



ECON356/898

Evolution of Economic Ideas

Semester 1, 2011

Department of Economics

Prerequisites: ECON110; ECON111; 6 cp at 200 level in Faculty of Business and Economics

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 and before. 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.

The approach taken in this course is *thematic*, rather than author-based. We will examine the development of particular fundamental areas of economics (Theory of Value, Distribution Theory, Growth Theory and the Theory of Cycles and Fluctuations) in order to achieve an enhanced understanding of the path that economic thought has taken from the past on the way to its present form.

TEACHING STAFF

Convenor: Dr Wylie Bradford

Room: E4A 425

Tel: 9850 8467

Email: wylie.bradford@mq.edu.au (*preferred mode of communication*)

Consulting hours: Wednesday 10-12, otherwise by appointment.

CLASSES

1 x 2 hour lecture per week, for 13 weeks and 1 x 1 hour tutorial p.w. for 11 weeks. The timetable for classes can be found at <http://www.timetables.mq.edu.au/>. Lectures will be recorded using the iLecture system and made available for download via the unit's web page. Tutorial classes will commence in Week 3.

UNIT WEB PAGE

- Course material is available on the learning management system (BlackBoard)
- The web page for this unit can be found at

<https://learn.mq.edu.au/webct/logon/9426544001>

LEARNING OUTCOMES

The learning outcomes of this unit are for students to:

- 1 become familiar with the development of major ideas in the history of economic thought.
- 2 be able to identify the distinguishing characteristics of key schools of thought and stages in the development of economic theory.
- 3 be cognisant of how the major theoretical approaches to the analysis of economic issues, the assumptions on which they are based, and their implications regarding the effects of changes in key parameters are related to the history of economics.
- 4 demonstrate knowledge of the important individual contributors to the development of economics and the nature of their key contributions.
- 5 have the capacity to assess and compare current and historical approaches to economics in light of 2 & 3 above.

GRADUATE CAPABILITIES

In addition to the discipline-based learning objectives, all academic programs at Macquarie seek to develop the capabilities the University's graduates will need to develop to address the challenges, and to be effective, engaged participants in their world.

This unit contributes to this by developing the following graduate capabilities:

1. Discipline Specific Knowledge and Skills (*see below*)
 2. Critical, Analytical and Integrative Thinking
 3. Creative and Innovative
 4. Effective Communication
 5. Commitment to Continuous Learning
1. Discipline Specific Knowledge and Skills: Ability to
 - a. understand existing economic theories
 - b. apply economic theories to practical situations or problems
 - c. critically evaluate and test competing economic theories, comparing predictions to actual outcomes
 - d. examine real world issues from an economic perspective

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.

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.

	Assessment Task 1	Assessment Task 2	Assessment Task 3
Title/Name	Tutorial assignment	Essay	Final Exam
Description	Written/spoken	Written	Long answer
Due date	Randomly determined	22 April	TBA
% Weighting	15	25	60
Grading method - marking criteria/ standards	Coherent and succinct argument in response to specific question(s); Clarity of explanation; Good content, and understanding of source.	Presentation of a coherent, logical argument; Structure; Evidence of critical analysis of the sources used; Use of evidence in support of the argument; Evidence of use of original texts (NOT including passages and phrases that are frequently quoted in secondary works!); Presentation.	Presentation of a coherent, logical argument; Structure; Evidence of critical analysis of the sources used; Evidence of understanding of and reflection upon course material.
Submission method	Electronic/in-class	Electronic	Exam
Feedback	In –class discussion	Written feedback on returned essays	Release of final results
Estimated student workload (hours)	6 weeks @ 3 hours per week =18 hours	6 weeks @ 9 hours per week =54 hours	13 weeks @ 9 hours per week =117 hours
Learning outcomes assessed			
1	X	X	X
2	X	X	X
3	X	X	X
4	X	X	X
5	X	X	X

	Assessment Task 1	Assessment Task 2	Assessment Task 3
Graduate capabilities assessed			
1	X	X	X
2	X	X	X
3	X	X	X
4	X	X	X
5	X	X	X

