

## 1. Teaching Team

Professor: Maria Pia Paganelli

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Office hours: Wednesday 2:00-3:00 p.m. or write an email to schedule an appointment.

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Teaching Assistant: Laura Ortiz Pérez

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### For writing support:

[http://hope.econ.duke.edu/sites/hope.econ.duke.edu/files/paganelli\\_writing\\_guide\\_HET\\_0.pdf](http://hope.econ.duke.edu/sites/hope.econ.duke.edu/files/paganelli_writing_guide_HET_0.pdf)

## 2. Course Description and Objective:

This course addresses vital micro- and macro-economic questions that concern us today and examines how economic thinking has evolved over time to answer them, generating different institutional settings.

Some of the questions we will look at are: How does an economist distinguish a man from a rat, given that they are both maximizers? Are our preferences fixed or does exchange change our preferences? Under what conditions is paper money preferred to commodity money? Under what condition is public debt the preferred form of public financing? Why do we observe differences in wage rates? Why is economics dismal?

The course is topical, not chronological.

The course complements the mechanical problem solving skills that students have. It allows students to develop a broader perspective based on the wide-ranging background and views of the economists of past ages. The course will benefit students who want to have a better understanding of modern economics and economic problems.

In addition, the course will help develop critical thinking, oral, and written skills. Students will learn to read critically, analyze and evaluate an argument, to present their ideas in public to the class, and to respond to both positive and negative comments. Students will learn to write a sustained academic work with appropriate use of evidence and develop reasoning to support their arguments, to improve their writing in response to feedback, and to craft prose that conforms to the conventions of the discipline.

Students will receive individual feedback for each writing assignment, and we will spend one class time working on the term paper. This class will be dedicated to workshops on how to write an academic paper starting from the abstract.

### 3. Learning outcomes

Upon successful completion of the course, students will have demonstrated the ability to:

- write a sustained academic work with appropriate use of evidence and developed reasoning to support an argument.
- improve their writing in response to feedback.
- craft prose that conforms to the conventions of the relevant discipline

### 4. Tentative Schedule

I do not aim to cover all topics and to do it on a fixed schedule. I would rather move along the syllabus, at the speed that the class needs, to make sure to have a comprehensive understanding of the texts.

Reading assignments will be given from class to class.

### GENERAL BACKGROUND

#### What is economics?

- Groenewegen, Peter. 2002. *Eighteenth-Century Economics: Turgot, Beccaria and Smith and their Contemporaries*. New York and London. Routledge.

### INFLUENCE OF COMMERCE

- Ensminger, Jean. 2004. "Market Integration and Fairness: Evidence from Ultimatum, Dictator, and Public Goods Experiments in East Africa" in *Foundation of Human Sociality: Economic Experiments and Ethnographic Evidence from Fifteen Small-Scale Societies*. Eds. Henrich, Joseph, Robert Boyd, Samuel Bowels, Colin Camerer, Ernst Fehr, Herbert Gintis.  
AT:  
<http://www.altruists.org/static/files/Market%20Integration%20and%20Fairness%20Evidence%20from%20Ultimatum,%20Dictator,%20and%20Public%20Goods%20Experiments%20in%20East%20Africa%20%28Jean%20Ensminger%29.pdf>.
- Hume, David. [1752] 1987. "Refinements of the Arts". in *Essays, Moral, Political, and Literary*. Ed. Eugene F. Miller. Indianapolis: Liberty Press.  
At: <http://oll.libertyfund.org>
- Smith, Adam (1762), "Lecture on the Influence of Commerce on Manners" in *Lectures on Jurisprudence*. Report dated 1766. 326-333. Pages 538-541.  
<http://oll.libertyfund.org>
- Aristotle. *Politics*. Book 1  
At: <http://oll.libertyfund.org>
- Marx, Karl. "The Power of Money in Bourgeois Society" *The Economic and Philosophic Manuscripts of 1844*

Suggested readings:

