

California State University, Sacramento  
Department of Economics

**Economics 101-03: History of Economic Thought**  
Spring 2015

Section 3 Lecture: MWF 11:00-11:50 a.m., Amador 217 (CRN # 35184)  
Course Web Page: <http://www.csus.edu/sacct>

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**Office Hours:** Monday 2:00-3:30 p.m.  
Tuesday, 3:00-4:30 p.m.  
and by appointment

**Please read this entire syllabus completely and very thoroughly!!!**

I view this syllabus as a contract between you and me. I have devoted a significant amount of time and effort to developing it. You should consider it to be the ground rules. "I didn't read the syllabus" is not an acceptable excuse for missing an exam, overlooking a reading or assignment, sending me an email that I ignore because it is in improper form, etc.

*The great economists pursued an inquiry as exciting – and as dangerous – as any the World has ever known. The ideas they dealt with, unlike the ideas of the great philosophers, did not make little difference to our daily working lives; the experiments they urged could not, like the scientists', be carried out in the isolation of the laboratory. The notions of the great economists were world-shaking, and their mistakes were nothing short of calamitous.*

Robert Heilbroner (*The Worldly Philosophers*, p. 14)

*The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influences, are usually the slaves of some defunct economists. Madmen in authority, who hear voices in the air, are distilling their frenzy from some academic scribbler of a few years back. I am sure that the power of vested interests is vastly exaggerated compared with the gradual encroachment of ideas.*

John Maynard Keynes (*The General Theory*, p. 338)

**Catalog Description**

**ECON 101:** Analysis of the development of economic theory from the predecessors of Adam Smith through John Maynard Keynes. The contributions made to the discipline by its principle figures are compared and evaluated. Prerequisite: ECON 1A, ECON 1B

**Prerequisites**

The stated prerequisites are ECON 1A and ECON 1B. I will expect you to have a reasonable understanding of concepts covered in these classes. If you remember nothing from your principles classes, I would advise you to not take Econ 101.

**Academic Rigor and Workload**

This is a demanding upper division university level class for which you will receive three credit hours (units of credit) upon successful completion. The current edition of the University Catalog which is available online states the following:

As of July 1, 2011 federal law (Title 34, Code of Federal Regulations, sections 600.2 and 600.4) requires all accredited institutions to comply with the federal definition of the credit hour. For all CSU degree programs and courses bearing academic credit, the "credit hour" is defined as "the amount of work represented in intended learning outcomes and verified by evidence of student achievement that is institutionally established equivalency that reasonably approximates not less than one hour of classroom or direct faculty instruction and *a minimum of two hours of out-of-class student work each week for approximately fifteen weeks* for one semester.

This means two things. First, you must attend class and you must devote a minimum of six hours per week outside of class to reading and study for a minimum total of nine hours per week. Note that weaker students will have to devote more time to do well. Second, you must also successfully write the required papers and pass the final examination, demonstrating that you have actually learned something and have attained the course objectives stated below. You will earn no points for just showing up, though as is explained below, you will suffer a penalty if you don't.

You should expect approximately 75-100 pages a week of reading, though this will vary somewhat depending on the difficulty of the reading and the amount of actual text relative to diagrams and footnotes. I expect you to be able to read this amount of material in three hours or so, leaving at least three hours for re-reading difficult material, making notes, quizzing yourself on your reading and re-writing your lecture notes for a total of at least six hours per week. This assumes, of course, that you are fully engaged in your reading and study. If you stop every few minutes to respond to text messages, watch YouTube videos, do whatever it is people do on Facebook, etc., clearly it will take you much longer. During the three weeks in which you are assigned to write a paper, I expect you will work substantially more than six hours. Do not expect to receive a satisfactory grade unless you are willing to make the necessary commitment. Also note that you will be graded on your productivity, competency, and proficiency, not your effort, nor your intentions, nor any factor other than your performance on assignments and exams.

### **Course Web Page**

All course documents including assignments and readings will be posted to the class web page at [www.csus.edu/sacct](http://www.csus.edu/sacct). I will also be establishing several forums which you can use to communicate with each other. I may occasionally contribute to conversations there, though you should view the forums as a way to communicate with each other, not as a way to communicate with me.