The weights listed for each assessment task in the table above will be used to calculate your raw mark. The raw mark will be a weighted harmonic mean of the individual assessment marks, each expressed as a percentage:

$$RM = \frac{1}{\left(\frac{0.15}{T\%} + \frac{0.25}{E\%} + \frac{0.6}{FE\%} \right)}$$

where T% = tutorial mark (percentage)
E% = essay mark (percentage)
FE% = final exam mark (percentage)

It is important to note that the raw mark is an input into the determination of your final grade, but not the sole determinant. The stated University performance standards associated with particular grades will be taken into account in determining your final result.

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

Your final result will be expressed as a Standardised Numerical Grade (SNG). The value of the SNG denotes the level of performance attained (e.g. an SNG of 66 indicates that a student performed at a level sufficient to earn a CR grade but below that of a student with an SNG of 73, while an SNG below 45 indicates that the student has failed to demonstrate sufficient competence to earn a passing grade and so on) and the SNG need not coincide with the calculated raw mark. As the SNG is not a mark *per se* but an index of performance, it follows that statements of the form “I am only x marks away from [insert grade here]” are strictly invalid and no dialogue will be entered into on that basis following the release of final results.

You should also note that the fact that the raw mark is calculated as a weighted harmonic mean has some important implications:

- As the combination of assessment marks is not linear it is not correct to say, for example, that the essay is worth 25 marks or contributes up to 25 marks to the total of 100. In fact the essay has a weight of 0.2; its actual contribution to the final raw mark varies with its value and that of the other assessments.
- A zero result in any assessment) will render the calculation of a raw mark impossible and will result therefore in failure in the unit. **A necessary condition for passing the course is non-zero results in all assessments.**

- The harmonic mean punishes inconsistency. If you perform at a HD level in all assessments your raw mark will be consistent with the HD range. A low mark in one assessment will pull your raw mark down by more than if it was calculated as a weighted arithmetic mean (the traditional 'adding up' scenario). Hence it is important to approach each assessment task with the appropriate degree of seriousness in terms of preparation.

Tutorials in ECON356 will focus on extracts from notable primary sources by significant authors. Students will be called upon to answer questions on a given author at random and will be expected to present and discuss their answers in class. Tutorial questions and readings will be made available prior to tutorial sessions.

Each student will be called on twice in tutorials, with the better mark of the two attempts recorded as the tutorial mark.

Tutorial assessment (15% weighting) comprises 2 parts:

(1) Presentation of a written paper (10%) of **not more than 4 double-spaced A4 pages**. Excessive length will be penalised proportionately. **Papers are due immediately after the presentation**. Failure to submit will result in zero marks being awarded. As with essays, they must be submitted electronically via the unit Blackboard site and Turnitin.

Rationale for this assessment:

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

The written section of the paper will be marked by me (WB).

(2) Tutorial participation and presentation (5%).

Participation marks will be awarded by your peers (i.e. classmates!).

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

Presentation marks should be awarded on the basis of your ability to communicate an argument to me and to your peers.

Rationale for these assessments:

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

The presentation mark recorded will be a 10% Winsorised mean of the marks awarded by the class.

If you are absent when your name is called to present tutorial answers you will receive a mark of zero for the tutorial exercise. In order to successfully complete the course you must achieve a mark greater than zero for the tutorial exercise.

The **essay** will be of 1500-2000 words. Excessive length will be penalised proportionately. The essay topic information is available on the Blackboard site.

Essays must be submitted electronically via the website AND via turnitin.com. See the Essay question document on Blackboard for details.

Both versions must be submitted by the due date. Submission is incomplete until both versions are submitted.

Versions must be **identical**.

Essays will be returned before the end of lectures.

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, study the University's policy on Academic Honesty.

Extensions of time may be granted for medical or compassionate reasons, at the discretion of the unit convenor. 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).

