

**Department of History
University of Pennsylvania
Spring Semester, 2019**

History 201

History of Economic Thought to Adam Smith

Dr. Safley

SYLLABUS

Venue: []
TR, 10:30 AM - 12:00 PM

Instructor: Thomas Max Safley
College Hall, 309A: TR, 12:00 - 1:30 PM and by appointment
tsafley@history.upenn.edu

Purpose: The earliest reflections on economic matters centered on non-economic questions, such as justice or morality. Only with the Commercial Revolution of the High Middle Ages did the study of economic life begin slowly to abandon ethical reflection. With the expansion of the economy that began around 1300, economic thinking turned to what would become its accepted, standard purview: the calculation of costs and benefits, the determination of efficiency and inefficiency, the study of structures and institutions. Students of economics gradually began to view it as system, governed by its own laws and characterized by its own interrelationships. This view of the economy as a self-contained sphere, subject to timeless principles and mechanisms, influenced Adam Smith in his *Inquiry into the Nature and Causes of the Wealth of Nations*. Following his lead, classical economists of the nineteenth century interpreted the economy as a self-contained system, regulated by supply and demand, free of moral or personal influences. The market's "invisible hand" alone would provide the optimal use of resources and provide the greatest good for the greatest number. In this seminar, we will follow these developments by reading and discussing a selection of economic texts from the ancients to Smith. Our common task will be not only to understand their ideas about economic life in the context of their times but also to examine the continued relevance of these ideas for us.

Texts: All required readings are available in English translation on Canvas or online.

Assignments: Students will be expected to read closely all assigned texts and to take part actively in all seminar discussions. In addition, each member of the class will

complete a brief (no longer than one paragraph, typed and single-spaced), weekly document exercise. Participation is 50 percent of the final grade. As an element of their participation, each student will write a close historical analysis of an economic thinker of their own choice. Each student's work will be presented and discussed in one of the final seminar meetings. Finished papers will be 15 to 20 typed, double-spaced pages in length and are worth 50 percent of the final grade.

The **weekly document exercises** are straightforward. Each Thursday, students will receive a historical document, a primary source that relates to one or more of the themes to be addressed during the following week. Each student will be expected to write an evaluation of that source that is **no longer than one page**, typed in 12-point font and double-spaced. The evaluation will seek to answer a series of questions: Who created the document; when they created it; for whom they created it; why they created it; what it tells us; how it relates to the theme(s) of the week. Evaluations are due on the Thursday of the following week.

The **historical analysis** resembles the document exercises, but on a more ambitious scale. Students will select, in consultation with the instructor, a primary source from the special collections of Van Pelt Library. These will be larger and more complex than the sources students have confronted on a weekly basis during the semester, but the questions to be asked of them will remain the same. Who created the document? When did he/she/they create it? For whom was it created? Why was it created? What does it tell us? How does it relate to the themes of our course? Groups will evaluate their sources cooperatively, dividing the questions among their members, or tackling the whole assignment as a group. Each member will write an individual term paper of **15 to 20 pages length** (12-point font, double-spaced) that represents his or her own, original work.

Integrity: Students are expected to abide by the University of Pennsylvania Code of Academic Integrity, which can be found here:

<https://catalog.upenn.edu/pennbook/code-of-academic-integrity>

Schedule: 17 Jan. Introduction

22-24 Jan. Ancient Fragments.

Read: The Code of Hammurabi, entire;

<http://www.general-intelligence.com/library/hr.pdf>

[Evidence of Mesopotamia, Mycenae and Egypt]

Document exercise due Thursday, 24 January.

29-31 Jan. Canonical Influences.

