History of Economic Thought course syllabus centered around *The Clash of Economic Ideas* and based on a course I taught at UM – St. Louis

Lawrence H. White

**Overview:** This course provides an introduction to the historical development of the economic ideas that have changed the world in the last hundred years.

**Required reading**

![Book Image](image)


**Required viewing** (we’ll watch the first disc of this set)

![DVD Image](image)

*Commanding Heights DVD* (WGBH, 2002), *Episode One: The Battle of Ideas*

The video is also available [online](#).

**Course materials** (syllabus, practice exams) will be available on the course Blackboard site. Many required supplemental readings are at the [Commanding Heights site](#). Others are linked below. *You will be required to read a lot.*

**Lectures** will coordinate with chapters of the assigned texts and segments of the DVD (as indicated below), but will also amplify, modify, and supplement what is found there. Understanding the texts is crucial, but it isn’t enough: equally important for mastering the course material is taking good lecture notes and studying them.

**Requirements:**

- two quizzes
- one paper, 8-10 pages long (topic guidelines and due date to be announced)
- cumulative final exam as scheduled by the University.
Each quiz counts for 20% of your grade. The paper counts 30%. The final exam is cumulative and counts the remaining 30%.

**Topics and readings, with links**


1. **Introduction: The Turn from Laissez Faire**

   *The Clash of Economic Ideas*: Introduction and Ch. 1

   *Commanding Heights* DVD: **Prologue** and **The Old Order Fails**

   Bio: [John Maynard Keynes](https://www.libraryofeconomicsandliberty.org/Author/JohnMaynardKeynes); Bio: [Friedrich von Hayek](https://www.libraryofeconomicsandliberty.org/Author/FriedrichvonHayek)

2. **The Bolshevik Revolution and the Socialist Calculation Debate**

   *The Clash of Economic Ideas*: ch. 2

   *Commanding Heights* DVD: **Communism on the Heights**

   Profile: [Karl Marx (and Engels)](https://www.libraryofeconomicsandliberty.org/Author/KarlMarxAndEngels)


   Bio: [Ludwig von Mises](https://www.libraryofeconomicsandliberty.org/Author/LudwigvonMises); Bio: [Oskar Lange](https://www.libraryofeconomicsandliberty.org/Author/OskarLange)

   David L. Prychitko, *Marxism* [CEE]

   Steven E. Rhoads, *Marginalism* [CEE]

   Karl Marx and Friedrich Engels, *The Communist Manifesto* (1848)

   Ludwig von Mises, “*Economic Calculation In The Socialist Commonwealth*” (1920)

F. A. Hayek, “The Use of Knowledge in Society” (1946)

3. The Roaring Twenties and Austrian Business Cycle Theory

The Clash of Economic Ideas: ch. 3

Commanding Heights DVD: A Capitalist Collapse

Bio: Eugen von Böhm-Bawerk; Bio: Knut Wicksell

Knut Wicksell, “The Influence of the Rate of Interest on Prices” (1907)


4. The New Deal and Institutionalist Economics

The Clash of Economic Ideas: ch. 4

Video: Jimmy Durante promotes the National Recovery Administration


Malcolm Rutherford, Institutional Economics: Then and Now (2001)

5. The Great Depression and Keynes’s General Theory

The Clash of Economic Ideas: ch. 5

Commanding Heights DVD: Global Depression

Interview: Robert Skidelsky; Interview: John Kenneth Galbraith

Bio: Jean-Baptiste Say
Jean-Baptiste Say, *A Treatise on Political Economy* (1803), Book I, Chapter XV, “Of the Demand or Market for Products”


6. The Second World War and Hayek’s *Road to Serfdom*

*The Clash of Economic Ideas*: ch. 6

*Commanding Heights* DVD: Worldwide War

Sheldon Richman, *Fascism* [CEE]

F. A. Hayek, *The Road to Serfdom* (excerpt)

Bruce Caldwell, “The Publication History of The Road to Serfdom” (2007)

F. A. Hayek, *The Road to Serfdom* (1944; condensed), pp. 27-62

7. Postwar British Socialism and the Fabian Society

*The Clash of Economic Ideas*: ch. 7

*Commanding Heights* DVD: Planning the Peace

G. D. H. Cole, “Fabianism” (1932)

Interview: Tony Benn; Interview: Barbara Castle

8. The Mont Pelerin Society and the Rebirth of Smithian Economics

*The Clash of Economic Ideas*: ch. 8

*Commanding Heights* DVD: Pilgrim Mountain

Bio: Adam Smith; Bio: Carl Menger

Interview: Ralph Harris
Adam Smith, *The Wealth of Nations* (1776), *Book I* chs. 1-3; *Book IV*, Chapter II

Carl Menger, “On the Origin of Money” (1892)


Steven Horwitz, “From Smith to Menger to Hayek: Liberalism in the Spontaneous-Order Tradition” (2001)

9. The Postwar German “Wonder Economy” and Ordoliberalism

*The Clash of Economic Ideas*: ch. 9

*Commanding Heights* DVD: *Germany’s Bold Move*

Profile: *Ludwig Erhard*

David R. Henderson, “German Economic ‘Miracle’” [*CEE*]


10. Indian Planning and Development Economics

*The Clash of Economic Ideas*: ch. 10

*Commanding Heights* DVD: *India's Way*

Interview: *Jairam Ramesh*

“Up for Debate: *India and Planning*” [*CH*]


11. Bretton Woods and International Monetary Thought

*The Clash of Economic Ideas*: ch. 11
12. The Great Inflation and Monetarism

*The Clash of Economic Ideas*: ch. 12

*Commanding Heights DVD*: **Chicago Against The Tide**

Bio: [Milton Friedman]; Interview: Milton Friedman


Milton Friedman, *The Role of Monetary Policy* (1968)


*The Clash of Economic Ideas*: ch. 13

*Commanding Heights DVD*: **A Mixed Economy Flounders**

Bio: [Ronald Coase]; Bio: Paul Samuelson; Interview: Kenneth Baker

Tyler Cowen, *Public Goods* [CEE]

William F. Shugart II, *Public Choice Theory* [CEE]

James M. Buchanan, *Public Choice: The Origins and Development of a Research Program*
14. Free Trade, Protectionism, and Trade Deficits

*The Clash of Economic Ideas*: ch. 14

Bio: [David Ricardo](#); Bio: [Frederic Bastiat](#)

Jagdish Bhagwati, [Protectionism](#) [CEE]

Frederic Bastiat, *“A Petition from the Manufacturers of Candles”* (1845)


Milton Friedman, *“Question and Answer Session with Milton Friedman,” U.S. Trade Deficit Review Commission* (15 November 1999)

15. From Pleasant Deficit Spending to Unpleasant Sovereign Debt Crisis

*The Clash of Economic Ideas*: ch. 15

David Ricardo, *“Essay on the Funding System”* [1820], Section II


Thomas Sargent, *“Interview with Thomas Sargent,” Federal Reserve Bank of Minneapolis Region* (September 2010), pp. 32–3.