

**Economics 323**  
**Professor McMahan**  
**Fall 2004**

**Course description:** Economics 323, Classical and Marxian Political Economy, examines some of the most important events and thinkers of the eighteenth and nineteenth centuries, primarily in Britain. An understanding of the thought of Adam Smith, Thomas Robert Malthus, David Ricardo, John Stuart Mill and Karl Marx in the context of the economic, political and social changes of their times is crucial to an understanding of our intellectual and material history and therefore contributes to a better understanding of the world. Furthermore, since the authors studied were concerned with important ethical issues, including the well being of people, the material in this course exposes some important ethical issues underlying many familiar economic debates.

The economic theories studied in the standard introductory course were built on the foundations laid in the works studied in this course, and this is one reason to study the history of economic thought. However, the political and economic thought of the philosophers included in this course are also worth studying, *per se*. One reason this is true is that subsequent worldly philosophers, while building upon the works of their predecessors, also differed from their predecessors in important ways; and even though we like to think of the latest theories as demonstrably superior to earlier theories, this may not always be the case. In other words, the study of the most important Classical and Marxian political economists may lead students to better understand both the strengths and the weaknesses of generally accepted current economic thought and therefore to better develop their own thinking about political economy.

This course has always been a blend of economic history and economic thought since knowledge of the historical context is essential to an understanding and appreciation of the thought of the periods in question. Over time, more and more history has been added to the course, in part because we do not currently offer a course specifically in economic history. One of the implications of this addition is that there is a substantial amount of reading in this course. As someone who is a slow reader, I can appreciate the problems this presents; however, if you put in the necessary time, I believe you will find it worth the effort.

In terms of specific objectives, by the end of the semester, the successful student will be able to

1. Explain why Europe emerged as the economic center of the modern world, and England emerged as the epicenter of economic change in the 18<sup>th</sup> and 19<sup>th</sup> centuries.
2. Explain the nature of the phenomenon commonly called the “Industrial Revolution” and its consequences both for economic thought and for people’s lives.
3. Describe the historical context in which the first Industrial Revolution occurred and offer good reasons why it occurred first in Britain.
4. Describe, compare and contrast the theories of Adam Smith, David Ricardo, John Stuart Mill and Karl Marx; and offer reasonable hypotheses regarding the influence of the times during which these men wrote on their views.
5. Evaluate Classical and Marxian Political Economy and their relevance today.

**Readings:** Preliminary reading assignments in the required texts are indicated below. Since there will be heavy reliance on student participation, you need to have read and thought about the

material before class. If you do not do so, you will cheat yourself and your classmates. In addition to these readings, there may also be assignments to read articles and/or excerpts handed out in class, on reserve in the library, on the fileserver, or accessible through the internet. You should expect that we will cover the material at approximately the pace indicated in the preliminary schedule of assignments; however, there will inevitably be some changes in the assignments during the semester (hence, the schedule is “preliminary”). These changes will be announced in class or by e-mail, and it is your responsibility to keep up with them, even if you miss the class in which the announcement is made.

In addition to the required texts, there is a recommended text for this course. I encourage you to use *The Brief English Handbook*, Seventh Edition, by Edward A. Dornan and Charles W. Dawe, for help with the papers you write in this class. It is impossible to separate form and content; if there are errors in form, the content will inevitably be adversely affected, as will your grade on the paper. My recommendation is that you review Parts IV through VII immediately and then consult the *Handbook* frequently while writing the assigned papers.

**Class organization and requirements:** In this class, we will rely on lectures by the instructor, presentations by the students, and general discussion, with substantial emphasis on student participation. You are, of course, expected to attend every class session and to participate constructively. You are responsible for all material covered, announcements, assignments, and changes in assignments made in class whether you are present or not. If you miss a class, it is your obligation to obtain this information from another student, not the instructor, even if you have a decent reason for missing class (official school business, illness, or family crisis).

During the term, you will be assigned topics on which you are to make an oral presentation to the class. The topics and due dates will be announced in class, usually at least one week prior to the date the presentation is to be made. In addition, you will be assigned short papers to write on the readings. The topics for these papers and the due dates are indicated in the assignments given below. Finally, from time to time, I may give you short writing exercises to complete in class.

Instead of a final exam, you will write a longish paper to turn in on the day the final exam is scheduled for our class. We will discuss the exact nature of this paper closer to the time it is due, but, in general, it will concern objectives 4 and 5.

