Dallas Fed ESP Conference: Discussant & Chair & Poster Session applications DUE; paper proposal notification.]
Feb 21 - Public Policy Debates & Ricardo’s Analytical Contributions - 4
Feb 23 – Ricardo on “Why Adam Smith was wrong!” (and right)  
Feb 24 (F) 2nd Draft of Senior Paper DUE by 12:00 noon.

Feb 28 – Mill’s Analytics – 5; from Senior/Term Papers your additional proposal due at ESP, Austin College & Dallas Fed
March 1 – Contributions of Mill; http://www.econlib.org/library/Enc/bios/Mill.html
[March 2 (F) Senior Paper DUE] reference materials are due at my office by 12:00 noon: late penalties apply.

[March 5 (M) Accepted papers at Dallas Fed Conf. DUE at their site]  
March 6 – Exam B (Chs. 3-5, and other)
March 8 - Karl Marx (briefly); http://www.econlib.org/library/Enc/bios/Marx.html
III. Marginalism, Marshall, & Successors (incremental choices & production)

March 13 – Menger; Marshall’s Analytics I – 7;  
http://www.econlib.org/library/Enc/bios/Menger.html
and Keynes http://www.econlib.org/library/Enc/bios/Keynes.html

March 20/22 – Student “Spring” Break

March 27 – A.C. Pigou and Externalities Meet the Market –  
http://www.econlib.org/library/Enc/bios/Pigou.html
March 29 – “Meeting Coase” – With an in-class writing assignment. EI Coase [Economic Insight  
(from the Federal Reserve Bank of Dallas are hereafter cited as EI & the person’s name]  
http://www.econlib.org/library/Enc/bios/Coase.html

If your senior writing proposal was accepted, then you’ll participation in the conference on March 30 (F) in the  
Federal Reserve Bank of Dallas Economic Scholars Program (ESP), Dallas, provided that support is secured.

April 3 – Exam C – Chs. 7, 9-10, & other.
April 5 – Independent Study – time available for “Commanding Heights” & the Markets &  
Morality readings.

April 10 – Public Choice or Economics as Politics – 11, EI – Buchanan  
http://www.econlib.org/library/Enc/bios/Buchanan.html
April 12 – “Meeting” Hayek and a Seismic Change in Economics; EI – Hayek  
http://www.econlib.org/library/Enc/bios/Hayek.html

April 17 – “Chicago School” of Economics – EI Friedman, Knight & Stigler; see  
http://www.econlib.org/library/Enc/bios/Knight.html and  
http://www.econlib.org/library/Enc/bios/Stigler.html
April 19 - Ethics of the Market (Clark & Lee “Markets and Morality,” Cato Journal, vol. 31, #4  
winter 2011).  
April 20 (F) “Drop Day” - Last day to withdraw from classes w/o withdrawing from all classes.

April 24 - Commanding Heights I (Ch. 1 in the book by the same name) or an alternative
April 26 – Exam D – Ch. 11, …and other.

May 1 – Commanding Heights II or an alternative
May 3 – Ranking Ideas of the Dead (public policy and/or analytical contributions)
No unclaimed papers are kept after today. All questions about scores to be settled by today. [Ex.  
D example: Listed a 72 as a 27? Sign for an appointment – dates/times TBD]

May 4 (F) – UA “Dead Day”

Arts & Sciences senior writing requirement for economics majors (an optional paper for  
others): Required of all majors, it is crafted for this course but an alternative might be  
considered after this class if it meets the same timing, procedures & standards. An honors thesis  
can readily substitute for the senior writing requirement. See me during our first week of class.  
A paper will provide the opportunity for you to pursue a topic and to describe, discuss and  
explain a topic in considerable depth. Please see me in my office before January 27th. I will  
have to approve the topic, to ensure that it does not overlap our class assignments. The paper
must deal with economic thought/analysis, instead of economic history, economic policy, or other related areas. The preliminary four page reference search and proposal (10 pts.) is due February 3rd, a first draft (20 pts.) on Feb. 17 [also due is a February 6 proposal for the Austin College and Federal Reserve Bank of Dallas Economic Scholars Program or ESP], and a second draft by Feb 24th (20 pts.). I will seek support for conference participation. The completed paper (100 pts.) is due March 2 (F) (with March 5 (M) sent to the appropriate folks with the ESP). Electronic versions are due in the assignments section online before 12:00 noon on each of the due dates. Submit/Leave the actual references to my office by noon, March 2nd. The grade is the sum of points divided by the possible 150 points. Only use Microsoft Word documents. Completed papers submitted after the time due will have a letter grade deduction for later that day and a letter grade on each successive calendar day. Minimum length is 20 pages of text (250 words per page, excluding "a, an, the") with both footnotes and references at the end of the text (use the "History of Political Economy" reference method – see the journal - & internal text citations). Double space the text, check the default settings at the end of paragraphs, use 1 inch margins, & without using internal section or topic headers on separate lines (underline & continue). It’s also in the “Chicago Manual of Style.” Extended quotations are indented & single spaced.

You can enhance your writing with careful use of D. N. McCloskey's The Writing of Economics (Macmillan, 1987). Especially note item 2 Writing Is Thinking, item 3 Rules Can Help, But Bad Rules Hurt, item 4 Be Thou Clear, item 8 Write Too Early Rather Than Too Late, and item 14 Paragraphs Should Have Points.

UA Academic Integrity (with emphasis underlined) Applies to All Work - Please Refresh Yourself

Definitions (This is included only because omitting it has led to unnecessary anxiety from some students.) Academic dishonesty involves acts which may subvert or compromise the integrity of the educational process that University of Arkansas. Included is an act by which a student gains or attempts to gain an academic advantage for himself or herself or another by misrepresenting his or her or another's work or by interfering with the completion, submission, or evaluation of work. These include, but are not limited to, accomplishing or attempting any of the following acts:

- Altering of grades or official records.
- Using any materials that are not authorized by the instructor for use during an examination.
- Copying from another student's paper during an examination.
- Collaborating during an examination with any other person by giving or receiving information without specific permission of the instructor.
- Stealing, buying, or otherwise obtaining information about an unadministered examination.
- Collaborating on laboratory work, take-home examination, homework, or other assigned work when instructed to work independently.
- Substituting for another person or permitting any other person to substitute for oneself to take an examination.
• Submitting as one's own any theme, report, term paper, essay, computer program, other written work, speech, painting, drawing, sculpture, or other art work prepared totally or in part by another.
• Submitting, without specific permission of the instructor, work that has been previously offered for credit in another course.
• Plagiarizing, that is, the offering as one's own work the words, ideas, or arguments of another person without appropriate attribution by quotation, reference, or footnote. Plagiarism occurs when the words of another are reproduced without acknowledgment or when the ideas or arguments of another are paraphrased in such a way as to lead the reader to believe that they organized with the writer. It is the responsibility of all University students to understand the methods of proper attribution and to apply those principles in all materials submitted.
• Sabotaging of another students work.
• Falsifying or committing forgery on any University form or document.
• Submitting altered or falsified data as experimental data from laboratory projects, survey research, or other field research.
• Committing any willful act of dishonesty that interferes with the operation of the academic process.
• Facilitating or aiding in any act of academic dishonesty.

Term Paper Assistance:
The use of services of term paper assistance companies is a violation of university policies on academic integrity. Student submission of such research or term papers to meet requirements of any class or degree program is expressly prohibited and constitutes academic dishonesty. Any violation of this prohibition will automatically result in a referral of each violation to the Academic Integrity Board for its disposition.