Office: BEC 340  
Office Hours: Or by arrangement  
Phone: x6481  
e-mail: rutherfo@uvic.ca  

Seminar Participation: This course is a seminar course dealing with selected topics in the History of Economic Thought. Currently the course deals with views of capitalism from Adam Smith to the present day, focusing on the respective roles of business enterprise, markets, and government. Students are required to read a substantial amount of material and to be prepared to engage in discussion in class. Students are expected to attend discussion sessions with a set of reading notes made up from the assigned readings for each session. Reading notes must be handed in and will form part of the grade. Students will also write two short essays.

Texts:  
Several books have been ordered for this class. These are:  
  Adam Smith, The Wealth of Nations, 1776  
  Karl Marx, The Communist Manifesto, 1888  
  Thorstein Veblen, The Theory of Business Enterprise, 1904  
  Joseph Schumpeter, Capitalism, Socialism, and Democracy, 1942  
  F. A. Hayek, The Road to Serfdom, 1944  
  Milton Friedman, Capitalism and Freedom 1982  
  James Galbraith, The Predator State, 2009  

Some of these books are favorable towards capitalism and free markets, some are critical. Selections from these books will be read and discussed in detail along with some additional material. The additional material consists of selections from:  

  J. S. Mill, Principles of Political Economy, 1848  
  A. C. Pigou, The Economics of Welfare, 1920  
  J. M. Keynes, The End of Laissez Faire, 1926  

The following material is available online.

Mill: [http://www.econlib.org/library/Mill/mlP.html](http://www.econlib.org/library/Mill/mlP.html)
Marx: [http://www.gutenberg.org/ebooks/61](http://www.gutenberg.org/ebooks/61)
Keynes:  
http://www.panarchy.org/keynes/laissezfaire.1926.html  
http://www.marxists.org/reference/subject/economics/keynes/general-theory/

The article by Frank Knight can be found on JSTOR [http://library.uvic.ca/](http://library.uvic.ca/)

There are no online versions of the books by Hayek, Friedman, or Galbraith. The Friedman book is available as a Kindle edition.

**Course Web Page:**
There is a course web page at: [http://web.uvic.ca/~rutherfo/econ407.html](http://web.uvic.ca/~rutherfo/econ407.html)
This page contains the course outline, links to the books and to other material of interest.

**Course Outline:**
The term contains 13 weeks including reading break week, and there are two sessions a week. The first session of the course will be devoted to dealing with the course outline, proposed conduct of the seminars, and grading. The class by class outline is as follows:

Jan 6: Introduction to the course


Jan 16: Smith, *Wealth of Nations*, Book 1, Chs 8, 9, and 11, pp. 284-288 only (Conclusion of the Chapter)

Jan 20: Smith, *Wealth of Nations*, Book 2, Introduction and Ch 3, Book 3, Ch 1, and Book 4, Ch 9, pp. 744-746 only (Last three pages of the chapter).


Jan 30: Marx, *Communist Manifesto*, Chs 1, 2, and 4.


Feb 10-14: No class—Family Day and Reading Break

Feb 17: Veblen, *Business Enterprise*, Ch 7

Feb 20: Knight, “The Ethics of Competition.”


Feb 27: Keynes, *The End of Laissez Faire*


March 6: Schumpeter, *Capitalism, Socialism, and Democracy*, Chs 6 and 8.


April 3: Wrap up.

**Grading:**
The course grade will be based on seminar preparation, participation, and two short essays. The reading notes and participation of each student in discussion sessions will be marked out of 100 points. Students who miss discussion sessions due to documented illness will not be penalized. Each essay will be marked with out of 100 points. The first essay topic will be written by all students and will consist of a critical discussion of the System of Natural Liberty as found in *The Wealth of Nations*. The essay should be about 2500-3000 words long. The second essay can deal with any topic dealt with in the course and should be of similar length. These essays should focus on your own reactions and thoughts on the material you have read and should refer to only a limited number of secondary sources (maximum of 5). The first essay is due immediately after reading break, and the second essay by the end of exam period. There are no exams.
The total score out of 300 points will be converted to a percentage mark and this will be converted to a letter grade using the following equivalences.

<table>
<thead>
<tr>
<th>Score Range</th>
<th>Grade</th>
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<tbody>
<tr>
<td>90-100</td>
<td>A+</td>
</tr>
<tr>
<td>77-79</td>
<td>B+</td>
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<tr>
<td>65-69</td>
<td>C+</td>
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<tr>
<td>0-49</td>
<td>F</td>
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<tr>
<td>85-89</td>
<td>A</td>
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<tr>
<td>73-76</td>
<td>B</td>
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<td>60-64</td>
<td>C</td>
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<td>80-84</td>
<td>A-</td>
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<td>70-72</td>
<td>B-</td>
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<td>50-59</td>
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</tbody>
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The standards and reputation of a University are the shared responsibility of its faculty and student body. Students are expected to observe the same standards of scholarly integrity as their academic and professional counterparts. Plagiarism and cheating are considered to be a most serious breach of academic integrity and shall be dealt with as such by the Department of Economics. Refer to the Policy on Academic Integrity in the University Calendar.

Department policies respecting undergraduate courses are available at: [http://web.uvic.ca/econ/undergraduate/course_policies.php](http://web.uvic.ca/econ/undergraduate/course_policies.php)

The University of Victoria is committed to providing an environment that affirms and promotes the dignity of human beings of diverse backgrounds and needs.