### **Electronic Devices**

This course has a no-electronic-devices-during-lecture policy. Laptops should be closed. Phones, tablets, pads, pods and other devices should be turned off and stowed in your pack/briefcase or under your chair. If you want access during lecture to the PDF files posted on the course web page, print them out ahead of time. **Students who are discovered to be violating this policy will be assumed not to be fully engaged in the lecture will receive a grade of "not present" which equates to a 2/10 of one grade point reduction in your final grade for each offense. Repeat offenders may be dismissed from the class.**

### **Scope and Objectives**

This course is designed to give you an overview and reasonable degree of understanding of the development of economic thought from its origins to relatively recent times. As this comprises far more material than we can possibly do justice to (and far more material than the typical textbook does justice to), we will place particular emphasis on some of the key figures of the eighteenth and nineteenth centuries as well as Keynes and Hayek among others in the twentieth century. This period will take us from the beginnings of 'systemization' through the Keynesian revolution and a bit beyond, addressing many of the most important issues and debates in the development of economic theory.

We will approach our study of the development of economic thought primarily as a study of a procession of great thinkers and will study in detail substantial portions of the works of Adam Smith, Thomas Robert Malthus, David Ricardo, Karl Marx, Carl Menger, William Stanley Jevons, Alfred Marshall and John Maynard Keynes, focusing primarily on the original writings of these individuals. We will use secondary

sources and short excerpts of other original writings to provide context for the work of the various authors studied in detail, to enhance our understanding of their works and, where necessary and appropriate, to fill in relevant details of the ideas and contributions of less significant writers.

The reason for this approach simply is that I want you to think about the economic writers we are discussing. We will collectively reach an understanding of what they are saying, though you will find that in many cases there are multiple valid interpretations. The point though is that I want to think, not just read a textbook, memorize what the author has to say about the various writers and the development of economic theory and regurgitate it to me on exams. The history of ideas is far too important for you to just learn someone else's interpretation, which may or may not be correct, and leave it at that. You need to truly engage with the material if you are going to get anything at all of value from your studies of the development of these ideas.

By the end of this course, the successful student will be able to demonstrate an understanding of the evolution and development of economic theory as expressed and illustrated by the major figures studied.

### **Books and Other Reading Material**

The books listed below are required. For your reference, I have included recent Amazon prices for each. I encourage you to shop for the best price, so long as you get the books in a timely manner. We will not read any of these books in their entirety. Given the relatively low cost though, you will be well served by having hard copies of all four available.

1. John Maynard Keynes, *The General Theory of Employment, Interest and Money*. Harcourt Brace & World, 1965. ISBN-13: 978-0156347112 (\$12.68)
2. Karl Marx, *Capital: A New Abridgement*. Oxford University Press, 2008. ISBN-13: 978-0199535705 (\$10.31)
3. David Ricardo, *On the Principles of Political Economy and Taxation*. Liberty Fund, 2010. ISBN-13: 978-0865979659 (\$12.58)
4. Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations*, Volume 1. Liberty Fund, 1982. ISBN-13: 978-0865970069 (\$9.00)

In the past I have used *The Growth of Economic Thought*, 3<sup>rd</sup> edition by Henry William Spiegel (Duke University Press ISBN 0-8223-0973-4) as a primary text for this class. I am not requiring it this semester, although if you are looking for a textbook that provides further background and context, this one does it very well although at a fairly high level. The flaw with all textbooks however is that they cover many economic writers, but often at a relatively superficial level compared to what we will do in this class.

In addition to the four books listed above, there will be a significant number of journal articles and book chapters posted to the SacCT web site along with the weekly reading assignments and questions for the short papers discussed below. You should anticipate printing out a significant amount of material this semester, as you really need to have much of this material in hard copy.

### **E-mail Communication and Etiquette**

The best way to contact me outside of class and office hours is via email. You should view your e-mail as a professional business communication in which you are trying to impress me with your intelligence and ability to do well in my class, not as a text message to one of your friends or classmates. Emails must have "Econ 101" in the subject line. Additionally, please address me in a more respectful manner than "Hey". I also expect you to use proper grammar, capitalization and punctuation in your message. Lastly, emails must be signed with both your first and last names. Emails that don't meet these minimum expectations will likely be discarded without being read.

### **Announcements**

Announcements are sent by email using the SacSend messaging system or through SacCT. Be sure your email on file with the University is correct *and* that your inbox is not full.

## Course Requirements and Grading:

### Attendance

You are expected to regularly attend lectures and you are strongly encouraged to actively participate. This means attendance is required! As you will see below under “Response Papers,” there is an explicit penalty for missing an excessive number of classes. Even absent this penalty though, it is almost always the case that students who regularly skip class do poorly. Realize that there is no single textbook for this class. If you drop in only occasionally it will be virtually impossible to keep up. In the event you do miss class, you need to get notes from a classmate. Do not expect me to repeat the missed material for you either during office hours or through email. I also do not provide lecture notes to those who miss class.

