



**College of Commerce
Division of Economic and Financial Studies
Economics Department**

UNIT OUTLINE

ECON356: History of Economic Thought

First Semester, 2005

Unit Convenor: A/Prof Melanie Beresford

Unit web address: <http://www.econ.mq.edu.au/courses/econ356/index.htm>

Prerequisites: ECON110; ECON111; 6 cp at 200 level in Division of Economic & Financial Studies

You should read this unit outline carefully at the start of semester. It contains important information about the unit. If anything in it is unclear, please consult the unit convenor.

ABOUT THIS UNIT

3 credit points. Each credit point assumes 2-3 hours private study in addition to class attendance.

This unit covers the major developments in economic analysis since the eighteenth century. The main emphasis is on tracing the historical evolution of modern economic theories, but the philosophical and socio-economic factors which have influenced the development of economic ideas are also given importance.

The **aims of the unit** are:

- to acquaint students with the major contributions to the evolution of economic analysis and the main scientific controversies which have arisen in the course of this evolution;
- to enable students to analyse the reasons for changes in economic thinking so that they acquire a deeper insight and perspective on the nature of modern economics.

In addition to the discipline-based learning objectives, all academic programs at Macquarie seek to develop students' generic skills in a range of areas. One of the aims of this unit is that students develop skills in the following:

- Essay writing.
- Critical analysis.
- Communication (especially in presenting your ideas to an audience).
- Working in teams.

TEACHING STAFF

- **Convenor:** A/Prof Melanie Beresford
Room: C5C 362
Tel: 9850 8491
Email: melanieb@efs.mq.edu.au
Consulting hours: Monday 5-6 pm; Thursday 2-5 pm (but see tutorial schedule on my door). At other times by appointment.
- **Other Staff:** Dr Sean Turnell (week 13 only)
sturnell@efs.mq.edu.au

CLASSES

- 1 x 2 hour lecture per week, for 12 weeks and 1 x 1 hour tutorial p.w. for 6 weeks.
Lectures are 11 am to 1 pm on Mondays in C5C 209.
Tutorials are at 4 pm on Mondays in E6A 109.
- It is an assessment requirement of this unit that students attend tutorial classes (see further below). **If you think you may not be able to attend all tutorials (for employment reasons, for example) withdraw from the course NOW.**

UNIT CALENDAR

Date	Lecture	Tutorial	Key dates
28 Feb	Introduction		
7 Mar	Physiocrats	Preliminary meeting	
14 Mar	Smith		
21 Mar	Malthus & Ricardo	Smith	
<i>Easter Monday – no classes this week</i>			
4 Apr	Review of Classical PE		Smith papers due.
11 Apr	Marx	Malthus & Ricardo	Essay due Friday 15 April
<i>Mid-semester break</i>			
2 May	Marx	Marx	M&R papers due.
9 May	Marginalism		
16 May	Marginalism	Marginalism	Marx papers due.
23 May	Institutionalism		
30 May	Keynesianism	Institutionalism	Marginalism papers due.
6 Jun	Australian Economic Thought		
			Institutionalism papers due 14 June.
			Exam period 15-29 June

REQUIRED AND RECOMMENDED TEXTS AND/OR MATERIALS

- There are **no prescribed texts** or unit materials
- **Recommended texts** are listed below under the lecture synopsis. All recommended texts are available in the Library Reserve, e-Reserve or ERIC.

UNIT WEB PAGE

The web page for this unit can be found at:

<http://www.econ.mq.edu.au/courses/econ356/index.htm>

TEACHING AND LEARNING STRATEGY

- Lectures cover the basic content of the unit. They do not, however, cover the entire content which must be made up with extra reading and tutorial work. Tutorials consist of student presentations and class discussion. Tutorial attendance is compulsory and marks will be deducted for failure to participate (see further under ASSESSMENT).
- Students are expected not only to attend classes, but to prepare for them in advance (it helps to know what the class is about!).
- You are encouraged to ask questions in lectures. You are expected to ask questions in tutorials.
- You are required to submit an essay by the due date.
- You are required **to pass the examination in order to pass the unit.**

LECTURE SYNOPSIS AND READING GUIDE

*NB: These reading guides are not intended to be exhaustive. There are numerous other useful texts which students may consult. In addition, students should make use of **The New Palgrave: a dictionary of economics** (New York, Stockton Press, 1987) in the Reference section of the Library. In preparing essays students should also be prepared to consult relevant journals.*