- Mandeville. [1732] 1988. *The Fable of the Bees*. Indianapolis: Liberty Fund.
- Cowen, Tyler. 2000. *What Price Fame?* Harvard University Press.
- Thorstein Veblen. 1899. *The Theory of the Leisure Class*. Chap. 4 "[Conspicuous Consumption](#)"

### HOW DOES COOPERATION MATTER?

- Greif, Avner. 2006. "History Lessons: The Birth of Impersonal Exchange: The Community Responsibility System and Impartial Justice" *Journal of Economic Perspectives*. 20.2: 221-236.
- de Waal, F.B.M. and Berger, M. L. 2000, Payment for labour in Monkeys. *Nature* 404:563.
- Brosnan, S.F. and de Waal F.B.M. 2003, Monkeys reject unequal pay. *Nature*, 425, 297-299.
- Keith Jensen, et al. 2007. Chimpanzees Are Rational Maximizers in an Ultimatum Game, *Science* 318, 107
- Clutton-Brock, Tim. 2009. "Cooperation Between Non-Kin in Animal Societies". *Nature*. 462. 51-57.
- Smith, Adam. [1776] 1981. [An Inquiry into the Nature and Causes of the Wealth of Nations](#). Glasgow edition. Liberty Fund. I.ii (p. 25-30)
- Smith, Adam. [1759] 1984. *The Theory of Moral Sentiments*. Indianapolis: Liberty Fund. I.i.1 and I.i.2 (p. 9-16)
- Smith, Adam. [1759] 1984. *The Theory of Moral Sentiments*. Indianapolis: Liberty Fund. II.ii.2-3 (p. 82-91)
- Smith, Adam. [1759] 1984. *The Theory of Moral Sentiments*. Indianapolis: Liberty Fund. III.1-2.3 (p. 109-114)
- Smith, Adam. [1759] 1984. *The Theory of Moral Sentiments*. Indianapolis: Liberty Fund. III.3.1-6 (p. 134-138)
- Smith, Adam. [1759] 1984. *The Theory of Moral Sentiments*. Indianapolis: Liberty Fund. III.3.4 (p. 156-161)

#### Suggested readings:

- de Waal, F.B.M. 2003 On the Possibility of Animal Empathy. In *Feelings and Emotions: The Amsterdam Symposium*, T. Manstead, N. Frijda & A Fisher (eds), pp. 279-299. Cambridge : Cambridge University Press.
- Iacoboni, Marco. 2008. *Mirroring People: the new science of how we connect with others*. New York: Farrar, Straus and Giroux.

### MONEY

- "Quantity Theory of Money" in *The New Palgrave : a dictionary of economics* , edited by John Eatwell, Murray Milgate, Peter Newman, New York : Stockton Press, c1987
- Lucas, Robert. 1996. "Nobel Lecture: Monetary Neutrality." *The Journal of Political Economy*, Vol. 104, No. 4, pp. 661-682.
- Aristotle. *Nicomachean Ethics*. Book V.  
At <http://oll.libertyfund.org>

- David Hume. [1752] 1987. "On Money" AND "On the balance of trade" in *Essays, Moral, Political, and Literary*. Ed. Eugene F. Miller. Indianapolis: Liberty Press.  
At <http://oll.libertyfund.org>
- Smith, Adam. [1776] 1981. [\*An Inquiry into the Nature and Causes of the Wealth of Nations\*](#). Glasgow edition. Liberty Fund, WN. I.iv, I.v and II.ii 1-36 85-106 (to better understand this chapters I would encourage the reading of all WN II.ii and of WN II.i)

Suggested readings:

- Simmel, Georg. [1900] 1990. *The Philosophy of Money*. London and New York: Routledge.
- Galiani, Ferdinando. [1751] 1977. *On Money: a translation of Della moneta*. Ann Arbor: Published for Dept. of Economics of the University of Chicago.