**Your course grade will be determined by your scores on the following components:**

### Short Papers

You will write three short papers of 4-5 pages (12 point double spaced Times New Roman font) answering set questions. Each of you will be assigned a number from 1 to 13 or so and will answer the questions on the reading list corresponding to your assigned number. Each papers will account for 20% of your course grade. These papers will be due on the days for which the questions are assigned on the reading list. No late papers will be accepted. These papers are an implementation of the so called ‘flipped classroom’ model in that you will read the assigned material and write the papers before we discuss the material in class. I will often make preparatory remarks regarding the material, but will not lecture on it in detail ahead of time. Realize that these are not fully documented research papers, though they will require proper formatting and a list of references. They are intended to make you think and to foster class discussion. Thus, while they still need to be well written (free of spelling and major grammatical errors), you are not necessarily expected to have the ‘right’ answer to a given question. You are expected to do the assigned reading, seriously think about the assigned question and coherently argue whatever case you make and support it with textual evidence. While you are free to refer to secondary literature beyond that which is assigned, it is not required. In all cases though you must cite all sources you use, even if it is the assigned readings. More detail on the format and grading of the papers will be provided by the second week of the semester. **You will turn your papers in both in hard copy and in electronic format through SacCT. All papers will be submitted to Turnitin service for originality checks.**

In the weeks in which you do not have a paper due, you still need to keep up with the reading and should at least outline answers to the questions for that week. This will benefit you in two ways. First, it will help you prepare for the final exam discussed below. Second, it will allow you to actively participate in class discussion which will enhance your learning experience. Realize that if you only work during the three weeks that you are assigned to write a paper, the odds are you will not do well in the class.

### Presentation

You will present one or possibly two of your three short papers to the class. I will ask for volunteers to do this but will make assignments if necessary. The goal is to have one student present a paper in response to each question. Presentations will last seven minutes or less. Each presentation will account for 5 percentage points of the 20% of your course grade accounted for by the paper which you present. If you don’t present any paper, your final grade will be reduced by 5 percentage points.

### Response Papers and Attendance Penalties

Response papers serve two purposes; they allow me to track attendance (and penalize excessive absences) in a more productive way than calling the roll every day and they provide a means for me to collect feedback from students and gauge how the class is doing. Response papers will not be announced in advance and may take place at any point during the class session. They will require you to respond in writing to one of the following questions:

- a. What is the muddiest point still remaining at the conclusion of today’s class?
- b. What is the most important thing you learned today?
- c. Some other question dealing with lecture or reading material.

For questions of type a or b above, I will look at your answers and address areas of common confusion in future lectures, though given time limitations I will not be able to address all areas of confusion. If there is an area of confusion which I do not address, you should come see me during office hours. For questions of type c (essentially a quiz type question), I will go over the answer in class immediately after you finish.

Response papers will be graded on a present/not present basis and will not be returned. If you are present and complete the assignment, you receive a grade of “present.” There are no extra “points” awarded for this though, as your presence simply fulfills a basic course requirement. If however, you are absent from class and miss response papers, you will receive a grade of “not present.” You may receive four grades of “not present” without penalty, but for each grade of “not present” in excess of four, you will be penalized 2/10 of one grade point. Response papers will take place on a somewhat random basis, though they will be very frequent and the probability of a response paper on any given day increases with the number of empty seats. Note that there will be no makeups for missed response papers. If you come in late, and we have already finished a response paper, you still receive a grade of “not present.”

### **Final Examination**

There will be an in class comprehensive final examination covering the major themes from the class and accounting for 40% of your overall grade. The collection of short paper questions from the semester will serve as a study guide. **The final examination is scheduled for Monday, 5/18/15 from 10:15 a.m. – 12:15 p.m., although I will allow you to continue working until 12:30 p.m. without penalty.** For the final examination you need to bring a large bluebook and writing implements of your choice. You also may use, in hard copy form only, all class texts and assigned readings. You may not use class notes or the papers you have written. Realize though that access to these materials will be useful only if you have thoroughly read them, tabbed them and inserted numerous marginalia far ahead of time. No calculators, laptops, phones, or other electronic devices of any kind are allowed during the final examination. On the day of the final, you will be required to place all personal items other than your writing implement, exam papers and permitted reference material in your book bag and place the bag completely under your desk on the provided rack. Alternatively, you can place your book bag at the front of the classroom. If you are caught with any unauthorized materials or devices on your desk, on your lap, in your hands or in any other way accessible to you during the examination you will receive a failing grade in the course and be referred to the administration with my recommendation that you be suspended or expelled from the university. **Note that the final examination is mandatory and that you must earn a minimum grade of D in order to pass the class.**