The **final examination** will consist of a two hour paper in which students will be required to answer *three questions*. One of the questions will be compulsory for all students. The compulsory question will be chosen from a list that will be distributed early in the semester. The remaining two questions in the final exam will not have been seen prior to the exam.

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.

The purpose of the compulsory question is to allow for direct comparisons across student performance in the examination, and to provide a signal of your (unobservable!) effort throughout the semester. The potential compulsory questions will be general in nature and so a thorough preparation of your responses will be an excellent platform for success in the remaining sections of the final examination. The optional questions in the final examination will involve you responding to a quotation from an important primary or secondary source. Past papers are not restricted so you will be able to see numerous examples of the type of questions that I set. **Note, however, that no questions from past papers will be reused in 2011.**

Any **Honours students** taking the course should preset themselves to Examinations in the Lincoln building prior to the final examination to be assigned a seat number.

The University Examination period in First Half Year 2011 is from 6 June to 24 June.

<http://www.handbook.mq.edu.au/2011/OtherInformation/ImportantDates>

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. The University's policy on special consideration process is available at

http://www.mq.edu.au/policy/docs/special_consideration/policy.html

No consideration will be given to so-called 'misread timetable' cases. Failure to sit a scheduled examination that is not explicable in terms of unavoidable disruption as defined in University policy will result in a Failed Absent (FA) grade for the unit.

As special consideration is a form of insurance, economic theory dictates that it not be full, and that it should be priced. Hence, the 'premium' required to be paid is satisfactory performance in within-semester assessment. No student will be granted special consideration in this unit if their combined mark in tutorial and essay assessments is less than 45%.

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.

All students who submit special consideration requests that are subsequently found to be valid will be required to sit a supplementary examination. University policy precludes the addition of marks to students' results as a form of consideration.

Students in this unit will sit one final examination only for assessment purposes. If a supplementary examination is granted the result in the scheduled final examination (if any) is automatically rendered null and void, and replaced by the result in the supplementary.

The Macquarie university examination policy details the principles and conduct of examinations at the University. The policy is available at:

<http://www.mq.edu.au/policy/docs/examination/policy.htm>

ACADEMIC HONESTY

The nature of scholarly endeavour, dependent as it is on the work of others, binds all members of the University community to abide by the principles of academic honesty. Its fundamental principle is that all staff and students act with integrity in the creation, development, application and use of ideas and information. This means that:

- all academic work claimed as original is the work of the author making the claim
- all academic collaborations are acknowledged
- academic work is not falsified in any way
- when the ideas of others are used, these ideas are acknowledged appropriately.

Further information on the academic honesty can be found in the Macquarie University Academic Honesty Policy at

http://www.mq.edu.au/policy/docs/academic_honesty/policy.html

GRADES

Please refer to relevant Bachelor Degree rule in the Handbook of Undergraduate Studies.

GRADING APPEALS AND FINAL EXAMINATION SCRIPT VIEWING

If, at the conclusion of the unit, you have performed below expectations, and are considering lodging an appeal of grade and/or viewing your final exam script please refer to the following website which provides information about these processes and the cut off dates in the first instance. Please read the instructions provided concerning what constitutes valid grounds for appeal before appealing your grade.

http://www.businessandconomics.mq.edu.au/for/new_and_current_students/undergraduate/admin_central/grade_appeals.

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>.

[Individual Unit Convenors may wish to add Unit/ Faculty specific support eg BESS, Room, PAL, E4B Consultation Room.]

IT CONDITIONS OF USE

Access to all student computing facilities within the Faculty of Business and Economics is restricted to authorised coursework for approved units. Student ID cards must be displayed in the locations provided at all times.

Students are expected to act responsibly when utilising University IT facilities. The following regulations apply to the use of computing facilities and online services:

- Accessing inappropriate web sites or downloading inappropriate material is not permitted. Material that is not related to coursework for approved unit is deemed inappropriate.
- Downloading copyright material without permission from the copyright owner is illegal, and strictly prohibited. Students detected undertaking such activities will face disciplinary action, which may result in criminal proceedings.

Non-compliance with these conditions may result in disciplinary action without further notice.