Week 1. Introduction

In this introductory week the lecture will cover two major issues. Firstly, we note that, as a result of the way economics has developed over the last two centuries, there is a certain lack of consensus among economists over its philosophical and methodological foundations. This lack of consensus leads to differing views about the real value of economics, as practised today, for society and to a vigorous debate about what, if anything, needs to be done to improve the relevance and usefulness of economic theory. Over the course of the next twelve weeks, we will examine the origins of these differences in earlier economic thinking as well as some of the disparate alternatives offered. Secondly, there will be a brief outline of the main trends in economic thought prior to the 18th century in order to explain why, in Week 2, the main discussion of the development of economics as a distinct discipline begins with the Physiocrats. In particular we will look at Mercantilism and why, by the mid-18th century, it was increasingly being regarded as a dead end.

Reading:

Robert L. Heilbroner and William Milberg, *The Crisis of Vision in Modern Economic Thought*, Cambridge University Press. 1995, pp. 1-24

Ernesto Screpanti & Stefano Zamagni, *An Outline of the History of Economic Thought*, Oxford, Clarendon Press, 1995, chapter

Part 1: The Development of Classical Political Economy

Part I, comprising 4 weeks, examines the development of Classical Political Economy up to the middle of the 19th century. We begin with the Physiocrats, in the mid-18th century, because they represent a marked break from earlier traditions, particularly Mercantilism which had dominated economic thinking for the previous two centuries. The rise of Physiocracy coincides with the beginning of major changes in European societies and in their economic structures which gave rise to philosophical notions of individualism (opposed to the concentration of economic power in the hands of monarchs and their agents) and laissez-faire (opposed to the protection of monopoly and privilege). It also represents a high point in the movement towards scientific enquiry as an end in itself, a movement which had been kicked off by the Italian Renaissance and the French Enlightenment.

Because of its more advanced level of economic development, Britain became the leading centre of economic thought in this period and produced several of the most important

thinkers in the entire history of economic ideas. The two outstanding thinkers of the late 18th and early 19th centuries were Adam Smith and David Ricardo to whom all economists, regardless of their position in the various controversies surrounding the discipline, pay the highest respect. Smith was writing in the early stages of the Industrial Revolution and his work contains both a strong advocacy of the benefits of free markets and the most optimistic account of capitalism's progress. Ricardo, writing several decades later, while considering industrial capitalism in a positive light, adopted a more logically rigorous approach to his analysis and was also more concerned with the periodic tendency to stagnation which was by then apparent. While these two approached their subject matter in different ways, they have in common a number of key elements that can be regarded as the core of Classical Political Economy. These elements include a concern with the dynamics of the capitalist system, adherence to the labour theory of value (despite perceiving problems with it), belief that laissez-faire is the best policy and that the distribution of income between the main social classes (labour, capital and landowners) is the principal determinant of economic dynamics.

A number of other major political economists, including Malthus, John Stuart Mill and Nassau Senior, made important contributions, although their views are more controversial among later economists. By the middle of the 19th century it was apparent that a major division was emerging within the discipline as to the direction in which economic theory should develop. This division broadly reflected different visions of the capitalist system and its capacity to produce social justice. We will examine the theoretical and philosophical bases of these differences and how they ultimately led to the development of the contending schools of thought that will be discussed in Parts 2 and 3 of the course.

Week 2. The Physiocrats

Originals:

Excerpts published in R.L. Meek, *The Economics of Physiocracy*, Allen & Unwin, London, 1962

Other relevant sources:

E.K. Hunt, *History of Economic Thought: A Critical Perspective*, NY, Harper Collins, 1992, pp. 37-46

I. H. Rima, *Development of Economic Analysis*, Homewood (Ill.), Irwin, 1991, ch. 4

Pressman, Steven, *Fifty Major Economists*, London & NY, Routledge, pp. 10-17

Eric Roll, *A History of Economic Thought*, London, Faber & Faber, 1954, ch. 3

Screpanti & Zamagni, pp 43-48

Week 3. Adam Smith

Originals:

Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations*, (any edition) chs. 1-10

Other relevant sources:

Hunt, ch. 3

Meek, R.L., *Social Science and the Ignoble Savage*, Cambridge & New York, CUP, 1976, ch. 4

