

# ECON 372: HISTORY OF ECONOMIC THOUGHT AND INSTITUTIONS

DEPARTMENT OF ECONOMICS  
COLORADO STATE UNIVERSITY

## INSTRUCTOR INFORMATION

Instructor: Dr. Alexandra Bernasek

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Office hours on Zoom: W 3-4pm

Communication Policy: Please know that when you email me, I will respond to your email within 36 hours unless I let you know otherwise. I will make every effort to respond as soon as possible.

**For information on COVID-19 at CSU please consult this site (<https://covidrecovery.colostate.edu/>).**

## COURSE DESCRIPTION

This course introduces students to the rich history of economic thought. Economic thought is typically defined from the time that Adam Smith was writing in the late 18<sup>th</sup> century and its focus was on understanding the emerging economic system at that time; capitalism. As capitalism has evolved the way it is understood has also evolved.

The course begins with a brief survey of pre-capitalist economic thought. It then covers the evolution of economic thought from the mid 18<sup>th</sup> century through the mid 20<sup>th</sup> century. This period traces the emergence of the field of study "Political Economy", the transition to "Economics" as well as contemporary economic thought in the tradition of "Political Economy".

Adam Smith was the first and arguably the greatest of the Classical Political Economists. Smith is critically important in the development of economic thought and is one of the most misunderstood and misrepresented economists. The other "Classical Political Economists" were David Ricardo, Thomas Malthus and John Stuart Mill. Also considered a Classical Political Economist but in a different vein was Karl Marx. He responds to a later stage of capitalism where its "underside" becomes more visible and more troubling and Marx is also critically important to the development of economic thought. The "Marginalist Revolution" constitutes a break with Classical PE and is the direct precursor to what becomes known as "Economics" and in its orthodox form it is known as "Neoclassical Economics". The work of Edgeworth, Stanley Jevons, Carl Menger and Leon Walras belongs to the Marginalist School. Later the work of Alfred Marshall marks the transition to economics (in particular neoclassical microeconomics).

The work of a great many economists has been in opposition to the “orthodoxy” of mainstream economics (hence its identification as “heterodox”) and represents attempts to develop economic thought in the Political Economy tradition. Thorstein Veblen’s work is an example of the Institutional school that dominated the economics profession in the U.S. in the first half of the 20<sup>th</sup> century. Joseph Schumpeter another 20<sup>th</sup> century economist developed a dynamic evolutionary approach to understanding corporate capitalism. The revolutionary insights of John Maynard Keynes writing at the time of the Great Depression effectively created the field of macroeconomics. The main theoretical challenge to Keynes came from F.A. Hayek, in the Austrian economic tradition.

The study of the history of economic thought and economic institutions – particularly capitalist institutions – is fascinating. It is also important to note that it is predominantly a history of the ideas of Anglo-European white men. As we learn about those ideas we will also be considering why there are so few women, people of color, and non-Western people included in the study of the economy and so few recognized as contributors to economic thought, and what that means for the way the economy has been represented and understood. At the conclusion of this course, time permitting, we will take a glimpse at some of the more recent developments in economic thought during the last half of the 20<sup>th</sup> century and first half of the 21<sup>st</sup> century from feminist economics, political economy of race, and non-Western economics.

## COURSE OBJECTIVES

Upon the completion of this course, students will be able to:

1. Demonstrate a deeper, more sophisticated understanding of the nature and logic of capitalism as an economic system.
2. Explain how the evolution of economic ideas over time has led to a “plurality” of ways of understanding the economy and economics.
3. Explain how “pluralism” in economic thought leads to different explanations of economic growth, business cycles and economic inequality.
4. Distinguish between the mainstream or “orthodox” approach to economics and how it differs from various alternative or “heterodox” approaches to economics.
5. Explain the roles that institutions play in economies and how institutions, like economic ideas, have evolved over time, particularly capitalist institutions.
6. Demonstrate a deeper more sophisticated understanding of the economic behavior of human beings, recognizing that as human beings we exist as individuals (with self-interest) and as social beings (with interest in others and collective identities), and explain how insights from psychology challenge mainstream models of “homoeconomicus” (translation = “economic man”).
7. Critically evaluate how the evolution of economic ideas has internalized gender and race bias and what that means for current economic thought and its relationship to women and people of color.

8. Approach the study of economics with an expanded “toolkit” of economic ideas, approaches and methods that connect to current real-world economic problems.

