

**THE INSTITUTE OF ECONOMIC AND POLITICAL STUDIES
CAMBRIDGE**

ECONOMIC THEORY: THE CAMBRIDGE TRADITION

Prerequisites: Introductory Microeconomics and Macroeconomics

- WEEK 1 “THE HISTORY OF ERROR”? OR – WHY BOTHER WITH THE HISTORY OF ECONOMIC THOUGHT?
- WEEK 2 MARSHALL I: *HOMO OECONOMICUS VICTORIANUS* VS “WARM HEARTS AND COOL MINDS”
- WEEK 3 MARSHALL II: COMMERCE, MONEY, AND EMPIRE
- WEEK 4 KEYNES I: THE ECONOMIST AS SAVIOUR
- WEEK 5 KEYNES II: NATIONAL MANAGEMENT OF THE INTERNATIONAL ECONOMY
- WEEK 6 1950-1973: ECONOMIC “DENTISTRY” IN LONDON AND WASHINGTON
- WEEK 7 GROWTH, INCOME DISTRIBUTION, CONFLICT, AND INSTABILITY
- WEEK 8 THE CRISIS IN KEYNESIAN ECONOMICS AND THE CHICAGO COUNTER-REVOLUTION
- WEEK 9 A NEW KEYNESIAN CONSENSUS? THE DIFFERENCE A YEAR (2007) MAKES
- WEEK 10 DEVELOPMENT, CAPABILITY, AND SOCIAL CAPITAL
- WEEK 11 EPILOGUE

READING LIST

A number of shorter key readings – mostly papers in refereed scholarly journals, occasional essays, and working papers - will be made available on-line at <http://people.pwf.cam.ac.uk/mb65/instep> in advance of each edition of the course. Most of the readings for each session are also distributed to course participants upon their arrival in Cambridge, in digital form on the course CD. The following reading suggestions are useful also as background readings to those considering the course.

- Clarke, P. (2009)** *Keynes: the Rise, Fall, and Return of the 20th Century Most Influential Economist.* London, Bloomsbury.
- Deane, P. (1989)** *The State and the Economic System.* Oxford, Oxford University Press.
- Heilbroner, R. (1999)** *The Worldly Philosophers: the Lives, Times, and Ideas of the Great Economic Thinkers.* London, Penguin (seventh edition).
- Shackle, G.L.S. (1967) *The Years of High Theory. Invention and Tradition in Economic Thought.* Cambridge, Cambridge University Press.
- Skidelsky, R. (2003)** *John Maynard Keynes 1883-1946: Economist, Philosopher, Statesman.* London, Penguin (abridged edition)

Method of Assessment:

- Weekly readings of specifically supplied extracts
- Class presentation and discussion
- Two 2500 word essays
- Individual tutorials