



## HISTORY OF ECONOMIC THEORIES

<b>Course code</b>	<i>ECO103</i>
<b>Compulsory in the programmes</b>	<i>Economics and Analytics, Economics and Politics</i>
<b>Level of studies</b>	<i>Undergraduate</i>
<b>Number of credits</b>	<i>6 ECTS (48 in-class hours + 2 hours mid-term + 6 consultation hours + 2 exam hours, 104 individual work hours)</i>
<b>Course coordinator (title and name)</b>	<i>Greta Illekytė, Rokas Kaminskas</i>
<b>Prerequisites</b>	<i>none</i>
<b>Language of instruction</b>	<i>English</i>

### THE AIM OF THE COURSE:

The History of Economic Theories course aims to equip students with the historical knowledge of history's most influential economic ideas in order to promote argumentative skills, critical thinking, and a deeper understanding behind the evolution of modern economic thought.

### MAPPING OF COURSE LEVEL LEARNING OUTCOMES (OBJECTIVES) WITH DEGREE LEVEL LEARNING OBJECTIVES (See Annex), ASSESMENT AND TEACHING METHODS

<b>Course level learning outcomes (objectives)</b>	<b>Learning objectives for BSc in Social Science</b>	<b>Assessment methods</b>	<b>Teaching methods</b>
CLO1. Understand the basic theories from the history of economic thought and apply it to modern economic thinking	ELO 1.1 ELO 1.2	Presentation, midterm and final exams	Lectures, seminars, individual study, self-study in groups
CLO2. Identify the historical context of the current trends in economic theories	ELO 1.1 ELO 1.2	Presentation, midterm and final exams	Lectures, seminars, solving exercises, self-study
CLO3. Construct and organize arguments in the context of the history of economic thought	ELO 4.1 ELO 4.2 ELO 4.3	Presentation	Lectures, seminars, solving exercises, self-study
CLO4. analyze and compare different arguments with regards to economic theories	ELO 4.1 ELO 4.2	Presentation, midterm and final exams	Lectures, seminars, solving exercises, self-study

### ACADEMIC HONESTY AND INTEGRITY

The ISM University of Management and Economics Code of Ethics, including cheating and plagiarism are fully applicable and will be strictly enforced in the course. Academic dishonesty, and cheating can and will lead to a report to the ISM Committee of Ethics. With regard to remote learning, ISM remind students that they are expected to adhere and maintain the same academic honesty and integrity that they would in a classroom setting.

**COURSE OUTLINE**

<b>Topic</b>	<b>In-class hours</b>	<b>Readings</b>
<b>Precursors of Classical Economic Thought and Adam Smith</b> Mercantilism, Physiocracy, Adam Smith and his theories of history, sociology, value and economic welfare	4	Landreth and Colander: Ch. 3-4
<b>Ricardo and Malthus</b> Population theory, Ricardian theory.	4	Landreth and Colander: Ch. 5
<b>The Decline of Classical Economics</b> Post-Ricardian developments, Millian Economics, Utilitarianism	4	Landreth and Colander: Ch. 6
<b>Karl Marx and his Critique of Classical Economics</b> Marx's Economic Theories and Analysis of Capitalism	4	Landreth and Colander: Ch. 7
<b>The Marginalist Revolution</b> Jevons, Menger, Walras and their impact on modern economic thinking.	4	Landreth and Colander: Ch. 8
<b>The Transition to Neoclassical Economics</b> Marginal productivity theory, profits and interest, Marshall's economics	4	Landreth and Colander: Ch. 9-10
<b>Midterm</b>	2	
<b>Institutional and Historical Critics of Neoclassical Economics</b> Methodological controversy among historical schools, Veblen's Analysis and Criticism of Neoclassical Economics	4	Landreth and Colander: Ch. 12-13
<b>The Austrian School</b> The Austrian critique of Neoclassical economics and socialism.	4	Landreth and Colander: Ch. 13
<b>The Myth of the Self-Adjusting Market: Keynes</b> Keynesian Policy and Macroeconomics	4	Landreth and Colander: Ch. 15
<b>The Development of Modern Heterodox Economic Thought</b> Post-Keynesianism, New forms of Institutional Economics, Critical Political Economy	4	Landreth and Colander: Ch. 17;
<b>Modern Economic Thought</b> The current state of mainstream economic theory including Monetarism, New Keynesian economics, and New Classical economics.	4	Landreth and Colander: Ch. 15
<b>Current economic theory developments</b>	4	Materials will be provided by the lecturer



