The module will be divided into three parts - 1) Economic Theory and the Economics Profession; 2) Applied Microeconomics; 3) Macroeconomics - that will run concurrently. Each part will be divided into sessions that will mix lecture and class discussion. The following is a brief description of the parts and sessions.

**Part 1. Economic Theory and the Economics Profession**

**Session 1.1: General Equilibrium**

The formalization of economic interdependence from Walras to Arrow and Debreu.


**Session 1.2: Dynamics**

The history of the mathematics of economic processes.


**Session 1.3: The Neoclassical Synthesis**

The reconciliation of micro- and macroeconomics in the post-World War II period.


**Session 1.4: Economics and World War II**

The influence of the war and the rise of the national defense establishment on the development of economics.
Session 1.5: Game Theory

The origins and development of game theory and its place in microeconomics.


Session 1.6: The Economics Profession in the U.S., Britain, and France

The post-World War II professionalization of economics in the United States and Europe.


Session 1.7: Neoliberalism

The history of the ideological conflict over state intervention and free markets.


Session 1.8: Historiography of Economics

How to think about the history of economics.

Part 2. Applied Microeconomics

Session 2.1: Robbins's Essay on the Nature and Significance of Economic Science

An introduction to Lionel Robbins's enormously influential methodological essay, which establishes several themes that recur throughout the microeconomics sessions.


Session 2.2: Demand Theory

Utility theory, the ordinal revolution, revealed preference, and the modern synthesis.


Session 2.3: Public Economics and Benefit-Cost Analysis

The history of attempts to measure benefits and costs of government projects and regulations: overcoming Robbins' dilemma to make normative economics "scientific." Emphasis on distributional issues.


Session 2.4: Environmental Economics

Incorporating the environment into the economic calculus; measuring demand for environmental improvements.


**Session 2.5: Labor economics**

Implications of Robbins’s definition for labor economics; the implication of emphasizing objectives, optimization, and opportunity costs for "economic imperialism."


**Session 2.6: Institutional Economics and Industrial Organization**

We compare and contrast the old and new institutional economics, especially with applications to the theory of the firm.


**Session 2.7: Econometrics**

Theory and measurement; structural vs. reduced form estimation.

Part 3. Macroeconomics

Session 3.1. The Background to Modern Macroeconomics (before the 1930s)


Session 3.2. The Great Depression: Keynes and His Critics (the 1930s)

Keynes's General Theory of Employment, Interest, and Money in the context of the debates over business cycles and policies to counteract the Great Depression.


Session 3.3. Macroeconometrics and the New Economics (1930-1950)

Frisch's conceptualization of macroeconometrics and in Tinbergen's first applied macroeconometric models. The role of the new science of econometrics, especially of the Cowles Commission and Klein in wedding Keynesian economics to macroeconometrics. The development of macroeconomic policy.


Session 3.4. The Empirical Microfoundations of Macroeconomics (1945-1970)

The neoclassical synthesis. Providing microeconomic accounts of the main Keynesian functions. The development of large-scale macroeconometric models.

Session 3.5. The Problem of Inflation (1950-1970)

The debates over the conceptualization and modeling of inflation. The Phillips curve and the natural rate of unemployment.


Friedman’s restatement of the quantity theory of money, the relative importance of monetary and fiscal policy, the debate over rules vs. discretion in monetary policy.


The introduction of rational expectations and market-clearing models into models of macroeconomic policy and business cycles, and the Keynesian reaction. Real-business cycle models and the rise of the representative agent.