### **LABOR: human homogeneity and heterogeneity**

- Stigler, George J., and Gary S. Becker. 1977. "De Gustibus non est disputandum". *The American Economic Review*, Vol. 67, No. 2, pp. 76-90.
- "LOGOS" in Henry George Liddell, Robert Scott, *A Greek-English lexicon*.  
At <http://www.perseus.tufts.edu/hopper/text?doc=Perseus:text:1999.04.0058>  
or directly at:  
<http://www.perseus.tufts.edu/hopper/text?doc=Perseus%3Atext%3A1999.04.0057%3Aentry%3Dlo%2Fgos>  
[or google it](#)  
and in Catholic Encyclopedia at <http://www.newadvent.org/cathen/09328a.htm>  
or google it
- Smith Adam. [1776] 1981. [\*An Inquiry into the Nature and Causes of the Wealth of Nations\*](#). Glasgow edition. Liberty Fund. WN. Book 1 chap. 1, 2, 3,
- Smith, Adam. [1776] 1981. [\*An Inquiry into the Nature and Causes of the Wealth of Nations\*](#). Glasgow edition. Liberty Fund. Book 1 chap. 10
- Plato. *The Republic*. Especially Book II §367-376d, Book IV § 427d-434d, § 458-460.  
At <http://oll.libertyfund.org>
- Leonard, Thomas C. 2003. "[More Merciful and Not Less Effective: Eugenics and American Economics in the Progressive Era](#)" *History of Political Economy* 35(4): 709-734.  
At <http://www.princeton.edu/~tleonard/papers/Eugenics.pdf>
- "Dismal" on the OED.  
At <http://dictionary.oed.com>
- Carlyle, Thomas. 1849. "[Occasional Discourse on the Negro Question](#)" *Fraser's Magazine*  
<http://cruel.org/econthought/texts/carlyle/negroquest.html>  
Or google it.
- Mill, John Stuart Mill. 1850. "[The Negro Question](#)" *Fraser's Magazine*  
<http://cruel.org/econthought/texts/carlyle/negroquest.html>
- "Am I Not a Man and a Brother?" (picture)  
<http://www.pbs.org/wgbh/aia/part2/2h67.html>  
<http://www.picturehistory.com/find/p/632/mcms.html>  
<http://www.yale.edu/glc/archive/928.htm>
- Harriet Martineau. 1837. "The Morals of Economics" from *Society in America*. On class site

## ENVIRONMENTAL PROBLEMS

- Hardin, Garrett. 1968. "The Tragedy of the Commons" *Science*, Dec. 13, 1968, New Series, Vol. 162, No. 3859 (Dec. 13, 1968), pp. 1243- 1248.
- Simon, Julian. 1996. "Can the Supply of Natural Resources—Especially Energy—Really Be Infinite?" in *The Ultimate Resource*. Princeton University Press. pp. 54-74.
- Jonsson, Fredrik. "Improving the Scottish Climate" in *Enlightenment's Frontier*. Yale University Press. pp. 70-89,
- Roberts, Strother E. 2019. "Gathering Firewood: Scarcity Amid Abundance" in *Colonial Ecology, Atlantic Economy: Transforming Nature in Early New England*. University of Pennsylvania Press.
- Banzhaf, Spencer. 2019. "The Environmental Turn in Natural Resource Economics: John Krutilla and Conservation Reconsidered" *Journal of the History of Economic Thought*, Volume 41, Number 1, pp. 27-47. <https://www.cambridge.org/core/journals/journal-of-the-history-of-economic-thought/article/environmental-turn-in-natural-resource-economics-john-krutilla-and-conservation-reconsidered/A3741107606B6D773907B3BFF8B0046C>
- "More people mean more innovation, not just more consumption" *The Economist* Sept 15th, 2022.
- Kate Raworth's Doughnut Economy: <https://www.youtube.com/watch?v=Rhcrbcg8HBw>

### Additional readings:

- Jonsson, Fredrik. "Natural History and Civil Cameralism" in *Enlightenment's Frontier*. Yale University Press.
- Jonsson, Fredrik. "The Moral Geography of Scotland" in *Enlightenment's Frontier*. Yale University Press.