Meek, Ronald, *Studies in the Labour Theory of Value*, London, Lawrence & Wishart, 1973, ch. 2

Pressman, Steven, *Fifty Major Economists*, London & NY, Routledge, pp. 17-26

Rima, ch. 5

Roll, ch. 3

Screpanti & Zamagni, ch 2.2

Week 4. Malthus and Ricardo

Originals:

Ricardo, David, *The Principles of Political Economy and Taxation*, various editions, chs 1-6, 19, 21, 31

Malthus, *An Essay on Population* (any edition)

Other relevant sources:

Hunt, chs 4, 5

Keynes, J.M., *Essays in Biography*, Mercury, London, 1961, pp. 98-124

Pressman, pp. 29-32, 35-40

Rima, chs 6, 7

Screpanti & Zamagni, ch 3.1

Meek R.L., *Marx and Engels on Malthus*, London, Lawrence & Wishart, 1950 (State Library only)

Week 6. Classical Political Economy: the widening chasm

Originals:

Mill, J.S., *Principles of Political Economy*, various editions, esp. Book IV

J.S. Mill, *Autobiography*, London, Oxford University Press, 1971

Other relevant sources:

Hunt, chs 6, 8

Pressman, pp. 26-28, 33-35, 44-47

Rima, chs 8, 9

Screpanti & Zamagni pp. 82-86; 93-98; chs 4.1 and 4.2

Part 2: The Marxist Critique of the Classical System

Marxism represents the first of the major strands developing out of classical political economy that we examine. Although most of his work on political economy was carried out in England, Marx also represents the beginning of a shift away from British dominance of the discipline. His thought is very strongly influenced by German philosophy and French socialism, a basic understanding of both of which is essential to comprehending his approach to political economy. A great deal of his actual economic theory draws heavily on the work of Smith, Ricardo and other British political economists, and in this sense he can be regarded as the last of the major Classical Political Economists. But he also adopts a highly critical approach, pointing to the limitations of those two great economists, particularly with regard to their inconsistent approach to the labour theory of value and what he sees as a complacent attitude towards the plight of the poor. He is especially contemptuous of some of the lesser known figures (the 'vulgar economists') whom he regards as having set economics on the wrong path and who are, according to him, little more than apologists for an economic system which cannot survive in the long term.

The first lecture examines the continental influences on Marx's thought as well as his background in Germany and his eventual arrival in England as a political refugee. After that we begin to look at the main elements of his economic theory of the capitalist system. We examine the continuities and differences from earlier developments, and the extent to which Marx's work can be said to have any relevance today. A major focus is on Marx's theory of economic crisis, his critique of Say's Law (which had been adhered to by Malthus, Ricardo

and their contemporaries) and the ways in which he believed that the contradictions inherent in capitalist economies would inevitably lead to disequilibrium and crisis.

Weeks 6 and 8. Karl Marx (no lectures in week 7)

Originals:

Marx, Karl, *Wage Labour and Capital*, (any edition)

Marx, Karl, *Value, Price and Profit* (any edition)

Marx, Karl, *Capital*, vol 1 (any edition), ch. 10; vol III, chs 13-15

Other relevant sources:

Dobb, Maurice, *Political Economy and Capitalism*, New York, International Publishers, 1945, ch. 4

Hunt, ch. 9

Lenin, V.I., *Karl Marx* [1914], Foreign Languages Press, Beijing, 1976

McFarlane and Beresford, *A Manual of Political Economy*, chs 3-11

Pressman, Steven, *Fifty Major Economists*, London & NY, Routledge, pp. 48-52

Rima, ch. 10

Roll, ch. 6

Screpanti & Zamagni ch 4.3

Sweezy, P. *The Theory of Capitalist Development*, New York, Monthly Review Press, 1964, chs 8-12

Part 3: The Marginal Revolution and its Critics

The third part of the course examines developments in economics from 1870 onwards, in the post-Classical era. While many of the economists to be studied drew on elements of the Classical system, they did so in a selective way which led them to take economics in markedly different directions.

