Duke Summer Institute 2012
The Emergence of Modern Economics
June 10 – 22, 2012

Detailed schedule for the Duke Summer Institute:

There are 2 sessions a day, Monday through Thursday, and one morning session on Friday. The morning sessions are from 9:30am to 11:30am and the afternoon sessions are from 2:00pm to 4pm. There will be a short break (5-10 minutes) halfway through each session.

Sunday, June 10

2 – 6 p.m. Participants arrive and register at Dormitory on West Campus

6:30pm Welcome Barbecue, Center for the History of Political Economy, Social Science Suite 07

Monday, June 11
Session 1 - Introductions and Time Line – Bruce Caldwell and Marcel Boumans

Session 2 - The Austrian School and Its Opponents - Bruce Caldwell

Required Reading:

Bruce Caldwell, *Hayek's Challenge* (henceforth HC), Chapter 1, pp. 17-27; Chapter 3, pp. 64-74, Chapters 4 and 5, complete.

Supplementary Reading:

The rest of Chapters 1 – 5 of HC, and Appendix A.

7:05pm Durham Bulls versus Toledo Mud Hens, Durham Bulls Stadium-complimentary tickets

Tuesday, June 12
Session 3 - American Institutionalism in the Interwar Period: An Overview – Malcolm Rutherford

Required Reading:


Supplementary Reading:


**Session 4 – Early Metrics** – Marcel Boumans

**Required Reading:**


**Supplementary Reading:**

These general supplementary readings are secondary sources that provide material relevant to all three of the sessions I will lead.


Hendry, David F. and Mary S. Morgan (eds.) 1995. *The Foundations of Econometric Analysis*. Cambridge: Cambridge University Press. (This companion to Morgan 1990 is both a compilation of classic econometric articles as well as a commentary by the editors on the readings.)

The age of measurement is the period from 1830 to 1950. The histories in this volume cover rising practices of measurement and of mathematization in that period.

Morgan, Mary S. 1990. *The History of Econometric Ideas*. Cambridge: Cambridge University Press. (This history covers the period from William Stanley Jevons’ work of the 1870s through Trygve Haavelmo’s *Probability Approach* published in 1944.)


**Wednesday, June 13**

**Session 5 - American Institutionalism: Walton Hamilton and Creative Problem Solving** – Malcolm Rutherford

Required Reading:


Supplementary Materials:


**Session 6 - Robbins, Friedman, and Economic Methodology** – Wade Hands

Required Reading:

Friedman, Milton (1953) "The Methodology of Positive Economics"

Supplementary Reading:


Thursday, June 14
Session 7 - Interwar Metrics – Marcel Boumans

Required Reading:


Eugen Slutsky 1937. The Summation of Random Causes as the Source of Cyclic Processes. Econometrica 5(2): 105-114 only.


Supplementary Reading: See session 4 supplementary reading

Session 8 - Interwar Demand and Consumer Choice Theory: The Ordinal Revolution and Revealed Preference – Wade Hands

Required Reading:


Supplementary Reading:


Friday, June 15
Session 9 - Philosophy of Science and Economics: Positivism, Popper, and After – Wade Hands

Required Reading:


Supplementary Reading:


**Monday, June 18**

**Session 10 - The Interwar Period and the Austrians** - Bruce Caldwell

**Required Reading:**

Hayek, “Economics and Knowledge” [1937], reprinted in *Individualism and Economic Order* (Chicago: University of Chicago Press, 1948), chapter 2. (The entire book, henceforth IEO, is available online at mises.org, the website of the Mises Institute.)

HC, Chapter 10.


**Supplementary Reading:**


Hayek, “The Meaning of Competition” – Chapter 5, IEO

Hayek, “Socialist Calculation III: The Competitive ‘Solution’” – Chapter 9, IEO

**Session 11 – Game Theory 1: Oskar Morgenstern and Interwar Vienna** - Rob Leonard

**Required Reading:**

Leonard, Robert (2010) *Von Neumann, Morgenstern and the Creation of Game Theory* (Cambridge University Press), Ch. 8


**Supplementary Reading:**

Begriffsgebäube der Wirtschaftslehre und seine Grundlagen”, Zeitschrift für die gesamte Staatswissenschaft 73, pp. 484-520.


Leonard, Robert (2010) Von Neumann, Morgenstern and the Creation of Game Theory (Cambridge University Press), Ch. 7

**Tuesday, June 19**

**Session 12 – The Background to Modern Macroeconomics (Before the 1930s) – Kevin Hoover**

Required Reading:


Don Patinkin, Money, Interest, and Prices (1956), notes E-G.

David Laidler, Fabricating the Keynesian Revolution (1999), excerpts from chapters 4 and 5.

Mary Morgan, The History of Econometric Ideas (1990), chapter 2.

Supplementary Reading:

Primary Sources:

Hume, David, Essays: Moral, Political, and Literary, particularly (a) "Of Money," (b) "Of Interest," (c) "Of the Balance of Trade." (Classic book available in various editions. A fine one is edited by Eugene F. Miller, Indianapolis: LibertyClassics, and reprints an 1885 edition.)


Knut Wicksell, Interest and Prices, 1898.

Secondary Sources:


Kevin D. Hoover, *Causality in Macroeconomics*, ch. 1. (Presents Hume’s monetary theory and outlines its causal structure.)

**Session 13 – Doing HET Research – Roy Weintraub and Craufurd Goodwin**


4:30pm Presentation on Duke’s Archival Holdings, the Economists’ Papers Project, Rare Book Room- Perkins Library

**Wednesday, June 20**

**Session 14 – Game Theory 2: From Chess to the Social Order with John von Neumann**

- Rob Leonard

Required Reading:

Leonard, Robert (2010) *Von Neumann, Morgenstern and the Creation of Game Theory* (Cambridge University Press), Chs. 1 and 9

Supplementary Reading:


**Session 15 - Postwar metrics** – Marcel Boumans

Required Reading:


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**Thursday, June 21**

**Session 16 – Keynes and His Critics (The 1930s)** - Kevin Hoover

Required Reading:


Supplementary Reading:

Primary Sources:


Friedrich A. Hayek, *Prices and Production*, 1931.

Secondary Sources:


**Session 17 - Hayek’s Postwar Contributions** – Bruce Caldwell

Required Reading:

Hayek, “The Use of Knowledge in Society” Chapter 4, IEO.


HC, Chapter 13.

Supplementary Reading:

Hayek, “Individualism: True and False,” Chapter 1, IEO


Hayek, “The Pretence of Knowledge” [1975], reprinted in *New Studies*, pp. 23-34. [This is Hayek’s Nobel address.]

**7:00pm** Closing Dinner – Tyler’s Tap Room, Durham

**Friday, June 22**

**Sessions 18 – Macroeconometrics and The New Economics (1930-1950)**- Kevin Hoover

Required Reading:

Frisch, Ragnar, “Propagation Problems and Impulse Problems in Dynamic Economics,” in *Economic Essays in Honor of Gustav Cassel* (1933) [The whole paper is relevant, but don’t get bogged down in the mathematical details].


Supplementary Reading:
Primary Sources:


Secondary Sources:


**12noon – 2pm** Check out of Dormitory on West Campus