Read: Exodus 22;

Leviticus 25;

Deuteronomy 15, 23, 24;

<https://www.jewishvirtuallibrary.org/the-written-law-torah>

Mark 1-4, 6, 8, 10-12;

Ephesians 4-6;

<https://www.biblestudytools.com/nrs/>

Qu'ran (on *zakat*), 2:177, 9:5;

Qu'ran (on *gharar*), 2:188, 4:29;

Qu'ran (on *riba*), 2:275-280, 3:129-130, 4:161;

Qu'ran (on *amal*), 2:110, 2:254, 9:34-36, 9:60,
17:26, 51:19, 73:20, 99:6-8;

Qu'ran (on *tharwa*), 2:155, 2:177, 2:180, 2:188,
2:215, 2:236, 2:261, 2:264, 9:55, 9:86,
18:46, 22:36-37, 26:88, 63:9.

<https://quran.com/>

Document exercise due Thursday, 31 January.

5-7 Feb. Classical Antiquity.

Read: Hesiod, *Works and Days*, entire;

<https://www.ellopos.net/elpenor/greek-texts/ancient-greece/hesiod/works-days.asp>

Plato, *Republic*, Bk II;

<http://classics.mit.edu/Plato/republic.html>

Aristotle, *Politics*, Bk I, Pts. 1-11, Bk II, Pts. 1-5;

<http://classics.mit.edu/Aristotle/politics.html>

Aristotle, *Nicomachean Ethics*, Bk. V, Pts. 1-5;

<http://classics.mit.edu/Aristotle/nicomachean.html>

Fan Li (Tao Zhu Gong), *Golden Rules of Business Success*, [extract];

<http://www.abv.org.au/wp-content/uploads/2016/04/12-Golden-Rules-for-Business-Success-1.pdf>

Chanakya, *Arthashastra*, Bk II, Ch. 6, 12-19, 21-36,
Bk III, Bk IV, Ch 1-2.

<https://en.wikisource.org/wiki/Arthashastra>

Document exercise due Thursday, 7 February.

12-14 Feb. Late Antique Reflections.

Read: Augustine, *De civitate dei*, Bk. XIV-XVIII;

<http://www.newadvent.org/fathers/1201.htm>

Huan K'uan, *Discourse on Salt and Iron*, []

<http://www2.iath.virginia.edu/saxon/servlet/SaxonServlet?source=xwomen/texts/yantie.xml&style=xwomen/xsl/dynaxml.xsl&doc.view=toc&chunk.id=tpage&toc.depth=1&toc.id=d2.24&doc.lang=english>

[]

Document exercise due Thursday, 14 February.

19-21 Feb. Early Medieval.

Read: Benedict of Nursia, *The Rule of St.*

Benedict, ch. 4-7, 33-37, 39-40, 48-51, 55-57;

<http://www.ccel.org/ccel/benedict/rule.i.html>

Al-Ghazali, [extract];

Wang Anshi, [extract];

Ouyang Xiu, [extract].

Document exercise due Thursday, 21 February.

19-21 Feb. High Medieval

Read: Thomas Aquinas, *Summa Theologica*, Pt. II-2, Questions LXXVII-LXXVIII;

<http://www.newadvent.org/summa/3.htm>

Duns Scotus, *Sententiae*, [extract];

Ibn Khaldun, *Muqaddimat*, ch. 3, Pt. 36, 4-5;

<http://www.muslimphilosophy.com/ik/Muqaddimah>

Nicole Oresme, *De origine, natura, jure et mutationibus monetarum*, pp. 1-48

https://mises-media.s3.amazonaws.com/The%20De%20Moneta%20of%20Nicholas%20Oresme%20and%20English%20Mint%20Documents_2.pdf?file=1&type=document

Document exercise due Thursday, 7 February.

5-7 Mar. Late Medieval/Reformation

Read: St. Antonin of Florence, *Summa confessionalis*, *Curam illius habes*, [extract];

St. Bernardino of Siena, *On Contracts and Usury*, [?];

St. Bernardino of Siena, *Sermons*, Nrs. 27-30;

<http://www.saintsbooks.net/books/St.%20Bernardin%20of%20Siena%20-%20Sermons.pdf>

Nicolaus Copernicus, *Monete Cudende Ratio*, entire;

<http://www.system-polskiego-prawa-podatkowego.pl/traktat.html>

Martin Luther, *Von Kaufhandlung und Wucher*, entire.