## KNOWLEDGE and PERCEPTION

- Kahneman, Daniel. 2003. Prize Lecture: Maps of Bounded Rationality. *The American Economic Review*. [Vol. 93, No. 5](#), pp. 1449-1475
- F. A. Hayek. 1943. "The Facts of the Social Sciences" *Ethics*. [Vol. 54, No. 1](#), pp. 1-13
- Smith, Adam. [1776] 1981. [An Inquiry into the Nature and Causes of the Wealth of Nations](#). Glasgow edition. Liberty Fund. Book 1 chap. 1, 2, 3, 10
- Smith, Adam. [1759] 1984. *The Theory of Moral Sentiments*. Indianapolis: Liberty Fund. I.1, III.3-4, and IV.1
- Plato. *The Republic*. Book VI § [514a-521b](#)  
At: <http://oll.libertyfund.org>

## POLYCENTRICITY

- Ostrom, E. (2010). Beyond Markets and States: Polycentric Governance of Complex Economic Systems. *The American Economic Review*, 100(3), 641–672. <https://doi.org/10.1257/aer.100.3.641>.
- Ostrom, E. (1996). Crossing the great divide: Coproduction, synergy, and development. *World Development*, 24(6), 1073–1087. [https://doi.org/10.1016/0305-750X\(96\)00023-X](https://doi.org/10.1016/0305-750X(96)00023-X).
- Velez, Maria Alejandra; Murphy, James J.; and Stranlund, John K. (2010). "Centralized and decentralized management of local common pool resources in the developing world:

experimental evidence from fishing communities in Colombia.”. *Economic Inquiry* 48.2: 254–265. <https://doi:10.1111/j.14657295.2008.00125.x>

- Orozco Cañas, C., Salcedo Hurtado, E., Buitrago Bermudez, O. y P. Martínez toro (2008). *Caracterización espacial y funcional de Bahía Málaga*. Universidad del Valle. Cap. 4: “Descripción Socioeconómica”, pp. 7587.
- Escobar, Arturo (2015). *Territorios de Diferencia. Lugar, movimiento, vida, redes*. Editorial Universidad del Cauca. “Los sistemas tradicionales de producción del Pacífico”, pp. 163-191.
- Franco Patiño, Sandra Milena (2021). “Economía campesina y género”, en: *Mucho Camello, Poco Empelo. Por qué el trabajo de las mujeres en Colombia es escaso, desvalorado y mal remunerado*, PorrasSantillana, L. y Ramírez, N. (eds). Universidad de los Andes, pp. 233-254.

### **ECONOMICS OF CARE**

- Folbre, N. y Nelson, J. (2000). “For Love or Money -- Or Both?”, *The Journal of Economic Perspectives*, Vol. 14, No. 4, pp. 123-140
- Gibson-Graham, J. K. (2006). *The end of capitalism (as we knew it): a feminist critique of political economy*. University of Minnesota Press.

### **STATE AND MARKETS: DO THEY WORK OR NOT?**

- Evans, P. B. (1995). *Embedded autonomy: states and industrial transformation*. Princeton University Press. Fragmentos del Capítulo 1: States and Industrial Transformation, 10-28, y Capítulo 3: States, 43-73.
- Robinson, J. A. (1999) *When is a state predatory?* CESifo Working Paper, No. 178. Center for Economic Studies and ifo Institute (CESifo), Munich. Disponible en línea: <https://hdl.handle.net/10419/75563>.
- Robinson, J. A. (2010). “Industrial policy and development: A political economy perspective”. World Bank. *Annual World Bank Conference on Development Economics: Lessons from East Asia and the Global Financial Crisis*, World Bank, 61-79. Disponible en línea en: <https://hdl.handle.net/10986/2555>
- Evans, P. B. (1989). *Predatory, Developmental, and Other Apparatuses: A Comparative Political Economy Perspective on the Third World State*. *Sociological Forum* (Randolph, N.J.), 4(4), 561–587. <https://doi.org/10.1007/BF01115064>