First we look at the Marginalists or Neo-Classicals. The first wave of major marginalist works appeared between 1870 and 1874 in England (W.S. Jevons), Austria (Karl Menger) and Switzerland (Leon Walras) and drew on ideas which, as we will have seen in Part 1, had been developing within the Classical tradition. In 1890, Alfred Marshall produced his *Principles of Economics*, which both changed the name of the discipline and became the dominant textbook in the English-speaking world for decades to come. Probably the major achievement of the marginalists was to overturn the dominance of the labour theory of value and replace it with a logically consistent theory of value based on consumer utility. They are known as Marginalists because they focused on marginal changes in supply and demand resulting in changes in value, thereby resolving some of the contradictions in earlier Classical developments of the idea. Moreover, among some of the Marginalists, opposition to Marx's radical development of the Classical system was clearly a motivation for the change in direction. For those reasons, the work of the Marginalists has often been described as a 'revolution'. However, in rejecting the labour theory of value, the Neo-Classicals were left with a number of problems, notably with regard to the theory of distribution, which they have never solved in a satisfactory way. Nevertheless, this school of thought became dominant in the 20th century, largely as a result of its dominance in the United States, the world's most powerful capitalist nation.

The second group of economists to be examined in this Part of the course are the Institutionalists. Institutionalism is an alternative American tradition which has its roots in the German Historical School and therefore has only tangential relations to Classical Political Economy. It developed largely as a critical response to Neo-Classicism. Thorstein Veblen is

generally regarded as the founder and he devoted a great deal of energy to explaining why the things societies (and by implication individuals) value are determined by culture and institutions, rather than the utility maximising 'hedonistic calculus' favoured by the Neo-Classicals. He also pointed to the flaws in the Neo-Classical theory of distribution, as developed by his former teacher, John Bates Clark. Perhaps because he developed no alternative theory of value, his analysis could not be couched in mathematical terms, and he acquired a somewhat maverick reputation in academia, his work was generally disregarded by mainstream economists, although institutionalism has subsequently been a more influential tradition among radicals and in business studies. More recent developments of institutionalism in the U.S. include the work of J.K. Galbraith, *Radical Political Economy* and the New Institutionalists (who have attempted an integration of institutionalism with neo-classicism). Of these, we look only at Galbraith in any detail since he provides an example of a continuation of Veblen's theoretical attack on the Neo-Classical premises as well as a distinctive and highly influential institutionalist view of the modern corporate world.

In week 12, we will examine what has become known as the 'Keynesian Revolution', by comparing and contrasting the work of two prominent figures, J.M. Keynes and Michal Kalecki. Both these economists produced their major studies on the theory of the capitalist economy in the wake of the Great Crash of 1929 and were essentially concerned with the Classical question of instability and dynamics, something that had disappeared from view with the rise of Marginalism. Keynes' major treatise was written as a critique of Marshallian economics, while Kalecki was relatively unfamiliar with neo-classicism, but well versed in the Classics and Marx. The different origins of their ideas produced differences in the way they were, or were not, taken up by others, as well as different predictions about the possibility of eliminating crises from the capitalist environment. However, there were essential similarities in their analyses of the causes of crisis lying in a deficiency of effective demand – an idea which had already appeared in the works of the Physiocrats, Malthus and Marx.

In the final week, Sean Turnell will examine some of the themes that have characterised Australian economic thought. Beginning with the set of ideas that surrounded 'New Protection,' the central economic philosophy behind Federation, the lecture will go on to examine Australian efforts to promote global expansionary policies during the Depression and beyond. The 1945 White Paper on employment policy will be examined in order to shed light on the nature of the Keynesian Revolution in Australia. Individuals highlighted will include H.C. 'Nugget' Coombs, L.F. Giblin, James Brigden, Douglas Copland, Leslie Melville and G.C. Harcourt.

Weeks 9 and 10. The Marginal Revolution

Originals:

Jevons, W.S., *The Theory of Political Economy*, various editions

Other relevant sources:

Baumberger, J. 'No Kuhnian Revolutions in Economics', *Journal of Economic Issues*, XI:1, March 1977, pp. 1-20

DeVroey, M., 'The Transition from Classical to Neoclassical Economics: A Scientific Revolution', *Journal of Economic Issues*, IX:3, September 1975, pp. 415-39

Hunt, chs 10, 11, 14, 17

Kuhn, T., *The Structure of Scientific Revolutions*, University of Chicago Press, chs 9-13

Meek, Ronald, 'The Marginal Revolution and its Aftermath' in E.K. Hunt and J.G. Schwartz, *A Critique of Economic Theory*, Penguin, 1972, ch. 2

