ECONOMICS 450
SENIOR SEMINAR: ADAM SMITH: THE "ADAM" AND THE "SMITH" OF ECONOMICS
SPRING 2015

I. GENERAL INFORMATION

Instructor: Dr. Jeffrey T. Young
Office: Hepburn 214
Phone: 229-5427
E-mail: jyoung@stlawu.edu

Hours: MW 2:30-4:00
Students are always welcome in my office (if I'm there). If these times are inconvenient drop by or make an appointment.

Class: MW 12:50-2:20 H105

Required Texts:

II. COURSE DESCRIPTION

Adam Smith is regarded as the most important figure in the history of economics. Indeed he has been described as both the “Adam” and the “Smith”, the founder and the forger, of modern systematic economics. His *magnum opus*, the *Wealth of Nations*, still stands as the most influential book in our discipline. Economists today rarely read the “classics”, but among those who do Smith’s book is without doubt the most popular. Even unread it continues to inspire free market liberals around the world, and with the demise of communism and the troubles of the welfare state Smith’s ideas are enjoying renewed popularity in the world today.

Our primary task in this course is to join the select ranks of those who have actually read the *Wealth of Nations*. This is a formidable task, but in the process we will not only become better economists, we will also gain a better appreciation of how good economic analysis helps us understand problems in our world today. This is because the intellectual battles Smith fought over two hundred years ago are still raging. Mercantilism, the system of economic theory and policy, which Smith attacked, is alive and well today. While today’s theories are certainly improved over Smith’s, the germs of modernism can be found in him, and in some ways the arguments he made have never been made better, so we do well to study him.

Smith, however, was not an economist in the modern sense of a specialist in a well-defined academic discipline. In fact, there was no such discipline in his day. He was a moral philosopher, and had an international reputation as such long before he
published the *Wealth of Nations*. At that time his reputation rested on an earlier book, *The Theory of Moral Sentiments*, which first appeared in 1759 when Smith was a professor at Glasgow University in Scotland. A secondary goal of this course is to gain an appreciation of this aspect of Smith’s career. In particular, we will find in the *Theory* a systematic account of human nature, something that is not found in the *Wealth*. The fact remains, however, that we will view Smith through the eyes of the economist, and so our interest here is in discerning how his moral philosophy might relate to his economic ideas.

III. ASSIGNMENTS (Grading weights appear in parentheses)

1. Daily Reading and Class Participation (30%)

This is a seminar course. Significant class time will be devoted to discussion. You will be given almost complete ownership of class periods beginning the second week of class. Each class period you will be expected to bring a *word-processed* commentary on the day’s reading. I do not expect these to be in depth or even complete. I do expect them to be grammatical and thoughtful. As to length, my expectation is that you will write one or two pages in which you reflect on what you have just read. You should also compile a list of questions as you read, and be prepared to share one or more of them with the class. In addition, two of you will serve as seminar leaders for each class period. The responsibilities of the seminar leaders include:

- Presenting a short synopsis of the day’s reading
- Acting as a discussion facilitator by pooling together the questions and setting the agenda for answering them
- Calling on class members to share their reaction pieces
- Using whatever discussion techniques you want to try out
- Plan to utilize the first 45 minutes of the class period

After each class I will give each of you a participation grade of 0, 1, or 2 for that day, where 0 represents no active participation (but you were present) and 2 indicates active participation. Each of you will also fill out a peer evaluation form assessing the preparedness/performance of the seminar leaders. I will keep attendance records with a daily sign-up sheet. You will be excused from two classes without penalty. Excessive absences will lower your participation grade.

Further Notes on Commentaries

Open class discussion does not work well if only one or two students have done the reading. Each of you will find yourself in the role of discussion leader at least once, so I want you to know that you may assume that most of your audience has done the reading. To this end I have traditionally asked each student (not the discussion leaders, of course) to hand in a brief written commentary on some aspect of the day’s reading. Some basic rules for commentaries:

- Discussion leaders *do not* have to write a commentary, everyone else *does*
- Must be word processed, *no hand written* papers
Due at the beginning of the class in hard copy form—no excuses whatsoever will be tolerated for failure to comply with this requirement.

- Late commentaries not acceptable
- You will be forgiven from a number of commentaries to be determined later.
- Electronic submission is acceptable, but must be dated before the class period begins.

2. There will be a midterm exam before spring break (15%)

3. Term Paper (30%)

There is a vast secondary literature on Adam Smith covering every conceivable aspect of everything that is known about him. Many papers have been assembled into anthologies which are available in ODY. Your term paper assignment will be to look into this literature and find a Smith-related topic that appeals to you. Once you have located a topic find at least five articles, or two books, or some combination of the two which relate to your topic. In a 12-15 page paper you are to critically review these articles, summarize the different sides of the issue, and provide your own conclusions. I will help you identify appropriate topics and articles.

To find your topic ask yourself first of all if you want to do something relating to the theoretical parts of the Wealth: price and distribution theory, growth and development, international trade. Since this will be the focus of much of the first half of the semester, I hope some of you will opt for a something in this realm. If not, ask yourself if you might be interested in some aspect of Smith’s philosophical career, especially as it relates to his economics. Lastly, consider the possibility of looking at Smith as an economic historian or as a policy advisor. Due to the logistics of the course, the one area where you will not be well positioned to do a term paper is Smith’s material on the public sector, because it comes at the very end. (Unless, of course, you are willing to read ahead.) We will talk later about the possibility of having multiple drafts and preliminary assignments leading up the final, polished draft of your paper. You must, however, discuss your topic selection with me before you leave for mid-semester break, aka “spring” break.

4. Final (25%)

There will be a comprehensive final exam.

IV. READINGS

You should pair up with one other person in the class by the second class period, January 19. We will establish a rotation order, and the first group selected will lead discussion January 21. I will publish a TMS reading and discussion schedule following the January 19 class period, and a WN schedule sometime during February. You are required to read all of the Wealth of Nations and the Theory of Moral Sentiments. These are the only required readings as of now.
However, to prepare for exams and class discussions you will find some key secondary sources very helpful. The introductions to these two books are written by leading authorities and they provide excellent exposition of the content of the books. In addition, I will put a few selected chapters from Andrew Skinner’s, *A System of Social Science* into the Resources folder in Sakai, but not the whole book. I highly recommend that you read around in this material to help you understand Smith. I will do my bit by designing lectures to fill the second half of each class period. I will also publish written commentaries in Sakai from time to time.

**V. Grading Scale**

Midterm and final exam essays will be graded on the percent scale. The following table shows the conversion chart between percents and SLU grades reported to the registrar. Extra Credit points will be converted into percent values at the rate of 1 percentage point for each 5 points of extra credit. The attendance bonus is equivalent to 5 points of extra credit.

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**A note on using electronic devices in class.**

I do not tolerate texting, surfing the web, or any other use of electronic devices unrelated to what is happening in the classroom. If you have any of these devices in use during the class period you must be prepared to show that you are doing something related to the course.