

THE AGE OF ECONOMISTS: GLOBALIZATION, GROWTH AND INEQUALITIES

Professor: **David DUHAMEL**
Session: **July 2023**
Language of instruction: **English**
Number of hours of class: 36h



Objective of the Course

The course is an overview of how economic thought has risen over the centuries, and how, since WWII, it has influenced neighboring disciplines such as political philosophy, common law, political science, sociology and psychology.

Each class will be devoted to a theme and a select number of authors. Economic news and current events in the largest sense will be mobilized to emphasize the longevity of our subject. We will use case studies, whether historical, experimental or empirical, to engage discussion and show how the history of economic thought shaped - if not totally constructed - some of our most important contemporary debates (the undesirability of inequalities, the value of globalization, the commodification of human interaction, etc.). Dialogue will be encouraged. Teamwork and innovation will be put at a premium during the collective assignments. Each group of five students will research a given subject. Form and substance will both be graded. A list of subjects can be found at the bottom of the syllabus.



Summary

*“The age of chivalry is gone... now is the age of economists;
and the glory of Europe is extinguished forever.” (Burke, 1790).*

Globalization, free trade, growth and its possible end, the crisis, inequalities, the rise of AI and its impact on the labor market, populism, demographic trends... all these subjects will be studied. From Gilgamesh and Aristotle to neuroeconomics and high frequency trading, this course aims to contextualize contemporary debates and underline how an economic “way of thinking” is now one of, if not the, dominant scheme in our lives, whether it is at the individual, societal or planetary levels. Whether facing a Tinder account, a fiscal policy proposition or global warming, it seems that

one's "natural" reaction to the problem is the same: a combination of cost/benefit analysis in a coordination game framework. How did we come to that?

While discussing how ideas and material conditions intertwine with history to create our world, we will attempt to make sense of our time. The last two hundred years have been characterized by a series of changes or shifts of unheard and poorly understood depth and promptness. Since 1800, wealth has been multiplied by 80, world population by 8, life expectancy by 2. Individualism, mass consumption, mass education and the emancipation of women have been the landmarks of an evolution that some dubbed: "The great acceleration." Add on top of that ever-growing technological changes, rising inequalities and environmental degradation, and you get a multi-faceted situation that this course aims to understand synthetically or even dare we say "holistically."

As Keynes wrote, "The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed, the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influence, are usually the slaves of some defunct economist."

Better to be a self-aware economist than the slave of a dead one.



Organization of the course

- Class 1. Introduction and Pre-History of Economic Thought
- Class 2. Methodological Individualism, from Thomas Aquinas to Rousseau
- Class 3. The Classics, Setting Up the Table: The Invention of Growth (Smith) and the Impending Doom (Malthus)
- Class 4. The Case for Globalization (Ricardo and Montesquieu) and the Case Against It
- Class 5. The Long 19th Century. Utilitarianism and Neoclassicism: Building Economics' Language and Inventing Microeconomics
- Class 6. The Keynesian Revolution. The Financial crisis and the Covid years.
- Class 7. The Neo-Liberal Counterrevolution. Fair Inequalities?
- Class 8. Rising Inequality. Are we Forsaking our Egalitarian Roots?
- Class 9. Imperialism and Rational Choice Theory: The Trojan Horse
- Class 10. The Limits of Imperialism. Behavioral economics, economics of convention and neuroeconomics

- Class 11. Recap + Final Exam



Professor's Biography



David Duhamel earned his doctorate in specialized economics, with a specific focus on the history of economic thought. He is a professor at Sciences Po in Paris, as well as at ILERI and Parsons. He is an author and consultant of numerous films, which explore questions of economics, such as “The New Wolves of Wall Street,” and delivers offbeat presentations on complex topics related to economics, such as “Ecoland.”. He recently produced podcast about demographics trends titled: A Childless World.