Pressman, pp. 40-44, 53-68

Rima, chs 11-13

Screpanti & Zamagni chs 5.1-5.4; 6.1 and 6.2

Week 11. Institutionalism

Originals:

Galbraith, J.K., *The New Industrial State*, Harmondsworth, Penguin, 1972

Galbraith, J.K., *Economics and the Public Purpose*, Harmondsworth, Penguin, 1973

Veblen, Thorstein, 'Professor Clark's Economics', reprinted in E.K. Hunt and J.G. Schwartz, *A Critique of Economic Theory*, Penguin, 1972, ch. 5)

Other relevant sources:

Hunt, ch 12

Reisman, D., 'The Dissenting Economist: J.K. Galbraith' in Shackleton, J., Locksley G. (eds), *Twelve Contemporary Economists*, London, Macmillan, 1981, pp. 72-86

Pressman, Steven, *Fifty Major Economists*, London & NY, Routledge, pp. 88-91, 153-157

Rima, ch 18

Screpanti & Zamagni pp 280-285

Week 12. The Keynesian Revolution

Originals:

Keynes, J.M., *The General Theory of Employment, Interest and Money*, various editions, London, Macmillan

Kalecki, M., 'Political Aspects of Full Employment', reprinted in Hunt and Schwartz, *A Critique of Economic Theory*, ch. 17

Other relevant sources:

Hicks, J.R., 'Mr Keynes and the Classics, a Suggested Interpretation', *Econometrica*, April 1937

Hunt, ch. 15

Rima, ch. 20

Screpanti & Zamagni chs 7.1-7.3 (see also, 8.2.5 and 9.2.1)

Week 13. Australian Economic Thought (Sean Turnell)

Originals:

Parliament of Australia, *Full Employment in Australia*, AGPS, Canberra, 1945

Other relevant sources:

Peter Groenewegen and Bruce McFarlane, *A History of Australian Economic Thought*, London and New York, Routledge, 1990, chs 6, 8, 9

TUTORIAL TOPICS

NOTE: When preparing seminar presentations, first use the focus questions to collect relevant data and then use the data to answer the main question.

Week 2 (7 March) – Preliminary meeting

Students will be assigned to **discussion groups**. These groups should meet regularly outside class hours as a forum for students to discuss issues raised in lectures and readings, and to prepare for essays, tutorial discussions and presentations. Each group will be assigned one presentation during the semester. Following the presentation other members of the tutorial will be expected to contribute to a discussion of the points raised in the presentation.

Week 4 (21 March) – Adam Smith

Laissez-faire principles are often justified today by reference to Adam Smith. To what extent are his ideas relevant to economics today?

Focus questions:

- What does Smith mean by the 'division of labour'? How did the DL originate and what is its relation to economic progress? What were the advantages and disadvantages of the DL? Can we use this concept of DL to apply to economies beyond the stage of simple manufacturing of Smith's era?
- What was Smith's view of human nature? Is it possible to reconcile the view expressed in *The Theory of Moral Sentiments* with the view in *Wealth of Nations*? How do you think this view influenced his economic theory?
- What did Smith mean by the 'invisible hand'? Under what circumstances did Smith condone government intervention and was this consistent with his principle of laissez-faire?

Week 6 (4 April) – Ricardo and Malthus

Explain and evaluate the different explanations offered by Ricardo and Malthus on the prospects for economic stagnation and recovery.

Focus questions:

- How did Malthus' population theory explain the level of real wages?
- How did Malthus explain the existence of 'gluts'?
- How did Ricardo explain the division of national income between wages, profit and rent? Why did he think that this division showed a tendency to produce stagnation in the economy?
- What was the importance of the Corn Laws in the debate between Ricardo and Malthus? Was Marx correct in describing Malthus as a 'lackey of the landlords'?

Week 8 (2 May) – Marx

Discuss Marx's analysis of periodic economic crises of the capitalist economy and its relationship to his prediction of the eventual demise of capitalism?

Focus questions:

- What did Marx mean by the term 'exploitation' and what was the 'rate of exploitation'? How did 'class struggle' determine the rate of exploitation? How did changes in the rate of exploitation contribute to the development of crises?
- What were 'constant' and 'variable' capital, and the 'organic composition of capital' and how did they relate to Marx's theory of profit? What led Marx to believe that the rate of profit would inevitably fall? Was he right?
- How would the problem of effective demand play a role in bringing about crises?
- What, in Marx's view, would be the impact of economic crises on the capitalist economy and society?

