

The History of Economic Policy in the Context of a History of Economic Thought.

Erik S. Reinert, January-February 2002.

1. Introduction. Methodology and Toolboxes: The Different Kinds of Economics.

Readings: The Other Canon, 'Two Different Ways of Understanding the Economic World and The Wealth and Poverty of Nations (3 pages), Bruce Henderson, Boston Consulting Group, Perspectives on Strategy (1998): 'Business Thinking', BCG, pp. 260-263.

2. Theories of History: Learning, Technological Change and Economic Development.

Erik Reinert: 'Karl Bücher and the Geographical Dimensions of Techno-Economic Change: Production-Based Economic Theory and the Stages of Economic Development'. Albert O. Hirschman: 'The Passions and the Interests', pp. 9-31+132-135.

3. The Renaissance and Duty-Based Systems: From Economic Anthropology to Statecrafting and Nation-Building. The Failure of Spain's 16th Century Policies.

Readings: Reinert & Daastøl, 'Exploring the Genesis of Economic Innovations: The Religious Gestalt-Switch and the Duty to Invent as Preconditions for Economic Growth', pp- 1-24 (= 233-264). Gustav Schmoller: 'The Mercantile System and its Historical Significance', particularly pp. 1-17, 29-36, 49- 80,

4. Mercantilism, Colbertism and Cameralism: Economic Growth as Activity-Specific, 'Good' and 'Bad' Trade, The Role of Cities and Diversity, Scale and Synergies.

Readings: Antonio Serra, 'A Brief Treatise' (1613), (Monroe pp. 145-167), Daniel Defoe, 'A Plan of English Commerce' (1730) pp. 126-135, Philipp von Hornick, 'Nine Principal Rules of National Economy', from 'Austria Over All if She Only Will (1684), (Monroe pp. 223-227).

5. The 18th Century and the Mandevillean Revolution; Physiocracy and Adam Smith.

Reading: Eric Roll on Adam Smith, 'A History of Economic Thought', pp. 138- 173.

6. The Economic Policies of the 19th Century: List & USA vs. English Theory and English Practice.

Readings: Alexander Hamilton, 'Report on the Manufactures', Friedrich List: 'Introduction to the National System of Political Economy'. Optional: Reinert, 'Raw Materials in the History of Economic Policy, or, why List (the Protectionist) and Cobden (the Free Trader) Both Agreed on Free Trade in Corn.'

7. The Economic Effects of 1848: Marx and Socialism, The *Kathedersozialisten* and the *Verein für Sozialpolitik*, The German Historical School.

Reading: Roll pp. 303-311, Robert Heilbroner: 'The Inexorable System of Karl Marx'.

Taming US Capitalism: Veblen and American Institutionalism.

Reading: Robert Heilbroner: 'The Savage Society of Thorstein Veblen'.

8. Joseph Alois Schumpeter & Creative Destruction: Readings: Reinert & Reinert:

'Creative Destruction in Economics: Nietzsche, Sombart, Schumpeter.' Reinert: 'The Role of Technology in the Creation of Rich and Poor Countries: Underdevelopment in a Schumpeterian System'.

9. The Short 20th Century: Fordism and Keynesianism/Technological Change and Financial Crises. Readings: Heilbroner: 'The Heresies of John Maynard Keynes', Perez: 'Technological Change and Financial Crises', particularly pages 1-15 & 38-70.

10. Globalisation, Wealth Polarisation, and Marginalisation. The Strategies of Ireland, Finland & The United States vs. a 'Morgenthau Plan' for Parts of the Second and Third Worlds.

Readings: 'Perspectives on Strategy from The Boston Consulting Group', pp 9-24, 35-37. Reinert: 'Free Trade as a Morgenthau Plan: a Case Study of Mongolia in the 1990's'. Henry Clay, 'Speech on American Industry.' (1824).