## TEXTBOOK / COURSE READINGS

Robert Heilbroner. 1999. 7th edition (first published in 1953) *The Worldly Philosophers*. Simon and Schuster. New York, NY.

Robert Heilbroner. 1996. *Teachings From the Worldly Philosophy*. W. W. Norton and Company. New York, NY.

*Note: These books are inexpensive and available on Amazon.*

A Note about the Language in the Heilbroner’s *Worldly Philosophers*: You will notice very quickly that the language in this book is very gendered (uses masculine language as the norm). It can be disturbing to read in that respect – I personally find it jarring – so why am I assigning this book? It was originally written in 1953 and the 7<sup>th</sup> edition was completed in 1999. So, it is a product of its time more than anything. It is also perhaps “the” classic book on HET that is suitable for an undergraduate class. I have looked at lots of different books and none really come close (and they tend to be WAY more expensive). I do not like requiring expensive textbooks, especially in a class like this where so many articles and book chapters are available on the internet. *Worldly Philosophers* is a good read in terms of including information about the economists, the context in which they wrote and a non-technical explanation of their ideas. Weighing the negative of the gendered language with the positives of its exposition and the cost (so inexpensive), I made the choice of assigning this as the main text for the course.

Additional readings are available on Canvas.

## PARTICIPATION/BEHAVIORAL EXPECTATIONS

1. **Contact hours:** To be successful, each week students are expected to spend approximately three hours in lecture, and (at least) six hours engaging in activities including reading the texts, reviewing class notes, and completing assignments. That’s **at least** 9 hours a week on ECON 372!
2. **Effort:** I expect that you put forth effort in learning the material in this class. That means reading before lectures, watching videos, reading the lecture material, answering the reading questions, coming to class, participating in discussions, studying for exams, attending office hours and contacting me if you are having difficulties with the course.
3. **Difficulties:** If you are experiencing difficulties with the course at any time I encourage and expect you to contact me as soon as possible so that I can work with you and support you in your learning. We all face difficulties at one time or another and we all need help at one time or another. I can’t help you if I don’t know what is going on so please don’t hesitate to reach out to me.
4. **Written communication:** I expect that you are able to communicate effectively in writing. If your writing skills need improvement you should contact the Writing Center for help.
5. **Respect:** I expect that you treat me and your fellow students with respect in any interactions you have with me and with one another. Whether it is on a discussion board or a virtual group

discussion, or in my office hours you should approach others with a desire to hear what they have to say and contribute. Civil exchange of ideas is critical to the learning process. The fact that there are different economic theories that compete with one another means that understanding and respecting difference is central to what happens in this class. Behavior that disrupts the learning environment for other students will not be tolerated. My goal is for our class to be an interesting, engaging, inclusive and respectful environment for learning to take place. I love forward to learning from you through our discussions.

**Note:** Please see CSU's Principles of Community below which we all commit to as members of the CSU community.

6. **Honesty and Integrity:** I expect that you behave with honesty and integrity. Following university policy and acts of academic dishonesty will be treated seriously. Plagiarism, cheating, and other forms of academic dishonesty will result in an appropriate penalty including at the most severe earning an F for the course. Please see the university catalog for policy on this issue: <http://catalog.colostate.edu/front/policies.aspx>
7. **Changes:** I reserve the right to make changes to the syllabus as I deem necessary. Sometimes things don't go totally according to schedule and so some adjustments need to be made (that may be especially the case during the pandemic). I will not make those adjustments unless I think they are necessary for your success in the course. I will announce any changes through canvas announcements. You are responsible for paying attention to those announcements and being aware of any changes I make.

## CSU Principles of Community

**Inclusion:** We create and nurture inclusive environments and welcome, value and affirm all members of our community, including their various identities, skills, ideas, talents and contributions.

**Integrity:** We are accountable for our actions and will act ethically and honestly in all our interactions.

**Respect:** We honor the inherent dignity of all people within an environment where we are committed to freedom of expression, critical discourse, and the advancement of knowledge.

**Service:** We are responsible, individually and collectively, to give of our time, talents, and resources to promote the well-being of each other and the development of our local, regional, and global communities.

**Social Justice:** We have the right to be treated and the responsibility to treat others with fairness and equity, the duty to challenge prejudice, and to uphold the laws, policies and procedures that promote justice in all respects.

