

University of Chicago

- (1) Required Economics 325
George J. Stigler
Spring 1989
- (2) Recommended

READING LIST

History of Economic Thought Before 1870

BEFORE 1776 (to be passed over silently)

- (2) J. Schumpeter, History of Economic Analysis
(2) David Hume, Writings on Economics (Rotwein edition)
(2) Cantillon, Essai sur la nature du commerce
(2) Jacob Viner, Studies in the Theory of International Trade,
Chapters 1 and 2
(2) E. Heckscher, Mercantilism, Vols. 1 and 2
(2) R. Meek, The Economics of Physiocracy
(2) T. Hutchison, Before Adam Smith

THE CLASSICAL ECONOMICS1. General

- (2) E. Cannan, Production and Distribution Theories
(2) E. Halevy, Growth of Philosophical Radicalism
(2) M. Bowley, Nassau Senior
(2) L. Stephens, The English Utilitarians
(2) L. Robbins, Robert Torrens and the Classical Economics
(2) M. Blaug, Ricardian Economics
(2) Occasional Papers of T. R. Malthus, ed. by B. Semmel
(2) D. P. O'Brien, J. R. McCulloch
(2) S. Hollander, The Economics of Adam Smith
(2) D. O'Brien, The Classical Economists

2. Adam Smith

- (1) Adam Smith, The Wealth of Nations (Liberty Fund Reprint): Bk. I;
Bk. II; Bk. IV, Chs. 1, 2, 7, 8, 9; Bk. V, Ch. 1
(2) A. Skinner and T. Wilson, Essays on Adam Smith (Clarendon, 1975)

3. Population

- (1) T. R. Malthus, First Essay on Population (Everyman's ed., Dutton)
(2) F. Place, Principles of Population
(2) Patricia James, Population Malthus

4. Rent

- (1) E. West, Application of Capital to Land (Johns Hopkins U. reprint)
(1) T. R. Malthus, Nature and Progress of Rent (Johns Hopkins U.); or
The Works of Thomas Robert Malthus, Vol. 7.
(1) David Ricardo, Principles of Political Economy and Taxation, Ch. 2

5. The Ricardian System

- (1) David Ricardo, Principles, Chs. 1, 4, 5, 6, 21, 31
(1) DeQuincy, "Dialogue of the Knight Templars," in Works
(2) F. H. Knight, "Ricardian Theory of Production and Distribution,"
reprinted in History and Method of Economics
(1) G. Stigler, "Ricardo and the 93% Labor Theory of Value," American
Economic Review, 1958; reprinted in Essays in the History of
Economics
(2) S. Hollander, The Economics of David Ricardo

6. Say's Law

- (1) J. B. Say, Political Economy, Bk. 1, Ch. 15
(2) J. B. Say, Letters to Malthus
(1) T. R. Malthus, Principles of Political Economy, Bk. II, Ch. 1
(1) J. S. Mill, "Consumption," in Essays on Unsettled Questions (Volume
IV of Collected Works)

7. John Stuart Mill

- (1) Mill, "The Quarterly Review on Political Economy," Collected Works
of John Stuart Mill, Vol. IV
(2) N. de Marchi, "The Success of Mill's Principles," HOPE, Summer 1974
(1) Mill, Principles of Political Economy (Ashley or Toronto edition)
Bk. I, Chs. 4, 5, 10, 11, 12
Bk. II, Chs. 1, 2, 4, 11, 14, 15, 16
Bk. III, Chs. 1, 2, 3, 4, 6, 14, 15
Bk. IV, Chs. 4, 5, 7
Bk. V, Chs. 1, 10, 11
(1) Mill, "Thornton on Labour and Its Claim," in Essays on Economics
and Society (Collected Works, Vol. V)
(2) Mill, "Essays on Unsettled Questions in Political Economy," in
Essays on Economics and Society (Collected Works, Vol. IV)
(2) Letters of J. S. Mill and Harriet Taylor, ed. by Hayek.
(2) G. Stigler, "The Nature and Role of Originality," in Essays in the
History of Economics

8. Von Thünen

- (1) Von Thünen's Isolated State, ed. by Peter Hall, Part I, Chs. 1-5
(1) B. W. Dempsey, The Frontier Wage contains a translation of Part II of
Der Isolierte Staat, pp. 193-214, 281-330

9. Cournot

- (1) Cournot, Researches into the Mathematical Principles of the Theory
of Wealth, Chs. 1, 4, 5, 7, 8

10. Economists and Public Policy

- (1) G. Stigler, "Do Economists Matter?", reprinted in The Economist as Preacher
- (2) F.W. Fetter, The Economist in Parliament, 1780-1868, Chs. 1-13, 15
- (2) J. Viner, "The Tariff Question and the Economist," reprinted in International Economics
- (1) J. Viner, "The Short View and the Long in Economic Policy," reprinted in The Long View and the Short

11. The Beginnings of the Modern Period

- (2) The Marginal Revolution in Economics, History of Political Economy, Fall 1982. Especially essays by Blaug, Coats, de Marchi, Hutchison, and Stigler.

SUGGESTED TERM PAPERS

- Appraise the contribution (to general theory, or monetary or international trade theory, or wage theory, for example) of one of the minor economists of the period, e.g.

