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* indicates supplementary reading
(R) indicates on reserve in main library

I. Introduction and Overview

No readings.

II. Physiocracy and the Rise of Economic Thought

a. On the social history of France just prior to the Revolution you will find the following helpful:

George Lefebvre, The Coming of the French Revolution (R)
(Vintage paperback), pp. 3-44.

*Alfred Cobban, The Social Interpretation of the French Revolution (Cambridge University Press paperback), pp. 25-68, see also

*Barrington Moore, Jr., Social Origins of Dictatorship and Democracy (Beacon paperback), pp. 40-69.

b. The best collection of Physiocratic writings available in English is in:

Ronald L. Meek, The Economics of Physiocracy. (R)
A good idea of the main elements in the doctrine can be grasped by reading pp. 72-88 and 102-118 of this book.

A useful discussion of this material is:

R. Meek, "Introduction to Physiocracy," pp. 15-34; "The Physiocratic Concept of Profit" and "Problems of the Tableau Economique," pp. 265-312 in The Economics of Physiocracy. (R)

*C. Gide and C. Rist, A History of Economic Thought
Chapter 1, "The Physiocrats," pp. 21-68.

c. Devote some thought to the relationship between the material in (a) and (b) above. For some general insights into the relationship between the economy and the development of economic thought, read:

Karl Polanyi, "The Anonymity of the Economy in Early Society," in George Dalton (ed.), Primitive, Archaic and Modern Economies (Anchor Doubleday paperback), pp. 81-95. (This is a selection from a longer essay on Aristotle which appears also in C. Arensberg, H. Pearson, and K. Polanyi (eds.), Trade and Market in the Early Empires) (R).

Then read:

Ronald Meek, The Economics of Physiocracy (R)
Chapter V, "The Interpretation of Physiocracy," pp. 364-398.

Karl Marx, Theories of Surplus Value (International) (R)
"The General Character of the Physiocratic System". "Turgot".

*N.J. Ware, American Economic Review, Dec., 1931
"The Physiocrats: A study in Economic Rationalization,"
pp. 607-619.

III. Ricardian Economics

- a. If you have not studied the economic history of the late-18th century and the early 19th century in England, you should look at one of the standard sources. A good quantitative base can be found in:

*Phyllis Deane and W.A. Cole, British Economic Growth, 1688-1959.

On the assumption that most of this is already under your belt, read:

Maurice Dobb, Studies in the Development of Capitalism (R)
(New World paperback), pp. 1-17.

Karl Polanyi, The Great Transformation (R)
(Beacon paperback), pp. 68-76.

*Barrington Moore, Jr., Social Origins of Dictatorship and Democracy (Beacon paperback) pp. 20-39.

The intellectual milieu of the period is described well in:

*Elie Halevy, The Growth of Philosophical Radicalism
(Beacon paperback), sep. pp. 88-120, 264-281, 313-373.

- b. A critical element in the evolution of the body of English classical economics--one which distinguished the body of thought from the physiocratic school--was the development of a theory of profit. Read:

Ronald Meek, Economics and Ideology (R)
(Chapman & Hall), pp. 18-33, "Adam Smith and the Classical Theory of Profit".

Maurice Dobb, Theories of Value and Distribution Since Adam Smith (R) (Chapter 2, pp. 38-64.)

- c. On the Ricardian theory:

David Ricardo, The Principles of Political Economy and Taxation. (R) Preface - Chapters 1,2,5,6 (Everyman edition: pp. 1-45 and 52-77).

On What Ricardo wrote:

M. Dobb, Theories of Value and Distribution Since Adam Smith (R)
(Cambridge University Press, 1973).

*P. Sraffa with M. Dobb, The Works and Correspondence of David Ricardo (9 vols)

R. Meek, Studies in the Labor of Value, Chapter 3, pp. 82-120.

T. deQuincey, "Ricardo Made Easy: or What is the Radical Difference between Ricardo and Adam Smith", (c1335) (R).

As supplement to Ricardo's own writings, a good modern treatment is:

*Mark Blaug, Ricardian Economics (R)
Chapters 2 & 3, pp. 6-63.

*George Stigler, "The Ricardian Theory of Value and Distribution," in Journal of Political Economy, June 1962, reprinted in Stigler, Essays in the History of Economics (University of Chicago Press) (R) pp. 156-197.

- d. An interpretation of the relation between value theories and distribution theories, and of the classical school of political economy in light of these considerations, can be found in:

M. Dobb, Political Economy and Capitalism (R)
Chapter 1, "Requirements of a Theory of Value"
Chapter 2, "Classical Political Economy," pp. 1-54.