## DIVERSITY AND INCLUSION

The [Mission, Vision, and Focus](#) webpage of the Vice President for Diversity includes a comprehensive statement of CSU's commitment to diversity and inclusion.

## COURSE POLICIES (LATE ASSIGNMENTS, MAKE-UP EXAMS, ETC.)

1. Make-ups for exams are only permitted for documented illness/family emergency or for university sanctioned events. If you have problems during the semester, the sooner you can let me know, the sooner we can try to deal with them.
2. Any late work – quizzes, homework, discussion posts, exams etc. are penalized one letter grade per day.
3. Active participation in this course is expected. You should stay up on your readings and lectures each week so that you do not fall behind and then have difficulty completing work by the deadlines.
4. You are expected to familiarize yourself with the syllabus and to be aware of when assignments are due.
5. Your presence in the class constitutes acceptance of the course policies and expectations.

## GRADING POLICY

CSU does not use grades of C-, D+, or D-.

| Grade | Range             |
|-------|-------------------|
| A+    | 100% to 96.67%    |
| A     | <96.67% to 93.33% |
| A-    | <93.33% to 90.0%  |
| B+    | <90.0% to 86.67%  |
| B     | <86.67% to 83.33% |
| B-    | <83.33% to 80.0%  |
| C+    | <80.0% to 76.67%  |
| C     | <76.67% to 70.0%  |
| D     | <70.0% to 60.0%   |

|   |                |
|---|----------------|
| F | <60.0% to 0.0% |
|---|----------------|

As a student enrolled in this course, one of your responsibilities is to submit course work by the due dates listed in Canvas. With that said, I take my role as your instructor very seriously, and, in fact, I care about how well you do in this course and that you have a satisfying, rewarding experience.

To that end, it is my commitment to you to respond individually to the work you submit in this class and to return your work in a timely manner. Smaller, weekly assignments and quizzes will be returned within 72 hours and major assignments, exams, and essays will be returned within 1 week. (If, however, due to unforeseeable circumstances, the grading of your work takes longer than the times I have listed here, I will keep you informed of my progress and make every effort to return your work with feedback as soon as I can.) Again, I will make every effort to return work to you as soon as possible.

| Assignment                           | Grade Points | Grade Percentage |
|--------------------------------------|--------------|------------------|
| Reading Quizzes (5 points each)      | 100          | 13               |
| Discussion Posts (5 points each)     | 100          | 13               |
| Group pre-test                       | 25           | 3                |
| Exams- 3                             | 300          | 40               |
| Group Project - 1                    | 100          | 13               |
| Final essay/exam - 1                 | 100          | 13               |
| Miscellaneous small group activities | 25           | 3                |
| <b>Total:</b>                        | <b>750</b>   | <b>100 %</b>     |

\*Keep a copy of all work created for the course, including work submitted through Canvas course learning management system.

## DESCRIPTION OF ASSIGNMENTS

Reading Quizzes      These are designed to guide you through the readings to some of the most important points I want you to take from the readings. Some have more

questions and some have fewer. For each question you should be able to answer in a few sentences. There will be a very simple rubric for these.

**Discussion Posts** These are designed to have you think more deeply and discuss an important idea in each module. They are chance for you to engage and interact with one another and learn from one another and for me to interact with you as well. The expectations here are that your post and responses address the discussion prompt. The rubric for this is also fairly simple.

**Group pre-test** This is designed to help you prepare for the first exam in a low-stakes collaborative way. I will randomly assign you to groups and you will submit a group response to the exam questions. By working as a group I hope you will learn from one another. I will give your feedback so that you know what I expect on the regular exams. The rubric for this will be the same one that I use for the exams and final essay.

**Exams** There are three essay exams for this course. Each one is given after approximately 1/3 of the course material. They are basically on the new material covered but they are also cumulative in the sense that I will often ask you to contrast the ideas of one person or school of thought with those of another. These are open-book and open-notes and you will have a week to complete an exam. These are not collaborative however. These exams are designed to test your understanding and application of the material. Collaboration on exams will be considered academic dishonesty. I will use the same rubric for all the exams.

**Group project** At the end of the semester I will assign you to groups to complete a group project. This will involve producing a video, podcast, power point presentation, or something completely different and giving a group presentation to the class on Zoom. You will have one week of class time to work on the project and then we will take two weeks for the presentations. This should be a low-key hopefully fun way to end the course. You will get more information on the project but it will involve the application of a theory or idea we have covered in the course to a contemporary economic problem. I will provide you with a rubric that is specific to this project.