Students must use their Macquarie University email addresses to communicate with staff as it is University policy that the University issued email account is used for official University communication.

UNIT CALENDAR

Week	Date	Lecture	Tutorial
1	21 Feb	Introduction – History of Economic Thought: What, Why, How?	
2	28 Feb	Theory of Value I (Origins, Ancient & Medieval, Pre-Classical)	
3	7 Mar	Theory of Value II (Classical)	Aristotle
4	14 Mar	Theory of Value III (Classical, Neoclassical)	Aquinas
5	21 Mar	Theory Of Value IV (Neoclassical, Modern)	Petty
6	28 Mar	Distribution Theory(Origins, Pre-Classical)	Cantillon
7	4 Apr	Distribution Theory(Classical, Neoclassical)	Smith
		<i>Mid-semester break</i>	
8	25 Apr*	Distribution Theory(Neoclassical, Modern)	Ricardo
9	2 May	Growth Theory (Origins, Pre-Classical)	Marx
10	9 May	Growth Theory (Classical)	Marshall
11	16 May	Growth Theory (Neoclassical, Modern)/ Fluctuations and Cycles (Origins)	Walras
12	23 May	Fluctuations and Cycles (Classical, Crisis Theories, Neoclassical)	Keynes
13	30 May	Fluctuations and Cycles (Modern)	Hicks

* alternative arrangements will be made for the lecture class time missed due to the ANZAC day holiday. This might involve an additional lecture being scheduled or the upload of an existing iLecture recording. Students allocated to answer the tutorial questions in that week will be required to submit written answers only.

ANNOTATED READING GUIDE

Given the thematic approach I favour there is no traditional (i.e. topic by topic) reading guide for this course. There are many, many substantial works available covering various aspects of the history of economic thought (HET), some of which I describe below. You should take note of the ideas and authors covered in lectures and look them up in a range of texts. I will endeavour to have as many of them as I can available on Reserve in the Library. Extremely useful surveys of many topics are available in **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, such as *History of Political Economy*, *Journal of the History of Ideas*, *Journal of the History of Economic Thought*, *European Journal of the History of Economic Thought*, *History of Economics Review* and any others you come across in your reading.

I have divided my list of possible sources into textbook treatments, reference works, overviews and others of interest. I have added comments where I can, and indicated my personal favourites. All of these works will contain extensive references to other works. Trawling through those is not only half the fun of scholarship but more than half the battle so far as learning goes.

Textbooks

- Blaug, M., *Economic Theory in Retrospect* (various editions).

The standard in the now-defunct genre of postgraduate texts in HET (i.e. it belongs to a time when HET was a typical component of postgraduate economics programs in US universities). Detailed, opinionated and aspiring (having pretensions?) to a certain level of technical sophistication. Partisan in the 'relativism' vs 'absolutism' debate in HET and very much the establishment Received View in general but valuable so long as that is kept in mind (especially for the detailed bibliographies that follow each chapter).

- Rima, I.H., *Development of Economic Analysis* (various editions).

Traditional-style text pitched at a lower level than Blaug. To be honest, I've never really been particularly keen on it, although it has a reasonable reputation and my old HET professor thought well of it (and Ingrid Rima herself!) so have a look for yourself and see what you think.

- Roll, E., *History of Economic Thought* (various editions).

A venerable entrant in the HET text stakes. An erudite and literary work that serves as an example of the 'relativist' approach that Blaug scorns so. Worthwhile in its own right, and as a counterpoint to Blaug.

- Screpanti, E & Zamagni, S., *An Outline of the History of Economic Thought* (1995).

A translation of a modern European work displaying solid scholarship and a definite heterodox (i.e. dissenting from the mainstream) leaning in its treatment. Detailed treatments up to and including quite modern material. Give it a look.

- Spiegel, H.W., *The Growth of Economic Thought* (various editions).

A sprawling, comprehensive undergraduate text that touches on virtually all bases of HET in some way. By necessity less directed and 'tight' than Blaug but always a very useful starting point, particularly on ancient and medieval thought.