If you do not turn in a paper on the date and at the time it is due, you will be assigned a grade of zero. If you turn the paper in within the next 24 hours, your maximum grade on the paper will be a 75 (out of 100). If the paper is not submitted within the first 24 hours after it is due, your maximum grade will be a 50. After 48 hours, the zero initially assigned becomes your grade. If you wish to plead for a reduction in penalty for a late paper, you must submit a written, pledged explanation of your failure to meet the deadline when you turn the paper in. I may require that you provide supporting evidence with your explanation. Don't plan to take advantage of this potential for leniency. I will be the sole judge of the acceptability of your explanation, and very few explanations will be deemed acceptable.

When writing the papers, you may discuss the main points of the readings with other students in the class prior to writing your paper. In addition, we will usually have discussed the topics in class. However, when you turn in your paper, it is understood that the paper is your own work. Should that not be the case, your submission of the paper as your own is a violation of the honor

code. This is true whether you explicitly include the pledge or not. Each of the papers is to be produced using Microsoft Word. Each paper is to be double spaced and typed in 12 point Times New Roman (the type used for this syllabus) or a similar font. The appropriate length of each paper is, to some extent, a function of the amount of material to be summarized; and I will suggest a length for each assigned paper. However, you should always strive to be succinct. Papers are to be submitted by attaching them to an email sent to me. With the exception of the final paper, I must receive your papers no later than 9 AM on the due dates.

### **Additional information**

1. You are expected to abide by the Honor Code which covers all work submitted for a grade, and all reasons given for missing classes or deadlines. Violations will not be tolerated.
2. In determining your grade for the semester, I will compute a weighted arithmetic mean of your grades for class performance (which includes oral presentations, contributions to class discussions and short in-class writing exercises), short papers, and the final exercise. The weights assigned will be 30%, 35% and 35%, respectively.
3. There will be times I want to contact you through electronic mail, and you need to begin reading your e-mail daily. I will use e-mail when necessary to make or change assignments and to provide other information that you need. You are responsible for all information sent to the class by email. My e-mail address is [mcmahon@rhodes.edu](mailto:mcmahon@rhodes.edu).
4. I want to be available to meet with you on an individual basis as often as you need me to do so. I expect to be in my office (Buckman 331, ext. 3738) at the following times:  
Monday, Wednesday, Friday      3:00 PM – 4:00 PM  
Tuesday, Thursday                      2:00 PM – 3:15 PM  
If we cannot get together during my regular office hours, I will be glad to make an appointment to meet with you at another, mutually acceptable, time. Please feel free to call me at home (327-5219) if need be, preferably before 9:00 PM.

### **Preliminary Schedule of Assignments**

In the assignments below, the following abbreviations are used for the texts:

CEH	Rondo Cameron & Larry Neal, <i>A Concise Economic History of the World</i>
GGs	Jared Diamond, <i>Guns, Germs and Steel</i>
PPE	John Stuart Mill, <i>Principles of Political Economy</i>
HE	Joshua Muravchik, <i>Heaven on Earth</i>
PPET	David Ricardo, <i>Principles of Political Economy and Taxation</i>
TMS	Adam Smith, <i>The Theory of Moral Sentiments</i>
WN	Adam Smith, <i>The Wealth of Nations</i> , Vols. I and II
IR	Mikulas Teich & Roy Porter (eds.), <i>The Industrial Revolution in National Context</i>
MER	Robert C. Tucker (ed.), <i>The Marx-Engels Reader</i>

August 25

First class, no assignment

August 27

No class today. Work on the assignment for August 30.

### August 30

Read GGS 13 – 32, 35, 50 – 57, 67 – 68, 74 – 81, 85 – 92, 103 – 105, 132 – 142, 148 – 153, 157 – 163, 168 – 175, 176 – 180, 183 – 186, 189 – 191, 202 – 207, 210 – 216, 224 – 225, 233 – 238, 242 – 249, 260 – 264, 281 – 292, 354 – 360, 370 – 375, 405 – 420.

Write a 3 page summary and evaluation of the reading, send it to me by email so that I receive it no later than 9:00 AM, and bring a copy to class. In your paper, state concisely the major point(s) Diamond is trying to make, describe the most convincing evidence he cites in support of his argument, and offer your assessment of his work.

### September 01

Individual reports to the class on GGS chapters 15, 16, 17, and 19

Read and be prepared to discuss CEH 3 – 43. Try to identify points of agreement and disagreement between Cameron and Diamond on topics covered by both. Those who do not have a report to give should be prepared to lead the discussion on Cameron vs. Diamond.