For a view critical of the position taken in Dobb's first essay, read:

*Joan Robinson, Economic Philosophy (Doubleday paperback)
Chapter II, "The Classics: Value," pp. 26-47.

- e. On the social history of England during and after the heyday of Ricardian economics, read:

*C.R. Fay, The Corn Laws and Social England, esp. pp. 28-44, 78-120, 135-155.

G.D.H. Cole and R. Postgate, The British Common People 1746-1946 (R) (University paperback)
Chapter XXIII, "The New Poor Law and the Rise of Chartism," pp. 272-291.
Chapter XXV, "The Common Laws and the Chartist Decline," pp. 309-327.

On the evolution of economic thought in the Ricardian and post-Ricardian period:

M. Dobb, Theories of Value and Distribution Since Adam Smith (R)
Chapter 4, pp. 96-120.

R. Meek, "The Decline of Richardian Economics of England," in Economica. Vol. XVII, No. 65, Feb. 1950. pp. 43-62. (also appears in Meek, Economics and Ideology) (R)

*M. Blaug, "The Classical Economists and the Factory Acts," in Quarterly Journal of Economics, 1958, pp. 211-226.

M. Blaug, Richardian Economics, Chapters 7 & 8, pp. 129-164 and pp. 182-188 and pp. 221-229. (R)

*R. Meek, The Economics of Physiocracy (R)
"Physiocracy and the Early Theories of Underconsumption" and
"Physiocracy and Classicism in Britain," pp. 313-363.

*Harriet Martineau, Conversations on Political Economy (London, 1839).

*Thomas Hodgskin, Labour Defended Against the Claims of Capital (London, 1825 reprinted Ed. GDH Cole London, 1922).

IV. Marx: Historical Materialism

- a. Some aspects of the relation between Marxist theory and classical political economy are discussed in:

Maurice Dobb, Political Economy and Capitalism (R)
Chapter 3, "Classical Political Economy and Marx," pp. 49-56.
(reprinted in D. Horowitz, Marx and Modern Economics
(Monthly Review Press, NY, 1968).

- b. For an overview of Marx's approach, read either (or both, they are not really substitutes):

Karl Marx, A Contribution to the Critique of Political Economy (R)
Appendix, "Introduction to the Critique of Political Economy,"
(reprinted in D. Horowitz, Marx and Modern Economics, pp. 21-48).

R. Meek, Economics and Ideology (R)
"Karl Marx's Economic Method," pp. 93-112.

- c. Karl Marx, "Preface Contribution to the Critique of Political Economy," Selsam, Goldway and Martel, The Dynamics of Social Change, (SGM) (R) (International) pp. 52-53.

Paul Baran and Eric Hobsbawm, "The Method of Historical Materialism," in Richard Edwards, Michael Reich, and Thomas Weisskopf, The Capitalist System (ERW) (Prentice-Hall) pp. 54-56. (R).

Karl Marx and Frederick Engels, The Communist Manifesto
"Bourgeois and Proletarians," pp. 43-51 in Selsam, et. al. (R)

V. Value and Exploitation

- a. Classes and Class Conflict.

R. Bendix and S.M. Lipset, Class, Status, and Power (R)

"Karl Marx's Theory of Social Classes," pp. 6-11, see also Karl Marx, "A Note on Classes" in Bendix and Lipset, and E.H. Thompson, The Making of the English Working Class (paperback) (R) pp. 9-11.

- b. On Marx's theory of value and distribution read

Karl Marx, Value, Price and Profit (paperback) (R)
Introduction, pp.5-7.
Sections VI-XIV, pp. 29-62.

Karl Marx, Capital (R) Vol. I, Ch. 6, 7, pp. 167-198. (read also p. 166).

A. Medio, "Profits and Surplus Value: Appearance and Reality in Capitalist Production," in E.K. Hunt and J. Schwartz, A Critique of Economic Theory (R) (Penguin paperback) pp. 312-330; 330-344 (optional).

K. Marx, Capital I Ch. 24, Sections 1-4. pp. 612-647.

- c. Clarification of Marx's concepts of "increasing mystery" and the falling rate of profit can be found in:

R. Meek, Economics and Ideology (R) pp. 113-142.

- d. For an early critique, read:

*E. Bohm-Bawerk, Karl Marx and the Close of his System
Chapter IV, "The Error in the Marxian System: its Origin and Ramifications," (pp. 64-101 in the Augustus Kelley, ed., edited by Paul Sweezy).

If you want modern treatments of the more purely economic aspects of the Marxian theory, you might try:

*Joan Robinson, An Essay on Marxian Economics (Macmillan paperback).