Week 10 (16 May) – Marginalism

Did the rise of Marginalism constitute a scientific revolution?

Focus questions:

- What were the major achievements of the Marginalists compared with their Classical predecessors?
- Should we necessarily regard these as scientific advances? Do you consider that there were any valuable insights or theoretical propositions in Classical Political Economy that

had to be abandoned by the Marginalists?

- How would you define a revolution? Does a revolution mean a complete break with the past? What is the difference between evolution and revolution?
- Why do you think revolutions happen? Do you think Kuhn's views on censorship in science are relevant to economics?

Week 12 (30 May) – Institutionalism

Explain and evaluate the institutionalist critique of neo-classicism (marginalism).

Focus questions:

- What was the basis of Veblen's critique of the 'hedonistic calculus'? How did he relate his ideas about 'basic instincts' to the cultural and institutional development of different societies? What are the implications of culturally-regulated activity for the notion of 'consumer sovereignty'?
- What was Veblen's conception of 'capital' and how did it differ from that of Clark and the other Neo-classical theorists? What was the basis of Veblen's criticism of the 'marginal productivity theory of capital' theory of profits? Was he right in regarding that theory as no more than an ideological justification for the predatory activities of the capitalists?
- Does Galbraith's theory of the domination of economic life by the requirements of the 'technostructure' provide us with a more realistic picture of modern economies than the individualism of the Neo-Classicals?

ASSESSMENT

Final examination	70%
Essay	15%
Tutorial paper	5%
Tutorial participation and presentation	10%

- The **examination** (70% of total) will consist of a two hour paper in which students will be required to answer *three questions*, including at least *one on each of the three Parts* of the unit.

The rationale for this examination is twofold:

- (1) to ensure that each student has covered the unit content adequately;
- (2) to ensure that students are able to express what they have learned in their own words.

It is **very important** to note that you cannot pass the unit unless you pass the exam.

You are expected to present yourself for examination at the time and place designated in the University Examination Timetable. The timetable will be available in Draft form approximately eight weeks before the commencement of the examinations and in Final form approximately four weeks before the commencement of the examinations.

<http://www.timetables.mq.edu.au/exam>

The only exception to not sitting an examination at the designated time is because of documented illness or unavoidable disruption. In these circumstances you may wish to consider applying for Special Consideration. Information about unavoidable disruption and the special consideration process is available at

<http://www.reg.mq.edu.au/Forms/APSCon.pdf>

If a Supplementary Examination is granted as a result of the Special Consideration process the examination will be scheduled after the conclusion of the official examination period.

You are advised that it is Macquarie University policy not to set early examinations for individuals or groups of students. All students are expected to ensure that they are available until the end of the teaching semester, that is the final day of the official examination period.

- The **essay** (15% of total) will be of 1500-2000 words. Essays are due on **Friday 15 April**. Excessive length will be penalised proportionately.

Essays are to be submitted by two methods:

- (1) Hard copy to assignment boxes in ERIC before closing time on the due date.
- (2) Electronic version via Turnitin. Go to www.turnitin.com and click on 'create a user profile'. Then select 'student' from the drop down menu and follow the steps. The class ID number is **1262856** and the password is **ricardo**. You use these to establish and account for ECON356. Note that passwords are case sensitive, so type it exactly as it appears here. You will then get your own user ID and password.

Both versions must be submitted on the due date. Both versions must be **identical**.

Extensions of time may be granted for medical or compassionate reasons, at the discretion of the unit convenor. Written evidence of the extension must be attached to the hard copy of the essay when it is submitted. Late essays (without an extension) will be penalised at the rate of 1% of the available marks per day (so an essay that is 15 days late will receive no marks).

Essay topics will be announced separately.

Marks will be awarded for:

- presentation of a coherent, logical argument;
- structure of the essay;
- evidence of critical analysis of the sources used;
- use of evidence (including quotation from sources) in support of the argument;
- evidence of use of original texts (NOT including passages and phrases that are frequently quoted in secondary works!);
- presentation – this means tidy and readable text with adequate margins and spacing, clear paragraphing and use of subheadings where necessary. If in doubt, consult the essay writing guidelines.

