

## **ECO-747 Issues in Economic Thoughts and Policy - 3**

### **Objectives**

1. To explain and evaluate what objectives economic theory seeks to serve by using particular ideology and different models of economy, to what extent economic theory is able to rationalize those objectives and the alternatives available to the standard economic theory

### **Outcomes**

2. After completing the course, the students will be able to properly contextualize economic theory and policy, its underlying normative assumptions, its inbuilt limitations and incoherence.

### **Contents with suggested contact hours:**

3. The course is divided into three parts:

Part 1 sets the platform by outlining the nature of economic theory as it stands in the modern political context

Part 2 takes on some critical issues related to the ideological underpinning of economic thoughts

Part 3 exposes the major incoherence in economic theories and models

Three contact hours are suggested.

4. Week-wise course plan is given below:

<b>Week no</b>	<b>Topic</b>
01	'Who is Who' and 'What is What' in Economics, Theories and Their Relevance
02	Frontiers of <i>The Economics</i> : Liberalism, Social Democracy and Socialism
03	' <i>Economics</i> '—Universal or Historical? Factors affecting the development of economics <i>Economics</i> —Positive or Normative Science?
04	The Methodology of Economics
05	Why Economists Disagree?
06	The Monotonous Model of Consumer Behavior

07	Sraffa's Concerns with Production Theory
08	Mid Exam
09	The 'Imperfect' Perfect Competition
10	Issues in Labor Market Analysis
11	Cambridge Capital Controversy
12	Issues with AD-AS Model
13	Beyond <i>the</i> Economics— Experimental Economics
14	Experimental Economics
15	Modern Monetary Theory and Policy
16	Islamic Economics

5. **Details of lab work,workshops practice:**

**Not Applicable**

6. **Recommended Reading:**

1. Keen, Steve (2011), *Debunking Economics – Revised, Expanded and Integrated Edition: The Naked Emperor Dethroned?*, Zed Books Ltd, London
2. Blaug, Mark (1993), *The Methodology of Economics or how economists explain*, Cambridge University Press
3. Cole K. J. Cameron, and C. Edwards (1983), *Why Economists Disagree, The political economy of economics*, Chap 1-4, Longman group limited
4. Mishan, E. J. (1969), *Twenty-One Popular Economic Fallacies*, Penguin Books
5. Bernstein, Michael (2005), "The Pitfalls of Mainstream Economic Reasoning", *A Guide to What is Wrong with Economics*, p. 33-40, Edward Full Brook London
6. Callinicos A. (1999), *Social Theory*, Chap 1, Cambridge Polity
7. Chang, Ha-Joon, (2005), "What is wrong with the official history of capitalism", *A Guide to What is Wrong with Economics*, p. 279-288, Edward Full Brook London
8. Friedman, Milton (1953), *Essays in Positive Economics*, Chap 1, Chicago University Press, Chicago
9. Fullbrook, Edward (2005), "Are You Rational?", *A Guide to What is Wrong with Economics*, p. 71-83, Edward Full Brook London
10. Gillies, Donald, (2005), "Can mathematics be used successfully in economics?", *A Guide to What is Wrong with Economics*, p. 187-197, Edward Full Brook London

11. Hodgson, M. Geoffrey (2005), "Can economies start from the individual alone?", *A Guide to What is Wrong with Economics*, p. 57-70, Edward Full Brook London
12. Sen A. K. (1970), "The impossibility of Paretian Liberty", *Journal of Political Economy*, 72: 152-157
13. Siddique, Zahid (2005), *Political Economy of Neoclassical and Islamic Economics*; Chap 2, 3 & 5, M. Phil Dissertation, Quaid-i-Azam University, Islamabad
14. Thaler R. & Sunstein C. (2008), *Nudge: Improving Decisions About Health, Wealth, and Happiness*, Yale University Press
15. Wray, L. R. (2015). *Modern Money Theory: A primer on macroeconomics for sovereign monetary systems*. Springer.
16. Wolff, Richard and Stephan (1987), *Economics: Marxist Vs Neoclassical*, Chap 1, Johns Hopkins University Press