**Final essay** In week 16 I will have you watch a short video and write a final essay reflecting on the usefulness (or not) of studying the history of economic

thought and institutions. There will be a final quiz and discussion post as well. This is intended to get your assessment of the course learning objectives. I will use the same rubric as I use for the exams.

*Note:* Exams, the Group Project and the Final Essay will all involve uploading files to Canvas. Quizzes and Discussions are entered into Canvas.

## CLASS SCHEDULE (dates are all on Canvas)

|        |  |
|--------|--|
| WEEK 1 | INTRODUCTION TO THE COURSE AND MODULE 1<br><b>INTRODUCTION TO THE HISTORY OF ECONOMIC THOUGHT AND INSTITUTIONS</b> |
| WEEK 2 | MODULES 2.1 (T) AND 2.2 (R)<br><b>THE ECONOMIC REVOLUTION AND PRE-PE ECONOMIC THOUGHT</b>                          |
| WEEK 3 | MODULES 3.1 (T) AND 3.2 (R)<br><b>INTRODUCTION TO ADAM SMITH</b><br><b>PRE-TEST</b>                                |
| WEEK 4 | MODULES 4.1 (T) AND 4.2 (R)<br><b>ADAM SMITH'S <i>WEALTH OF NATIONS</i> (1776)</b><br><b>EXAM 1</b>                |
| WEEK 5 | MODULES 5.1 (T) AND 5.2 (R)<br><b>THE DISMAL SCIENCE: THE NEXT GENERATION OF CLASSICAL POLITICAL ECONOMISTS</b>    |
| WEEK 6 | MODULES 6.1 (T) AND 6.2 (R)<br><b>UPTOPIAN SOCIALISM AND "THE MILLS" ON PE</b>                                     |
| WEEK 7 | MODULE 7 (T, R)<br><b>KARL MARX</b>  |

- WEEK 8      MODULES 8.1 (T) AND 8.2 (R)
- THE MARGINALIST REVOLUTION AND THE BIRTH OF NEOCLASSICAL ECONOMICS**
- EXAM 2**
- WEEK 9      MODULES 9.1 (T) AND 9.2 (R)
- AMERICAN INSTITUTIONALIST THOUGHT**
- WEEK 10     MODULES 10.1 (T) AND 10.2 (R)
- JOHN MAYNARD KEYNES AND POST-KEYNESIAN ECONOMICS**
- WEEK 11     MODULES 11.1 (T) AND 11.2 (R)
- FREIDRICH HAYEK AND THE KEYNES/HAYEK DEBATE**
- WEEK 12     MODULES 12.1 (T) AND 12.2 (R)
- JOSEPH SCHUMPETER AND A COMPARISON WITH KEYNES, HAYEK, AND MARK**
- EXAM 3**
- WEEK 13     MODULE 13
- Work on Group Projects -- **out of class**
- WEEK 14     MODULE 14 (T,R)
- Presentation of Group Projects in class**
- WEEK 15     MODULE 15 (T, R)
- Presentation of Group Projects in class**
- WEEK 16     MODULE 16
- Work on and submit **Final Essay -- out of class**

## CANVAS INFORMATION & TECHNICAL SUPPORT

Canvas is the where course content, grades, and communication will reside for this course.

- Login: [canvas.colostate.edu](https://canvas.colostate.edu)
- Support: [info.canvas.colostate.edu](https://info.canvas.colostate.edu)
- For passwords or any other computer-related technical support, contact the [Central IT Technical Support Help Desk](#).
  - (970) 491-7276
  - [help@colostate.edu](mailto:help@colostate.edu)

The [Technical Requirements](#) page identifies the browsers, operating systems, and plugins that work best with Canvas. If you are new to Canvas quickly review [the Canvas Student Orientation](#) materials.

## ACADEMIC INTEGRITY & CSU HONOR PLEDGE

This course will adhere to the CSU [Academic Integrity/Misconduct](#) policy as found in the General Catalog and the [Student Conduct Code](#).

Academic integrity lies at the core of our common goal: to create an intellectually honest and rigorous community. Because academic integrity, and the personal and social integrity of which academic integrity is an integral part, is so central to our mission as students, teachers, scholars, and citizens, I will ask that you affirm the CSU Honor Pledge as part of completing your work in this course.