### September 03

Read and be prepared to discuss CEH 44 – 93.

### September 06

Labor Day, no class

### September 08

Read and be prepared to discuss CEH 94 - 159.

The “market societies” that had taken shape in Europe by the 18<sup>th</sup> century differed significantly from societies in Ancient and Medieval Europe. Be prepared to discuss the differences.

### September 10

Read and be prepared to discuss WN Book III. Focus on the main points instead of the minute details. What is Adam Smith’s theory of economic history and development as described in this chapter? To what extent is Smith’s theory supported by, and to what extent is it not supported by, what you have read in Diamond and Cameron?

### September 13

Write a 3 page summary and evaluation of the reasons Cameron gives for the lack of economic growth and development of the Spanish and French economies compared to the successes of the Dutch and English economies in the 16th and 17th centuries. Send your paper to me by email so that I receive it no later than 9:00 AM, and bring a copy to class.

### September 15

Read and be prepared to discuss CEH 160 – 218.

### September 17

In WN, read and be prepared to discuss:

<u>Book</u>	<u>Chapters</u>	<u>Segment</u>	<u>Paragraphs</u>
IV	Introduction		1-2
IV	i		1, 35-45

IV	ii		1-16, 22-24, 31-45
IV	v	a	1-17
IV	viii		1-2, 48-54
V	i	a	1, 42-44
V	i	b	1-12
V	i	c	1-2
V	i	d	1-19
V	i	f	1-10, 34, 47-57
V	i	h	1-3
V	i	i	1-6
V	ii	b	1-7
V	iii		1-4

[Note: In interpreting assignments in WN, "segment" is a term I have given to a designation used by the editors in the Table of Contents and in brackets at the top of each page.]

### September 20

Review the readings to date and prepare notes on the answers provided by the three authors to the questions, "Why did Europe become the economic center of the modern world? Why did England emerge as the epicenter of economic change by the end of the 18<sup>th</sup> century?" Come to class prepared to discuss these questions.

### September 22

In TMS, skim pages 46 - 52 of the Editors' Introduction and read and be prepared to discuss:

<u>Part</u>	<u>Section</u>	<u>Chapters</u>	<u>Paragraphs</u>
I	i	1-5	all
I	iii	2	1
I	iii	3	all
II	ii	1-3	all
II	iii	intro	all

### September 24

In TMS, read and be prepared to discuss:

<u>Part</u>	<u>Section</u>	<u>Chapters</u>	<u>Paragraphs</u>
III	-	1	all
III	-	2	1-11, 16, 28-32
III	-	3	1-11
III	-	4-6	all
IV	-	1-2	all

### September 27

Write a 6 - 8 page essay on the questions, "Why did Europe become the economic center of the modern world? Why did England emerge as the epicenter of economic change by the end of the 18<sup>th</sup> century?" This is not a research paper, so you need not consult sources other than Diamond, Cameron and Smith. Your essay will be primarily a summary of what you have read, but you are to add your own assessment as appropriate. When you need to give credit to an author, i.e., when you quote him directly or indirectly, include a parenthetical reference using "GGS" or "CEH"

and the page number for Diamond and Cameron; for WN, use the system identified in the assignment for September 17. Send your paper to me by email so that I receive it no later than 9:00 AM, and bring a copy to class.

### September 29

In WN, read and be prepared to discuss:

<u>Book</u>	<u>Chapters</u>	<u>Segment</u>	<u>Paragraphs</u>
Introduction and Plan of the Work			1-9
I	i-ii		all
I	iii		1-2
I	iv		1-7, 11-18
I	v		1-7, 19
I	vi		all

### October 01

In WN, read and be prepared to discuss:

<u>Book</u>	<u>Chapters</u>	<u>Segment</u>	<u>Paragraphs</u>
I	vii		all
I	viii		1-22, 36-44
I	ix		1-2, 6, 11-19
I	x	a	1-3
I	x	b	1-26, 33-34, 39
I	x	c	1-5, 12, 17, 27, 31-47, 58-63

### October 04

In WN, read and be prepared to discuss:

<u>Book</u>	<u>Chapters</u>	<u>Segment</u>	<u>Paragraphs</u>
I	xi	a	1-9
I	xi	b	1-4
I	xi	c	1, 7-11, 29-32
I	xi	p	1-10
II	Introduction		1-6
II	i		1-31
II	iii		1-3, 7, 13-20, 27-32, 36, 42
II	iv		1-8

### October 06

Review the readings in and class discussions of Smith's TMS and WN. Begin to formulate a statement (that you will you will develop into an essay) on Adam Smith's (sometimes conflicting?) views on the nature of human beings and social classes, the values that influenced his works, and the role he thought government should play in order to accomplish the goals he valued the most.

