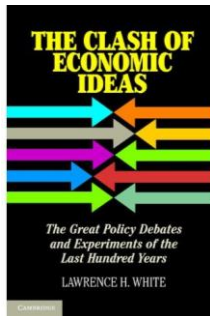


History of Economic Thought course syllabus
centered around *The Clash of Economic Ideas*
and based on a course I taught at UM – St. Louis

Lawrence H. White

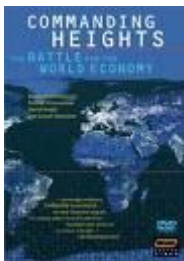
Overview: This course provides an introduction to the historical development of the economic ideas that have changed the world in the last hundred years.

Required reading



Lawrence H. White, *The Clash of Economic Ideas: The Great Policy Debates and Experiments of the Last Hundred Years* (Cambridge, 2012).

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



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

Bios, and articles denoted [CEE], are linked to the Library of Economics and Liberty website for David R. Henderson, ed., [Concise Encyclopedia of Economics](#), 2^e (2007). Profiles and interviews, and articles denoted [CH], are linked to the PBS [Commanding Heights](#) website.

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](#); Bio: [Friedrich von Hayek](#)

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 \(and Engels\)](#)

David N. Balaam and Michael Veseth, [Lenin on Global Trade](#) (excerpt from *Introduction to International Political Economy*, 2001). [CH]

Bio: [Ludwig von Mises](#); Bio: [Oskar Lange](#)

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)

Oskar Lange, [“On the Economic Theory of Socialism”](#) (1936) [*Review of Economic Studies*, Oct. 1936, via [JSTOR](#)]

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)

Ludwig von Mises, [“The Austrian Theory of the Trade Cycle”](#) (1936)

Roger W. Garrison, [“The Austrian School: Capital-Based Macroeconomics”](#) (2005)

4. The New Deal and Institutionalist Economics

The Clash of Economic Ideas: ch. 4

Video: Jimmy Durante promotes the [National Recovery Administration](#)

Rexford G. Tugwell, [“The Principle of Planning and the Institution of Laissez Faire.”](#) *American Economic Review* 22 (Supplement) (March 1932), pp. 75–92.

J. A. Hobson and E. M. F. Durbin, [“Underconsumption: An Exposition and a Reply.”](#) *Economica* 42 (November 1933), pp. 402-27.

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"](#)

John Maynard Keynes, *The General Theory of Employment, Interest, and Money* (1936), [Preface to the German edition](#), [Preface to the French edition](#), [Chapter 2: The Postulates of the Classical Economics](#)

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)

Norman Barry, "[The Tradition of Spontaneous Order](#)" (1982)

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]

Viktor Vanberg, "[The Freiburg School: Walter Eucken and Ordoliberalism](#)" (2004)

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]

Peter Bauer, "[B. R. Shenoy: Stature and Impact.](#)" *Cato Journal* 18 (Spring/Summer 1998), pp. 1-10.

H. D. Vinod, "[A Conversation with Jagdish Bhagwati on Indian Politics, Globalization, Socialism, Entrepreneurship, and African Aid](#)" (2005)

11. Bretton Woods and International Monetary Thought

The Clash of Economic Ideas: ch. 11

Commanding Heights DVD: [The Specter of Stagflation](#)

Nassau W. Senior, *Three Lectures on the Transmission of the Precious Metals from Country to Country, and the Mercantile Theory of Wealth* (1828), [Lecture 1](#)

Robert Skidelsky, "[Keynes, Globalisation and the Bretton Woods Institutions in the Light of Changing Ideas about Markets.](#)" *World Economics* 6 (Jan-Mar 2005), pp. 15-30.

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](#)

Irving Fisher, *The Purchasing Power of Money* (1911), [chapter 2: Purchasing Power of Money as Related to the Equation of Exchange](#)

Milton Friedman, "[The Role of Monetary Policy](#)" (1968)

Robert L. Hetzel, "[Arthur Burns and Inflation.](#)" Federal Reserve Bank of Richmond *Economic Quarterly* (Winter 1998)

13. The Growth of Government: Public Goods and Public Choice

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)

Paul Krugman, [“Ricardo’s Difficult Idea”](#) (1998)

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

Jesse Burkhead, [“The Balanced Budget.”](#) *Quarterly Journal of Economics* 68 (May, 1954), pp. 191-216.

James M. Tobin, [“Hansen and Public Policy.”](#) *Quarterly Journal of Economics* 90 (Feb. 1976), pp. 32-37.

Robert J. Barro, [“The Ricardian Approach to Budget Deficits.”](#) *Journal of Economic Perspectives* 3 (Spring, 1989), pp. 37-54.

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