Further information about Academic Integrity is available at CSU's [Academic Integrity - Student Resources](#).

## Universal Design for Learning/Accommodation of Needs

I am committed to the principle of universal learning. This means that our classroom, our virtual spaces, our practices, and our interactions be as inclusive as possible. Mutual respect, civility, and the ability to listen and observe others carefully are crucial to universal learning.

If you are a student who will need accommodations in this class, please contact me to discuss your individual needs. Any accommodation must be discussed in a timely manner. A verifying memo from [The Student Disability Center](#) may be required before any accommodation is provided.

The Student Disability Center (SDC) has the authority to verify and confirm the eligibility of students with disabilities for the majority of accommodations. While some accommodations may be provided by other departments, a student is not automatically eligible for those

accommodations unless their disability can be verified and the need for the accommodation confirmed, either through SDC or through acceptable means defined by the particular department. Faculty and staff may consult with the SDC staff whenever there is doubt as to the appropriateness of an accommodative request by a student with a disability.

The goal of SDC is to normalize disability as part of the culture of diversity at Colorado State University. The characteristic of having a disability simply provides the basis of the support that is available to students. The goal is to ensure students with disabilities have the opportunity to be as successful as they have the capability to be.

Support and services are offered to student with functional limitations due to visual, hearing, learning, or mobility disabilities as well as to students who have specific physical or mental health conditions due to epilepsy, diabetes, asthma, AIDS, psychiatric diagnoses, etc. Students who are temporarily disabled are also eligible for support and assistance.

Any student who is enrolled at CSU, and who self-identifies with SDC as having a disability, is eligible for support from SDC. Specific accommodations are determined individually for each student and must be supported by appropriate documentation and/or evaluation of needs consistent with a particular type of disability. SDC reserves the right to ask for any appropriate documentation of disability in order to determine a student's eligibility for accommodations as well as in support for specific accommodative requests. The accommodative process begins once a student meets with an accommodations specialist in the SDC.

## Copyrighted Course Materials

Please do not share material from this course in online, print, or other media. Course material is the property of the instructor who developed the course. Materials authored by third parties and used in the course are also subject to copyright protections. Posting course materials on external sites (commercial or not) violates both copyright law and the CSU Student Conduct Code. Students who share course content without the instructor's express permission, including with online sites that post materials to sell to other students, could face appropriate disciplinary or legal action.

## Undocumented Student Support

Any CSU student who faces challenges or hardships due to their legal status in the United States and believes that it may impact their academic performance in this course is encouraged to visit [Student Support Services for Undocumented, DACA & ASSET](#) for resources and support. Additionally, only if you feel comfortable, please notify your professor so they may pass along any additional resources they may possess.

## Title IX/Interpersonal Violence

For the full statement regarding role and responsibilities about reporting harassment, sexual harassment, sexual misconduct, domestic violence, dating violence, stalking, and the retaliation policy please go to: [Title IX – Sexual Assault, Sexual Violence, Sexual Harassment](#).

If you feel that your rights have been compromised at CSU, several resources are available to assist:

- Student Resolution Center, 200 Lory Student Center, 491-7165
- Office of Equal Opportunity, 101 Student Services, 491-5836

A note about interpersonal violence: If you or someone you know has experienced sexual assault, relationship violence and/or stalking, know that you are not alone. As instructors, we are required by law to notify university officials about disclosures related to interpersonal violence. Confidential victim advocates are available 24 hours a day, 365 days a year to provide support related to the emotional, physical, physiological and legal aftermath of interpersonal violence. Contact the Victim Assistance Team at: 970-492-4242.

## Religious Observances

CSU does not discriminate on the basis of religion. Reasonable accommodation should be made to allow individuals to observe their established religious holidays. Students seeking an exemption from attending class or completing assigned course work for a religious holiday will need to fill out the [Religious Accommodation Request Form](#) and turn it in to the Division of Student Affairs, located on the second level of the Administration building.

Once turned in, the Division of Student Affairs will review the request and contact the student accordingly. If approved, the student will receive a memo from the Dean of Students to give to their professor or course instructor.

Students are asked to turn in the request forms as soon as the conflict is noticed. Similarly, unanticipated conflicts requiring a religious observance, such as a death in the family, can also be reviewed.