*Paul Sweezy, The Theory of Capitalist Development (paperback).

*David Horowitz, ed., Marx and Modern Economics (Monthly Review Press, 1968).

- e. To see how Marx applied the theory to a concrete problem, read:

Karl Marx, Capital I (R) Chapter 10, "The Working Day," (New World paperback) Sections 1, 6, and 7 - pp. 231-235, 278-302.

and contrast this with:

M. Blaug, "The Classical Economists and the Factory Acts," in Quarterly Journal of Economics, 1958, pp. 211-226.

VI. Marx: Alienation and Commodity Fetishism

- a. Introduction to the theory of alienation and fetishism:

Vernon Venable, Human Nature: The Marxist View (R) (Meridian)
Chapters 2, 5, 6, and 7. pp. 13-27 and 49-84.

Karl Marx, Economic and Philosophical Manuscripts of 1844, reprinted in ERW (R) "Alienated Labor, pp. 107-110.

Karl Marx, Capital, Vol. I (R) (Int. Pub. ed.) Chapter 1, Section 4, pp. 71-83, "Commodity Fetishism and the Secret Theorof."

b. Some modern treatments:

Freddy Perlman, "Introduction" to I.I. Rubin, Essays in the Marxist Theory of Value (Red and Black Books, 1972), (R).

Samuel Bowles and Herbert Gintis, "Class Power and Alienated Labor," Monthly Review, March 1975. (R).

VII. The Emergence of the Neoclassical School

a. The Historical Setting. Read one of the following three:

Karl Marx and V.I. Lenin, Civil War in France -- The Paris Commune (R) (International Publishers) "Introduction" by Engels, pp. 9-22.

David Montgomery, Beyond Equality: Labor and the Radical Republicans, 1862-1872 (R) (Vintage Books, 1967) Chapter VI, "The Hours of Labor and the Question of Class," pp. 230-260.

Jerry Brecher, Strike! (R) (Straight Arrow Books, San Francisco 1972) Chapter I.

*Robert H. Wiebec, Businessmen and Reform (Quadrangle Books, Chicago 1968) Preface, pp. VII-IX. Chapter 1, "A Setting for Progressivism," pp. 1-15. Chapter 2, "An Age of Organization," pp. 16-41. Chapter 7, "Labor," pp. 157-173.

*John Tipple, The Capitalist Revolution: A History of American Social Thought, 1890-1919. Chapter I, "The Capitalist Revolution," pp. 14-49.

b. An Overview of the School

J.A. Schumpeter, The Theory of Economic Development (1911) (R) Chapter I, pp. 3-55. Chapter 4, pp. 128-156.

*M. Blaug, Economic Theory in Retrospect (R) Chapter 8, "Jevons and the Marginal Revolution," pp. 272-301.

Bohm-Bawerk, Capital and Interest, Vol. I (1884) (R) Chapter I, "The Problem of Interest," pp. 1-7. Chapter XV, "Final Conclusions," pp. 348-354.

von Wiser, "The Theory of Value: A Reply to Prof. Macvane" (1891-92) (R)

*K. Wicksell, Lectures on Political Economy, Vol. I (1901) Chapter I, Section 5, pp. 72-83, "The Gain from Free Exchange"

*W.S. Jevons, The Theory of Political Economy, Chapter 4, pp. 75-166.

c. Overall Interpretation

R. Meek, Studies in the Labor Theory of Value (R) "The Marginal Revolution and Its Aftermath," (also in Hunt and Schwartz, (R) A Critique of Economic Theory, pp. 83-98).

M. Dobb, Political Economy and Capitalism, (R) Chapter V, "The Trend in Modern Economics," pp. 127-184.

Joan Robinson, Economic Philosophy (R) Chapter III, "The Neoclassics: Utility," pp. 40-69.

d. For a contemporary critique, see

N. Bukharin, The Economic Theory of the Leisure Class (1919) (R) (Monthly Review Press paperback) Introduction, pp. 15-34 Chapter 1, pp. 35-58. Chapter 6, pp. 156-161.

VIII. Neoclassical Distribution Theories: Labor

a. We assume that you are quite familiar with the basic writings in this area. For some of the original formulations, see

K. Wicksell, Lectures on Political Economy, Vol. I (R) pp. 101-133 and 147-157, and/or

G. Stigler, Production and Distribution Theories, (R) Chapter on J.B. Clark, pp. 296-319.

Some of the ethical propositions often implicit in popular versions of the marginal productivity theory are explicitly in:

*J.B. Clark, The Distribution of Wealth pp. 1-9.