### **PROBLEMS WITH DECENTRALIZED SYSTEMS**

- Van Parijs, Ph. (2008). “Ingreso Básico: Una simple y poderosa idea para el siglo XXI”, en: *Repensando la distribución. Ingreso básico ciudadano como alternativa para un capitalismo más igualitario*, Ackerman, B. A. Alstott y Ph. Van Parijs. pp. 21-75.
- Tcherneva, Pavlina R. (2020). *The Case for a Job Guarantee*. Polity. Introduction and chapter 1: “A Public Option for Good Jobs”. Tiene traducción al español: *En Favor del Trabajo Garantizado*, Lola Books.
- Parrique, T. (2022 [2024]). *Desacelerar o desaparecer. La Economía del Decrecimiento*. Siglo XXI Editores. Cap. 3: “El Mercado contra la Sociedad” pp. 90-117 y “Un Camino de Transición. Conocer la economía en decrecimiento”, pp. 187-216.
- Levallois, Clément, 2010. “Can De-growth Be Considered a Policy Option? A Historical Note on Nicholas Georgescu-Roegen and the Club of Rome.” *Ecological Economics*, 69(11):22712278.

- Fitzpatrick, N., T. Parrique, I. Cosme (2022). “Exploring degrowth policy proposals: A systematic mapping with synthesis”, *Journal of Cleaner Production*, Volume 365, <https://doi.org/10.1016/j.jclepro.2022.132764>.
- Lamprea Montealegre, E. (2008). “Comentario: El Ingreso Ciudadano en el Sur Global. Hacia la Realización de la Utopía”, en: *Repensando la distribución. Ingreso básico ciudadano como alternativa para un capitalismo más igualitario*, Ackerman, B. A. Alstott y Ph. Van Parijs. pp. 307-356.

## **NORMATIVE PRINCIPLES OF DECENTRALIZED SYSTEMS**

- Lange, Oskar. (1937). On the Economic Theory of Socialism: Part Two. The Review of Economic Studies, 4(2), 123–142. <https://doi.org/10.2307/2967609>
- Hayek, Friederich von. (1940). *Socialist Calculation: The Competitive Solution*. *Economica* (London), 7(26), 125–149. <https://doi.org/10.2307/2548692> Von Mises, Ludwig (1990[1920]). *Economic Calculation in the Socialist Commonwealth*. Von Mises Institute. Disponible en línea: [https://cdn.mises.org/economic\\_calculation\\_in\\_the\\_socialist\\_commonwealth.pdf](https://cdn.mises.org/economic_calculation_in_the_socialist_commonwealth.pdf)
- Laovie, Don (2015[1985]). *Rivalry and Central Planning: The Socialist Calculation Debate Reconsidered*. Mercatus Center at George Mason University.
- John O'Neill (1996). Who won the socialist calculation debate. *History of Political Thought*, 17(3), 431-442.
- Cottrell, A., & Cockshott, W. P. (1993). Calculation, complexity and planning: the socialist calculation debate once again. *Review of Political Economy*, 5(1), 73–112. <https://doi.org/10.1080/09538259300000005>.

## **5. Grading**

The class aims at a dialogue. You are expected to have done the readings for that day and to contribute actively to the discussion.

Before every class, you are expected to write one or two pages with your thoughts on the material for that class. I will give you feedback to improve your writings and you can resubmit it as often as needed.

A research paper on a topic of your choice is due at the end of the semester. You will be required to read and grade someone else's paper.

Your total grade will be based on the following:

Class participation	33%
1-2 page papers	33%
Research paper	34% (of which: your grading of someone else's paper is 10%)

## **6. Políticas generales de los cursos de Economía y fechas importantes**

Students must consult the link below, where the rules regarding class attendance, valid excuses, academic fraud and disciplinary offenses, complaints, wellness policies (reasonable adjustments and MAAD protocol), the policy on the use of generative artificial intelligence tools, and important dates for the semester are provided: <https://economia.uniandes.edu.co/programas/politicas-generales-para-cursos-ofrecidos>