Regarding grading of the final examination, your written answers will be graded based solely upon their content and not their intent. This means that I don't grade what you “meant to say” but what you actually write (even if you “knew the answer but just couldn't say it right”). Answers also will be graded not only on the correctness and completeness of your answer, but also on the clarity and quality of your writing. Minor spelling and grammatical errors will be overlooked; however, answers that are illegible, rambling, off topic, or poorly organized will not receive high marks. I also don't give substantial amounts of credit for answers demonstrating only that you may “sort of have the idea” and give no credit for merely writing something down even though it is wrong. Either you know the material or you don't. Your exam grade reflects the degree to which you have convinced me that you have an understanding of the development of economic theory over the time period covered in the class and of the theories of the economists covered. The final exam is graded on a letter grade basis and there is no curve.

### **Grades**

Your course grade will be determined by the weighted average of your letter grades on the short papers and final examination adjusted for any attendance penalty, but with one important qualification. If your final examination grade is less than a D, you will receive a failing grade in the course, no matter how well you do on the short papers! **You must earn at least a D on the final examination to pass the class.**

Note that there will be no “extra credit” allowed in this course. Your grade is a function solely of how well you learn the course material.

## Policies

### Academic Honesty:

Academic honesty is expected. I encourage students to discuss economics and the class material together (outside of class) and to help each other in solving problems and in coming to understand the material. In fact, you will find this class much easier if you do form study groups. Nevertheless, work submitted for a grade must ultimately be the work of the individual student – not copied from another student or from any other source. In the event of plagiarism on any paper in this class or cheating on the final exam, I will assign you a grade of F in the course and will pursue all appropriate disciplinary measures provided by University policy. For additional information on cheating and plagiarism see the University Academic Honesty Policy and Procedures at <http://www.csus.edu/um anual/AcademicHonestyPolicyandProcedures.htm>.

### Drop Policy:

Seats in classes are an increasingly scarce commodity. That being the case, after census date (2/20/15) you must have a “serious and compelling” reason to drop the class. Performing poorly in the class, even if it is because you are taking too many units, is not a serious and compelling reason for dropping.

### Incomplete and WU Grade Policy

A grade of Incomplete will be given only in the most unusual circumstances. In order to receive an Incomplete you must be passing the class and be able to complete the class without attending any additional class sessions. Also be aware that I generally only allow 90 days for students to complete a course, not the usual one year. If at any point after turning in your first short paper you disappear without dropping, I will assign an F grade. I will assign a grade of WU only to those students who turn in no short papers.

### Handouts and Return of Student Work

In the event that there are handouts, I will only hand them out once. If you miss class, it is your responsibility to get any handouts for that day from another student or the course web page. I also will only bring student work for return to you occasionally. If you are absent on the day work is returned you will need to wait until I bring it again or come to my office during office hours to pick it up.

### Talking in Class

Please don't talk to each other during class. If you have questions, ask me, not the student sitting next to you. During discussions, address yourself to the entire class, not to each other individually. Talking to each other during class is rude and distracting, both to me and to other students.

### Punctuality

Please do your best to arrive for class on time. If you must arrive late, please do so as inconspicuously as possible. Plan on staying for the entire class session as leaving early is rude and disruptive. If you do need to depart early, let me know before class starts. If you make a habit of leaving early, I will ask that you not return.

### Recording of Lectures

Audio and/or any kind of video recording of lectures is prohibited and is a violation of federal copyright laws unless you have a learning disability that requires such recording (see below).

### Selling or Posting of Notes

It is a violation of state law for you to either sell or publicly post lecture notes from my class. You are encouraged to freely (that means without monetary compensation) share notes amongst yourselves. You may not in any way profit financially from notes taken in my class though.

### Accommodations for students with disabilities

If you have a disability and require accommodations, you need to provide disability documentation to Services for Students with Disabilities, Lassen Hall 1008, (916) 278-6955. They will determine your needs and provide you with the necessary forms to bring to me. Please discuss your accommodation needs with me after class or during my office hours early in the semester. Do not expect accommodation if you wait until the very last minute to advise me of your needs.