Reference works

- Aspromourgos, A. *On the Origins of Classical Economics: Distribution and Value from William Petty to Adam Smith* (1996).

Excellent study, in the 'surplus approach' tradition, of 17th and 18th century precursors to classical economics by a noted Australian authority on William Petty.

- Dobb, M. *Theories of Value and Distribution Since Adam Smith* (1973).

A great work by the great Cambridge Marxist – a notable work in the so-called 'surplus' approach to HET, focussing (as its subtitle suggests) on the role of ideological factors in the post-classical development of economic theory. A thoroughly stimulating example of a kind of scholarship and economic writing that has sadly now passed virtually into oblivion. One to be savoured.

- Hutchison appreciation society headquarters

Terence Hutchison was a curmudgeonly character who crops up in the 20th century (from the 1930's on) in various famous methodological disputes. He is also a wonderful writer, acerbic yet very amusing, and a truly fine scholar. He is my # 1 idol when it comes to the history of economic thought despite the fact that I don't necessarily share his political persuasion nor his views on some schools of thought and individuals that I hold dear. That, I think, is the ultimate testament to quality. I have listed some selected works of his below:

- *A Review of Economic Doctrines 1870-1929* (1953).

Quite possibly my favourite HET book of all. This book covers its period in two ways: (notable) person by person, and then thematic developments in various areas (such as money and interest, welfare economics, and so on). The latter approach especially makes plain the evolutionary nature (in a modern post-Darwinian sense) of the history of economics – after reading it, I maintain, one must acknowledge the various developmental paths that the discipline *might* have taken and that the actual sequence of changes over time need not be equated to *progress*. I should add that this need not have been Hutchison's intent, but it is certainly what I drew from the work and it has been my position ever since. The thematic approach in this course is a direct *homage* to this remarkable book. Read it.

- *Before Adam Smith: The Emergence of Political Economy 1662-1776* (1988)

A truly outstanding book. I read this shortly after it came out and it inspired my original PhD proposal which was in HET. That didn't eventuate but the impact of this book did. An exhilarating survey of the extremely fertile pre-Smithian century in which so much of the basis of modern theory was laid down. Hutchison deftly puts to rest the myth of the sterility of this period and

indeed manages to convey the richness of the intellectual cross-fertilisation that was going on as well as bringing to light the contributors who are, to some extent, unfairly marginalised in the standard historical treatments. A word of warning – this book is out of print and rare. I paid \$400 (out of research money!) for a second-hand copy in 2009! It may be in some libraries in Sydney and it is more than worth the effort, educationally speaking, to find it.

- *On Revolutions and Progress in Economic Knowledge (1978)*

A scintillating collection of essays on economics and its methodology in an historical context. This is in part a reaction to the influence that Kuhn's *The Structure of Scientific Revolutions* had on the literature on methodology in economics, and indeed provides a welcome counterpoint to the Kuhnian excesses of the 1970's. I found this book extremely useful when I was in your position (in 1988!) and tasked with writing an essay on the hoary old topic of whether or not there really was a 'Marginal Revolution' in the late 19th century. Essentially I have not resiled from the Hutchisonian position I adopted then – another marker of the quality of the argument on show.

- *On the Methodology of Economics and the Formalist Revolution (2000)*

The last hurrah for the great man – a collection of essays, *some written when Hutchison was in his late 80's*, on what is arguably the real methodological revolution in economic theory: the wholesale move to abstract formalism in the post-WWII period. As perennial critic of such *aprioism*, starting with his precocious 1938 debut *The Significance and Basic Postulates of Economic Theory*, Hutchison is characteristically brilliant and incisive on this topic which is of great import in relating the history of economics to its present state. Note that this book contains *in toto* the short 1992 work *Changing Aims in Economics*.

- *The Politics and Philosophy of Economics: Marxians, Keynesians and Austrians (1981)*
- *The Uses and Abuses of Economics: Contentious Essays on History and Method (1994)*

Two further outstanding volumes of essays packed full of valuable HET insights and scholastic merit.