Marks will be deducted for:

- plagiarism (please note that this includes not referencing your sources according to one of the accepted methods).
- failure to submit identical versions by the due date.

Essays will be returned at the first class after the mid-semester break **or** one week after the longest extension granted.

The rationale for the essay consists of:

- (1) enabling students to cover at least one part of the unit in greater depth than is possible in lectures/exams.
- (2) gaining practice at the important skill of report/essay writing.

In relation to (2) above, please read the essay writing guidelines *for this unit* carefully and study the University's policy on plagiarism (see below under PLAGIARISM).

Tutorial assessment comprises 2 parts:

- (1) Presentation of a written paper (5% of total) of **not more than 4 double-spaced A4 pages**. Excessive length will be penalised proportionately.

The deadline for submission of these is **two weeks after the presentation**. Late submission will be penalised unless you have an extension. Rules about extensions are the same as for essays. Penalty is 1 mark per day.

As with essays, they must be submitted in both hard copy and electronically via Turnitin. Hard copy can be submitted to me in person either in class, in my consultation hours or to my mailbox at the Division office during office hours.

Marks will be awarded and deducted for the same reasons given above for essays.

Papers should be returned within 2 weeks of submission.

Rationale for this assessment:

- o ability to present an argument in a succinct, short form;
- o development of writing skills.

- (2) Tutorial participation and presentation (10% of total).

Participation marks will be awarded according to the level and quality of your participation. Questions/discussion that show no evidence of preparation will not be rewarded. Mere attendance is insufficient to earn marks.

Marks will be deducted for non-attendance (1 mark per class missed). Leave of absence may be granted upon the production of good evidence. Otherwise you will need to make up for lost marks by the quality of your participation and presentation.

Presentation marks will be awarded on the basis of your ability to communicate an argument to the other students. Your presentation needs to be succinct, be clearly linked to the presentations of others in your group, not consist of tiny print on overhead projections that are illegible to the class, not be aimed at your feet or the whiteboard rather than the audience, not be too long or too short.

Individual presentations must not be more than 5 minutes long. All presenters will be stopped at 5 minutes and marks will be awarded only on the basis of what has been presented to that point.

Marks will be awarded for:

- o coherent and succinct argument in response to specific question(s);
- o structure of presentation;
- o good content;
- o quality of presentation (high tech not important);

Marks will be deducted for:

- o failure to present (5 marks).

Rationale for these assessments:

- o practice in presenting to an audience (communication skills);
- o practice at working in teams;
- o practice at expressing ideas in public.

PLAGIARISM

The University defines plagiarism in its rules: 'Plagiarism involves using the work of another person and presenting it as one's own.' Plagiarism is a serious breach of the University's rules and carries significant penalties. You must read the University's practices and

procedures on plagiarism. These can be found in the *Handbook of Undergraduate Studies* or on the web at: <http://www.student.mq.edu.au/plagiarism/>

The policies and procedures explain what plagiarism is, how to avoid it, the procedures that will be taken in cases of suspected plagiarism, and the penalties if you are found guilty. Penalties may include a deduction of marks, failure in the unit, and/or referral to the University Discipline Committee.

UNIVERSITY POLICY ON GRADING

The Academic Senate has a set of guidelines on the distribution of grades across the range from fail to high distinction. Your final result will include one of these grades plus a standardised numerical grade (SNG).

On occasion your raw mark for a unit (i.e. the total of your marks for each assessment item) may not be the same as the SNG which you receive. Under the senate guidelines, results may be scaled to ensure that there is a degree of comparability across the university, so that units with the same past performances of their students should receive similar results.

It is important that you realize that the policy does not require that a minimum of students be failed in any unit. In fact it does something like the opposite, in requiring examiners to explain their actions if more than 20% of students fail in a unit.

The process of scaling does not change the order of marks among students. A student who receives a higher raw mark than another will also receive a higher final scaled mark.

For an explanation of the policy see

<http://www.mq.edu.au/senate/MQUonly/Issues/Guidelines2003.doc> or

<http://www.mq.edu.au/senate/MQUonly/Issues/detailguidelines.doc>.

STUDENT SUPPORT SERVICES

Macquarie University provides a range of Academic Student Support Services. Details of these services can be accessed at <http://www.student.mq.edu.au>.

You may also seek help from ERIC (Economics Resource and Information Centre).