I. Mercantilism
A. Characteristics
   What are the characteristics of mercantilism?
   How do the mercantilists differ from the pre-classical thinking of the scholastics, Greeks, Chinese, etc?
   What are the 9 “rules” of von Hornick (1684) for mercantilism?
B. Mercantilists of Note
   Gerard de Malynes
   Thomas Mun
   William Petty
   Bernard Mandeville
   John Locke
   David Hume
   Richard Cantillion

II. Physiocracy
A. Interrelatedness of Economy
   Macro Process of Development
   Net Product
   Tableau Economique
B. Physiocratic Economic Policy
   Boisguilbert
   Role of taxes in French economy?

III. Emerging Classical Economics
A. David Hume
   Empirical Observation
   Hume & Physiocrats
   Hume & Smith
B. Adam Smith
   Theory of Moral Sentiments
   Specialization, division of labor, trade/exchange
   Moral sentiments
   Theory vs. practice
   Propriety of action
   Fellow-feelings
   Sympathy
   Invisible hand of self-interest
C. Wealth of Nations
   Contextual Economic Policy
   Art vs. Science of Economics
   Competitive Market Mechanics
   Market prices vs natural prices
   Requirements of competition
   Consequences of gov’t intervention
   Justifications for gov’t intervention
Causes of Wealth

Productivity of labor, % of labor productively employed
What determines productivity of labor?
What determines division of labor?
What is the difference between productive and unproductive labor?

International Trade

Specialization/division of labor on a national scale

Value Theory

What determines price of a good?
What determines general level of prices?
What is the best measure of welfare?
Short run vs. Long run? Agriculture vs. Mfg?
Value in use vs. value in Exchange?
Early/Rude/Primitive society vs. Advanced society?

Distribution Theory

One theory of wages?
Wages fund doctrine?
Role of profits? Capitalists?
Theory(ies) of Rent?

IV. Maturing Classical Economics

A. Jean-Baptiste Say

Production creates utility, role of value and price?
Say’s Law? Is it what it first appears?

B. Thomas Malthus

Role of William Godwin, Condorcet?
Malthus’s Population Doctrine?
Malthus’s underconsumption argument? (naive vs. sophisticated view)

C. David Ricardo

Ricardo’s approach to economics?
Faults as politician, virtues as economist?
Role of Corn Laws?

Ricardian Land Rent Theory

Diminishing marginal returns?
Rents price-determining? Price-determined?

Role of Relative Prices

Moving beyond Smith’s Labor Theory of Value?

Ricardian Distribution Theory

How is total product divided among wages, rent, and profit?

D. John Stuart Mill

Mill’s advances?
Mill’s normative economics?
General Questions to consider:
1. Compare and contrast the methodologies of Ricardo and Smith.
2. Briefly summarize the Labor Theory of Value by relating its importance to the work of Smith, Ricardo, Malthus, and Mill.
3. Explain Adam Smith’s analysis of the theory of self-interest coupled with competitive markets.
4. Explain Adam Smith’s views on why the rate of profit will fall as capitalism matures.
5. What do you think is the relationship (if any) between the rise of the capitalism in Western Europe and religious beliefs?
6. Compare and contrast Ricardo and Smith’s methodologies.
7. Evaluate Thomas Malthus’s population theory and illustrate its connection (or lack thereof) with the term “dismal science.”
8. Summarize Ricardo’s Labor Theory of Value. (drawing connections to Malthus, Senior, and Mill wouldn’t hurt, either)
9. Evaluate the argument between Ricardo and Malthus concerning the stability of the market system.
10. Evaluate Ricardo and Senior’s views on the proper method of economics and contrast it to that of Mill.
11. Explain how Mill turned Ricardo’s vision of the stationary state from a dismal outcome to one of Utopia.