<http://www.lutherdansk.dk/Martin%20Luthe%20-%20On%20trading%20and%20usury%201524/ON%20TRADING%20AND%20USURY%20-%20backup%20020306.htm>

Document exercise due Thursday, 7 February.

12-14 Mar. **NO CLASS; SPRING BREAK.**

19-21 Mar. The Early Modernists.

Read: Luis de Molina, *A Treatise on Money*, [extract];
Jean Bodin, *Reply to Malestroit*, [Monroe];
Barthélemy de Laffemas, *Les trésors et richesses pour mettre l'État en splendeur*, [extract];
Leonardus Lessius, *On Justice and Law*, [extract].

No document exercise due.

26-28 Mar. The Mercantilists.

Read: Edward Misselden, *The Circle of Commerce*, [extract];
Gerard Malynes, *The Maintenance of Free Trade*, [extract];
Thomas Mun, *England's Treasure by Foreign Trade*, [Monroe];
Charles Davenant, *Essay on the East India Trade*, [extract].

Document exercise due Thursday, 7 February.

2-4 Apr. The Pre-Classicists

Read: John Locke, *Some Considerations on the Consequences of the Lowering of Interest and the Raising of the Value of Money*, entire;

<https://www.marxists.org/reference/subject/economics/locke/part1.htm>

Dudley North, *Discourses upon Trade*, entire;
<http://oll.libertyfund.org/titles/north-discourses-upon-trade>

David Hume, *Essays, Moral, Political, Literary*, [Monroe];

Bernard Mandeville, *The Grumbling Hive, or*

Knaves Turn'd Honest, entire.
<https://web.archive.org/web/20111113110954/http://jacobhedegaard.dk/economics/fable-of-the-bees.pdf>

Document exercise due Thursday, 7 February.

9-11 Apr. The Physiocrats

Read: John Law, *Money and Trade Considered*, [Monroe];
Richard Cantillon, *Essai sur la nature du commerce en general*, [extract];
François Quesnay, *Tableau économique*, [Monroe];
Jacques Turgot, *Réflexions sur la formation et la distribution des richesses*, [Monroe].

Document exercise due Thursday, 7 February.

16-18 Apr. The Cameralists.

Read: Philipp von Hornick, *Österreich über alles, wann es nur will*, [Monroe];
Johann Heinrich Gottlob von Justi, *Staatswirtschaft oder systematische Abhandlung aller ökonomischen und Cameralwissenschaft*, [Monroe].

Document exercise due Thursday, 7 February.

23-25 Apr. The Classicists.

Read: Ferdinando Galliani, *Della moneta*, [Monroe];
Edmund Burke, *Thoughts and Details on Scarcity*, [extract];
http://oll.libertyfund.org/titles/burke-select-works-of-edmund-burke-vol-4#lf0005-04_head_011
Jean-Baptiste Say, *A Treatise on Political Economy*, [extract].
<https://socialsciences.mcmaster.ca/~econ/ugcm/3ll3/say/treatise.pdf>

Document exercise due Thursday, 7 February.

23-25 Apr. Smith.

Read: Adam Smith, *The Wealth of Nations*, Bk. I, ch. 1-2, 4-8, 10-11
<http://metalibri.wikidot.com/title:an-inquiry-into-the-nature-and-causes-of-the-wealth-of>

Document exercise due Thursday, 7 February.

30 Apr. Smith.

Read: Adam Smith, *The Wealth of Nations*, Bk. IV.
<http://metalibri.wikidot.com/title:an-inquiry-into-the-nature-and-causes-of-the-wealth-of>
Historical analysis due, Tuesday, 30 April.