Lauderdale	Longfield	West
Ellet (American)	Torrens	Say
Whewell	Wakefield	Rae
Jones		
- Analyze the main criticisms raised against a theory in the first few years after its appearance. (Examples: comparative costs, Ricardo's theory of value, Malthus' overproduction theory, measures of value, Mill's last proposition on capital.) Examine precisely how each criticism is handled by the theorist or his disciples.
- Analyze the policy proposals of a classical economist or, alternatively, the proposals on a given policy by various such economists. In the former case, to what extent are the policies compatible with the man's general theoretical system? (Why were there any incompatibilities?) In the latter case, why do men of similar general theoretical position differ on a specific policy? Pinpoint the explanations, or at least the questions.

4. Examine the role of economic theory in the deliberations of Parliament and its committees on some important legislation (export of machinery, combination acts, 10-hour day, poor laws, slavery, etc.). Look not only for explicit references to economists but also at the implicit theorizing by political leaders and its relationship to the currently ruling theory.
5. Analyze the economic theory implicit in the writings of a major political figure (Pitt, Gladstone, Palmerston, Peel, Disraeli -- or even an American), and determine the extent to which it reflects (1) current or earlier economists' writings, (2) ordinary layman's prejudices, (3) the rationalization of political expediency, and (4) other types of sources.
6. Examine the structure of use of empirical evidence in the writings of some classical economist. Limit your analysis to a compact topic (wages, foreign trade, etc.). When are "facts" resorted to, when not, and why? Do not limit empirical evidence to statistical data. Do not treat assertions of fact ("wages tend to subsistence") as fact. When are facts illustrative and when are they presented as evidence? Are hostile facts recognized? As a special instance, did the Navigation Acts deserve the flattery of Smith's sustained criticism?
7. Why did the mathematical method not receive much use or approval before 1890? Alternatively, why were available statistical methods (least squares, for example) not used in economics by Jevons or Edgeworth, etc.?

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Economics 326
History of Economic Thought after 1870

Spring Quarter 1990
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READING LIST

*Required reading

GENERAL SURVEYS

T.W. Hutchison, A Review of Economic Doctrines

G.J. Stigler, Production and Distribution Theories

R.S. Howey, The Rise of the Marginal Utility School, 1870-1889

W. Jaffe, ed., Correspondence of Leon Walras and Related Papers,
3 volumes

Papers on the Marginal Revolution in Economics, Special issue of History of Political Economy (Fall, 1971)

A. Kadish, The Oxford Economists of the Late Nineteenth Century

D.P. O'Brien & J.R. Presley, eds., Pioneers of Modern Economics in Britain

J. Maloney, Marshall, Orthodoxy, and the Professionalization of Economics

Essays in The New Palgrave Dictionary (1987), 4 volumes

1. THE HISTORICAL SCHOOL

T.E.C. Leslie, Essays in Political Economy, Ch. 15

C. Menger, Problems of Economics and Sociology, esp. Book IV

J.K. Ingram, History of Political Economy, Ch. 6

G.M. Koot, English Historical Economics, 1870-1926

*W. Bagehot, "The Postulates of Political Economy," in Economic Studies

2. THE MARGINAL UTILITY THEORY

F. Jenkin, Graphic Representation... and Essays on Political Economy

*W.S. Jevons, Theory of Political Economy, Preface, Chs. 1-4

*C. Menger, Principles of Economics, Ch. 3

*L. Walras, Elements of Pure Economics, Lessons 8-10, 12

*F.Y. Edgeworth, Mathematical Psychics, pp. 1-56

*V. Pareto, Manual of Political Economy, Ch. 4

G.J. Stigler, "The Development of Utility Theory," in Essays in the History of Economics

3. JEVONS AND EMPIRICAL ECONOMICS

W.S. Jevons, Papers and Correspondence (7 volumes)

*W.S. Jevons, The Coal Question

*W.S. Jevons, "A Serious Fall in the Value of Gold Ascertained," in Investigations in Currency and Finance

4. THE MARGINAL PRODUCTIVITY THEORY

*P.H. Wicksteed, Coordination of the Laws of Distribution

L. Walras, Elements, Appendix III

5. GENERAL EQUILIBRIUM THEORY

L. Walras, Elements, Part IV

V. Pareto, Manual, Ch. 6

6. AUSTRIAN CAPITAL THEORY

*E. Böhm-Bawerk, Positive Theory of Capital, Books V, VI, VII -- or Capital and Interest, Vol. II, Book IV

K. Wicksell, Lectures on Political Economy, Vol. I

*I. Fisher, The Rate of Interest, Ch. 4

R. Kuenne, Eugen v. Böhm-Bawerk

7. MARSHALL

*A. Marshall, The Early Economic Writings of Alfred Marshall (John K. Whitaker, ed.: 2 vols.), esp. Introductory Essay

*A. Marshall, Principles of Economics

A.C. Pigou, ed., Memorials of Alfred Marshall

H. George, "Mr. Henry George at Oxford: Disorderly Meeting," Jackson's Oxford Journal, 1884; reprinted in J. Law & Economics, April 1969 (after "Marshall's Lectures")

8. FISHER

*I. Fisher, The Theory of Interest

*F.H. Knight, "Professor Fisher's Interest Theory," Journal of Political Economy, 1931

9. FRANK H. KNIGHT

F.H. Knight, The Ethics of Competition, Chs. 2, 8.

F.H. Knight, Risk, Uncertainty, and Profit, Parts I and II.

REFERENCES ON THE SOCIOLOGY OF SCIENCE

*R. Merton, The Sociology of Science (University of Chicago Press), esp. Parts III and IV

*T.S. Kuhn, The Structure of Scientific Revolutions (2nd ed.; University of Chicago Press, paperback)

G. Stigler, "The Literature of Economics: The Case of the Kinked Oligopoly Demand Curve," reprinted in The Economist as Preacher