- Margat, A.W., *Theory of Prices (1938) 2 vols*

A staggeringly comprehensive survey of monetary and related macroeconomic thought of the latter 19th and early 20th centuries. Beware however – the work was written as a response to Keynes's attacks in his *Treatise on Money and General Theory of Employment, Interest and Money* on what he chose to label the 'classical' view. As such, Margat can come off as almost obsessive in his determination to counter Keynes on every point, no matter how slight. Furthermore, the book is insanely reference-heavy and written in a most turgid style – basically, an hour reading this leaves you feeling like you've been smashed about the head with a sack full of billiard balls. Still, an invaluable source of information on the literature and thought of the period.

- Marx, K., *Theories of Surplus Value* (various editions, written c. 1863).

Intended to be the 4th volume of Marx's *Capital*, this incredibly voluminous examination of economic thought from the immediate pre-Classical period onwards (from the perspective of Marx's system) is a marvel of scholarship, very funny (in a cutting way) and a very big bite to take all at once. Great for dipping into.

- O'Brien, D.P., *History of Economic Thought as an Intellectual Discipline* (2007).

An invigorating investigation of the progress of HET itself along with a wealth of insights into the development of theory. The concise (90 pages) overview of classical economics alone is worth its weight in gold.

- O'Brien, D.P., *The Classical Economists Revisited* (2004).

Updated and revised edition of O'Brien's outstanding survey of the key aspects of classical economics. Highly recommended.

- Schumpeter, J.A., *History of Economic Analysis* (1954).

The most famous and celebrated single work in the HET field. Published posthumously, it represents the best possible realisation of the great economist's planned *magnum opus* on the nature and history of economics. Idiosyncratic in style and conception, opinionated, even prejudiced. Nonetheless this is scholarship *par excellence* and one of the shining examples of intellectual achievement that the discipline can claim with validity. A must for all topics up to the Keynesian revolution.

- Walsh, V. & Gram. H., *Classical and Neoclassical Theories of General Equilibrium* (1980).

A wonderful book that sets out the conceptual bases of (as the title suggests!) classical and neoclassical theories through the use of a simple analytical model. Rich in historical detail and explanation of the intuition behind the alternative approaches. High on my all-time list. [For a similar approach, see Stephen Marglin's *Growth, Distribution and Prices* which compares neoclassical, neo-Marxian and neo-Keynesian approaches within the context of a given modelling framework. These are modern i.e 20th century approaches, but there is much HET compressed into the ideas and Marglin's treatment].

Overviews

- Bharadwaj, K., *Decline of Classical Political Economy and Rise to Dominance of Supply and Demand Based Theories* (1978).

There are times in one's life that I refer to as intellectual 'wow' moments – occasions when works that one reads or ideas to which one is exposed have such a profound effect that one's views can never be the same again. I had such a moment on a rainy afternoon in Cambridge when, following up a suggestion by my

PhD supervisor – Prof Geoff Harcourt, see below – I lay on my bed and read through Krishna Bharadwaj's slim volume. Afterwards, I went for a long walk in the rain, *sans* umbrella. A door had been opened, never to be closed again. As far as I am concerned, the point of life is to have such moments. You may or may not have the same experience, but this remains a superb concentrated statement of a particular *classical* approach to describing the development of economics.

- Gray, A., *The Development of Economic Doctrine* (1931).

A delightful little book surveying economic thought from its earliest manifestations up until the early 20th century. Quite a joy to read, and very informative despite Gray's excessive hostility to Marx.

- Gordon, B.L.J. *Economic Analysis Before Adam Smith: Hesiod to Lessius* (1975).

From the man from whom I first learnt HET, a great work on his specialty: ancient and medieval economics. Very learned, but extremely accessible, even breezy. Not to be overlooked.

- Heilbroner, R., *The Worldly Philosophers* (19??).

It seems that everybody loves this one except me. Often touted as the essential HET survey, but I consider Heilbroner to be the Galbraith of the HET world (and I *don't* mean that as a compliment). To me this is superficial coffee-table stuff, but then again there are some whose opinion I respect who take a different view. Judge for yourself – just, please, don't come to me raving about it!