Modern Monetary Policy (MMT) and other developments challenging conventional beliefs in the modern era.		
	<b>Total: 48 + 2 midterm hours</b>	
CONSULTATIONS	6	
FINAL EXAM	2	

### FINAL GRADE COMPOSITION

Type of assignment	%
<i>Group Components 30%</i>	
Group paper and presentation	30
<i>Individual Components 70%</i>	
Midterm exam	35
Final exam	35
<b>Total:</b>	<b>100</b>

### DESCRIPTION AND GRADING CRITERIA OF EACH ASSIGNMENT

*(Provide short descriptions and grading criteria of each assignment)*

1. The final exam will account for 35% of the final grade. The final exam will include topics 7-12. All the materials that were covered during the lectures and seminars are relevant for the exam (including the articles presented by students).
2. The mid-term test (35%) will include the topics 1-6. All the materials that were covered during the lectures and seminars are relevant for the mid-term exam (including the articles presented by students).
3. Paper and presentation grade (30%). Students will be asked to prepare a paper and provide presentation on a selected topic.

### RETAKE POLICY

If the final (cumulative) mark of the course, including final exam score, is insufficient, students will be allowed to exercise their right of retake. The retake exam will cover all lectures and case-discussion topics discussed in class during the course. It will be held during the last week of the exam session and will replace the **70%** of exams (midterm and final). Acquired scores from all assignments will be summed up and the final (cumulative) grade will be given. The lecturer reserves the right to choose the form of the exam

### ADDITIONAL REMARKS

For each seminar, a paper will have to be read by students in advance. (papers will be uploaded 5 working days in advance.)

Attendance and participation in the lectures and seminars are not obligatory, however strongly recommended. Studying solely from slides/ course book is not considered to be a sufficient preparation for the exam.

Bonus points. The instructor has the right to award active students with up to 0.2 extra (grade) points. These "bonus points" will be only be awarded to students whose (rounded) final grade would increase after all.

Specific rules apply for in-class/online presentations.



In case of serious reasons, individual students may be allowed to switch with another student. Students are responsible for arranging the changes and must inform the lecturer MINIMUM 1 week in advance.

Due to the dynamic nature of the content of the course additional material can be assigned during the course. In case of unforeseen events the schedule will be adapted. The lecturer is trying to include actual and relevant materials – therefore the reading list may differ. Slide handouts and readings will be prepared for each class and available for download. The slides are the intellectual property of teaching instructor and students may not distribute or duplicate these notes without written consent.

#### **REQUIRED READINGS**

Landreth and Colander; The History of Economic Thought; 4th Ed: 2001

#### **ADDITIONAL READINGS**

1. Hunt and Lautzenheiser; History of Economic Thought – A Critical Perspective, 3rd Ed: 2011
2. Additional articles and readings will be announced and be available during the course



**DEGREE LEVEL LEARNING OBJECTIVES**

**Learning objectives for the Bachelor of Business Management**

*Programmes:*

*International Business and Communication,  
Business Management and Marketing, Finance,  
Industrial Technology Management*

<b>Learning Goals</b>	<b>Learning Objectives</b>
Students will be critical thinkers	BLO1.1. Students will be able to understand core concepts and methods in the business disciplines
	BLO1.2. Students will be able to conduct a contextual analysis to identify a problem associated with their discipline, to generate managerial options and propose viable solutions
Students will be socially responsible in their related discipline	BLO2.1. Students will be knowledgeable about ethics and social responsibility
Students will be technology agile	BLO3.1. Students will demonstrate proficiency in common business software packages
	BLO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	BLO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	BLO4.2. Students will be able to convey their ideas effectively through an oral presentation
	BLO4.3. Students will be able to convey their ideas effectively in a written paper

**Learning objectives for the Bachelor of Social Science**

*Programmes:*

*Economics and Data Analytics,  
Economics and Politics*

<b>Learning Goals</b>	<b>Learning Objectives</b>
Students will be critical thinkers	ELO1.1. Students will be able to understand core concepts and methods in the key economics disciplines
	ELO1.2. Students will be able to identify underlying assumptions and logical consistency of causal statements
Students will have skills to employ economic thought for the common good	ELO2.1. Students will have a keen sense of ethical criteria for practical problem-solving
Students will be technology agile	ELO3.1. Students will demonstrate proficiency in common business software packages
	ELO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	ELO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	ELO4.2. Students will be able to convey their ideas effectively through an oral presentation
	ELO4.3. Students will be able to convey their ideas effectively in a written paper