M. Blaug, Economic Theory in Retrospect, (R) Chapter II, "Marginal Productivity Theory of Distribution," pp. 403-448.

b. For two more modern extensions, see

*J.R. Hicks, The Theory of Wages (1932) Chapter VI, "Distribution and Economic Progress," pp. 112-135.

G. Becker, Human Capital (1964) (R) Chapter II, "Investment in Human Capital," pp. 7-36.

For a Marxian critique of Becker, see

S. Bowles and H. Gintis, "The Problem with Human Capital Theory", American Economic Review, May 1974, (R).

c. For various alternative views, see:

N. Kaldor, "Alternative Theories of Distribution," Review of Economic Studies Vol. XXIII, No. 2, 1955-56; reprinted in Kaldor, Essays on Value and Distribution. (The earlier part of this article is a useful survey of Ricardian, Marxian, and marginal productivity theories of distribution) (R).

- *I. Rubin, Essays in the Marxist Theory of Value
- *W. Arthur Lewis, "Economic Development with Unlimited Supplies of Labor," Manchester School, Vol. 22, 1954; reprinted in Agarwala and Singh reader on economic development; and
- *W. Arthur Lewis, "Unlimited Labor: Further Notes," Manchester School, Vol. 26, 1958.

IX. Neoclassical Theories of Distribution: Capital

- a. The basic writings of the Austrian School, as well as those of Fisher and J.B. Clark, are discussed in:
 - Mark Blaug, Economic Theory in Retrospect (R) pp.449-490 and *490-520.
 - If you have not read the basic literature in this field and would like to, begin with
 - *E. Bohm-Bawerk, Positive Theory of Capital books, 2, 3, and 4 (Chapter I, and parts 4 and 5 of chapter 2).
 - *Irving Fisher, Theory of Interest Chapters 4, 7, 10 and 11.
 - *K. Wicksell, Lectures on Political Economy, Vol. I.
- b. A Contemporary critique
 - T. Veblen, "Professor Clark's Economics," (1908) in Hunt and Schwartz (R) pp. 172-185.
 - *C.E. Ayres, The Theory of Economic Progress (R) Chapter 3, "Capital," pp. 39-61.
- c. An interpretation of the relationship between capital productivity, time preference, and the interest rate in the long run is offered in:
 - *W. Leontief, "A Theoretical Note on Time Preference, Productivity of Capital, Stagnation, and Economic Growth," in American Economic Review Vol. XLVII, No. 1, March 1958.
- d. A modern attempt to reorient the study of capital theory around the rate of return rather than capital itself is:
 - *Robert Solow, Capital Theory and the Rate of Return, pp. 16-36.
 - A simple modern survey of capital theory may be found in:
 - *Donal Dewey, Modern Capital Theory
- e. The modern Cambridge controversy:
 - E. Nell, "Property and the Means of Production: A Primer on the Cambridge Controversy," in Rev.Rad.Pol. Econ., Summer 1972 (R) pp. 1-27.
 - *G.C. Harcourt, "Some Cambridge Controversies in the Theory of Capital," in Journal of Economic Literature, June 1969, Vol. VII, No. 2.

E.K. Hunt and Jesse Schwartz, A Critique of Economic Theory (R) (Penguin) Selections *8 (Dobb), 9 (Nuti), 10 (Robinson), pp. 205-244.

*P. Garegnani, "Heterogeneous Capital The Production Function, and the Theory of Distribution," in Hunt and Schwartz (R) pp. 245-281.

R. Meek, Economics and Ideology (R)

Bob Rowthorn, "Vulgar Economy," in Bulletin of the Conference of Socialist Economists, Spring 1973. (R), Appears also in New Left Review, 1974.

X. Property, Equity, and Value.

Basic readings on the development of property theory:

Richard Schlatter, Private Property: The History of an Idea

*Chapter VI, The Seventeenth Century, pp. 124-150.

Chapter VI, The Natural Right of Property, pp. 151-161.

Chapter VIII, The Classical Theory in the Eighteenth Century, pp. 162-187, 205-238.

*Thomas Hobbes, Leviathan (Meridian Books, NY 1963)

Introduction, Chapters 13, 14, 15, and 24; pp. 141-168, 59-60.

John Locke, The Second Treatise of Government, Book II Chapters I - V.

Some modern formulations:

Milton Friedman, Capitalism and Freedom Chapter I.

F. Bator, "The Simple Analytics of Welfare Maximization," American Economic Review (AER), March 1957.

*John Rawls, "Justice as Fairness," in Laslett and Runceman (eds.), Philosophy Politics and Society, pp. 132-157.