- Langholm, O.I., *Economics in the medieval schools : wealth, exchange, value, money, and usury according to the Paris theological tradition, 1200-1350* (1992).

If Barry Gordon's book (above) sparks an appetite for medieval economic thought, then this is the feast of feasts. Everything you ever wanted to know about Scholastic economics but were afraid to ask.

- Robbins, L. *The Theory of Economic Development in the History of Economic Thought* (1968).

Although many of Lionel (by the time of this book, Lord) Robbins's positions on economics leave me cold, this is a great little book, superbly written and the product of true old-school scholarship. By 'economic development' he really means growth, so this is a survey of growth theory in general from the Mercantilists onwards. A gem.

- Viaggi, G. and Groenewegen, P., *A Concise History of Economic Thought: From Mercantilism to Monetarism* 2nd Ed (2003).

A recent but outstanding entrant into the line of HET texts, partly the work of Prof Groenewegen, the doyen of Australian historians of economic thought. It is (as

promised) concise, but the immense scholarship of the authors makes it an intellectual reduction of surprising and satisfying depth. Keep it under your pillow.

Other

- Carr, E.H., *What is History?* 2nd Ed (1986).

Not a work on HET, but a classic in the English language on the philosophy of history. A beautifully written and perspicacious examination of the subject matter of history and the nature of the historian's task. Required reading on purely educational grounds. As it happens (rarely indeed) equal enjoyment and enrichment can be obtained from the counterpoint to Carr, *The Practice of History* (1967) by the prominent Tudor historian G.R. Elton. An impeccable defence of the 'traditional' historical method by another master of the literary craft (astonishingly so given that he was born Gottfried Rudolf Ehrenberg in Germany and did not learn English until he was in his 20's! Read and be amazed...) blessed with a wonderfully acerbic wit. Probably better to read him than have known him, one suspects (although in fairness as a human being Carr made a great scholar) but an immensely enjoyable and worthwhile experience nonetheless.

- Harcourt, G.C. *Some Cambridge Controversies in the Theory of Capital* (1972).

One for the ages. A captivating account of the famous controversies that raged between economists in the two Cambriges (UK and Massachusetts) in the 1960's. It is hard for us that missed out on the preparation in basic theory that earlier generation received to completely follow what went on (if you doubt me chase down Richard Goodwin's *Elementary Economics from a Higher Standpoint* and see what Cambridge 2nd-years got served up to them in the late 1960's!) but nonetheless the controversies over capital theory really represent the ultimate 'clash of civilisations' between the neoclassical and (revived) classical world-views. There is so much here to savour in terms of HET that repeated readings will be required. Thankfully, Geoff Harcourt has the rare gift of combining erudition with entertainment – repeated readings are no chore. [Be sure to also see his latest book *The Structure of Post-Keynesian Economics: The Core Contributions of the Pioneers* (2006), a *tour de force* survey of a dissenting stream of 20th century thought that is replete with HET insights].

- Gordon, B.L.J. *Political Economy in Parliament 1819-1823* (1976).

Barry Gordon again, with a fascinating look at how classical economics was injected into the political process via the personage of David Ricardo, economist and MP. Shows that the abstract nature of economic reasoning has been worrying non-economists for nearly 200 years! A fine educational experience.

- Kurz, H. and Salvadori, N., *Theory of Production: a Long Period Analysis* (1995).

A technical treatment of competitive theory from a classically-oriented perspective. Has valuable historical *excursi* following each chapter. [In a similar vein, see the historical overview at the beginning of Luigi Pasinetti's *Lectures on the Theory of Production* (1977)].

- Lemon, M.C., *The Discipline of History and the History of Thought* (1995).

An intriguing work on the philosophy of history, and the particular question of what it means to construct a history of thought in an area. More jargon-laden than Carr, and not as entertaining, but still thought-provoking, and directly relevant to the subject matter of this course.