### October 08

Continue to work on your statement on Smith and be prepared to share your ideas with the class on this day.

### October 11

Send your paper on Smith to me by email so that I receive it no later than 9:00 AM, and bring a copy to class.

October 13

Read and be prepared to discuss CEH 219 – 243, 248 – 252 and 270 – 295.

October 15

Read and be prepared to discuss “Smith, Ricardo and the Labor Theory of Value” by Janet Cruse and Donnie Stansell; read and be prepared to discuss 13 - 44 in PPET.

October 18

Fall recess, no class

October 20

Review your readings for October 15; read and be prepared to discuss 89 –104 and 269 – 277 in PPET.

October 22

Read and be prepared to discuss 1 – 35 and 64 – 77 in IR.

October 25

Read and be prepared to discuss IR 36 – 63, 78 – 94, and 184 – 200.

October 27

Read and be prepared to discuss IR 95 – 125, 329 – 349, and 371 - 388.

October 29

Think about, take notes on, and be prepared to discuss (1) the nature of the phenomenon usually called the Industrial Revolution that took place in Britain in the years between the midpoints of the 18<sup>th</sup> and 19<sup>th</sup> centuries, (2) why the Industrial Revolution so defined occurred first in Great Britain, and (3) how industrialization differed from the British experience in some of the other European countries.

November 01

Read and be prepared to discuss 1 – 59 in HE.

November 03

Read and be prepared to discuss 31 – 33, 54 – 58, 97 – 100, 740 – 745 and 101 – 115 in PPE.

November 05

Read and be prepared to discuss 132 – 144, 158 – 217, 349 – 353, 405 – 409, and 434 – 477 in PPE.

November 08

Read and be prepared to discuss 725 – 751, 792 – 794, 933 – 950, and 953 – 979 in PPE.

November 10

Think about, take notes on, and be prepared to discuss the most obvious effects of the British Industrial Revolution on the works of Ricardo and J. S. Mill in comparison with the works of Smith.

#### November 12

Work on a 6 – 8 page essay on (1) the nature of the phenomenon usually called the Industrial Revolution that took place in Britain in the years between the midpoints of the 18th and 19th centuries, (2) why the Industrial Revolution so defined occurred first in Great Britain, (3) how industrialization differed from the British experience in other European countries, and (4) the most obvious effects of the British Industrial Revolution on the works of Ricardo and J. S. Mill in comparison with the works of Smith. When you need to give credit to an author—i.e., when you quote him directly or indirectly—include a parenthetical reference as previously suggested. Bring your best effort to class and be prepared to discuss your essay with the class.

#### November 15

Send your “Industrial Revolution” paper to me by email so that I receive it no later than 9:00 AM, and bring a copy to class.

#### November 17

Skim 579 – 585, read and be prepared to discuss 469 – 491 (down to “III. Socialist and Communist Literature”), skim 491 – 497, and read and be prepared to discuss 497 (from “3. CRITICAL-UTOPIAN SOCIALISM AND COMMUNISM”) – 500 in MER.

#### November 19

Read and be prepared to discuss pages xv-xxxviii and xli-xlii in MER.

#### November 22

Read and be prepared to discuss 53 – 54, 133 – 142, 70 – 81, and footnote 1 on 33 – 34 in MER.

#### November 29

Read and be prepared to discuss 528 – 535, 203 – 221, 236 – 244, 247 – 250, and 291 – 293 in MER.

#### December 01

Read and be prepared to discuss 443 – 465 in MER.

Be prepared to compare and contrast the theories of Adam Smith, David Ricardo, John Stuart Mill and Karl Marx, to offer reasonable hypotheses regarding the influence of the times during which these men wrote on their views, and to evaluate Classical and Marxian Political Economy and their relevance today.

#### December 03

Read and be prepared to discuss HE 60 – 143.

#### December 06

Read and be prepared to discuss HE 143 - 197.

#### December 08

Assignment to be made later in the term



December 13

Final paper due at 8:00 PM