XI. Utility, Welfare, and the Theory of the State

a. For an overview read:

G. Stigler, Essays in the History of Economics (R) (University of Chicago Paperback) "The Development of Utility Theory," pp. 66-148.

F. Bator, "The Simple Analysis of Welfare Maximization," in American Economic Review, March 1957. (R).

*H. Myint, Theories of Welfare Economics

*M. Dobb, Welfare Economics and the Economics of Socialism, Ch. 2, pp. 9-26.

b. Original sources are:

*A. Marshall, Principles of Economics

*A. Pigou, The Economics of Welfare

*J. Hicks, Value and Capital (1938) Chapter 1, "Utility and Performance," pp. 11-25.

*K. Arrow, Social Choice and Individual Values

*P.A. Samuelson, Foundations of Economic Analysis

c. Critiques:

E.K. Hunt, "Economic Scholasticism and Capitalist Ideology," in Hunt and Schwartz, (R), pp. 186-193.

Herbert Gintis, "Neoclassical Welfare Economics and Individual Development," in QJE, February 1972. (R).

Herbert Gintis, "Consumer Behavior and the Concept of Sovereignty," in AER, May 1972. (R).

*J. deGraff, Theoretical Welfare Economics

*I.D.M. Little, A Critique of Welfare Economics

*T. Veblen, "The Limitations of Marginal Utility," in JPE, XVII, Nov. 1909 pp. 620-636.

d. The Theory of the State

Paul Sweezy, The Theory of Capitalist Development (R) pp. 239-253.

*V.I. Lenin, State and Revolution, (International Publishers paperback) Chapter 1, pp. 7-20.

*Richard Musgrave, The Theory of Public Finance, pp. 3-22 or

*Otto Eckstein, Public Finance (Prentice-Hall Foundations of Modern Economics Series) Chapter 1, pp. 3-19.

Samuel Bowles, "Economists as Servants of Power: The Poverty of 'Policy'", AER, May 1974.

*P. Bachrach & M. Baratz, The Theory of Democratic Elitism

*S. Fine, Laissez-faire and The Rise of the General Welfare State

XII. Keynes

J.M. Keynes, The General Theory of Employment, Interest and Money (1936) Chapter 24, pp. 272-284 (R)

J.M. Keynes, Essays in Persuasion (R)

"The End of Laissez-faire," pp. 312-322. "Economic Possibilities of our Grandchildren," pp. 358-374.

*L. Klein, The Keynesian Revolution, (1947), Chapter 7, pp. 165-189. Paul Baran and Paul Sweezy, Monopoly Capital (R) Chapter 8, "On the History of Monopoly Capitalism," pp. 218-244.

Herbert Stein, The Fiscal Revolution in America (R) pp. 3-5, and 454-468.

Paul Sweezy, "John Maynard Keynes," and "The First Quarter Century," in Robert Leacock (ed.), Keynes' General Theory: Reports of Three Decades (NY: St. Martin's Press, 1964) pp. 297-314. (R)

M. Kalecki, "Political Aspects of Full Employment" Political Quart. Vol. XIV. No. 4, 1948 Herbert Gintis, "American Keynesianism and the War Machine," in David Mermelstein (ed.), Readings in Political Economy (NY: Random House, 1970), (R)

*Raford Boddy and James Crotty, "Class Conflict and Macro Policy: The Political Business Cycle," RRPE, 1975 (R) (mimeo) pp. 1-2, 12-38.

*Ellis W. Hawley, The New Deal and the Problem of Monopoly, (NJ: Princeton University Press, 1966). Chapter 1, pp. 3-18. Chapter 7, pp. 130-146. Chapter 15, pp. 288-803, Conclusion, pp. 472-494.

*Alvin Hansen, The Post-War American Economy, Chapters 1-3, pp. 3-55.

XIII. Economics, Science and Ideology

For a stimulating view of the ways in which scientific thought has developed, read:

*Thomas Kuhn, The Structure of Scientific Revolutions (Phoenix paperback) Chapter 1-5, pp. 1-51.

For a view of the evolution of economic thought, read:

O. Lange, Political Economy (R)

Chapter VII, "The Social Conditioning and the Social Role of Economic Science," pp. 278-308 and 314-315.

R. Meek, Economics and Ideology (R)

"Economics and Ideology," pp. 196-224.

J. Schumpeter, History of Economic Analysis (R)

Chapter 4, Part 1, "Is History of Economics a History of Ideologies?" pp. 34-47.

M. Dobb, Theories of Value and Distribution Since Adam Smith (R) Chapter 1, pp. 1-37.

J. Robinson, Economic Philosophy (R)

Chapter 1, pp. 7-28.