

THE MAIN SCHOOLS OF ECONOMIC THOUGHT



EDUCATION GOALS

- Understand the different schools of economic thought
- Recognise the key authors of the different schools of economic thought
- Be able to link the various theories to the school of thought that developed them
- Understand the contributions and the limitations of the different schools of economic thought

WORD FROM THE AUTHOR

« Economic reflections have existed since antiquity, emerging initially in Ancient Greece and then in Ancient China, where market production and an economy first appear to have been developed. Since 1800, different schools of economic thought have succeeded one another: the foundations of economic science first emerged via the two "precursors" of classical economic thought: the schools of mercantilism and physiocracy; the first half of the 19th century saw the birth of the classical school; while The Marxian school emerged during the second half of the 19th century; the neoclassical school is considered to be the fourth main school of economic thought. Finally, the last school of economic thought is the Keynesian school. In this course I invite you to examine these five schools of thought in detail: What are their theories? Who were the key authors of these schools? »

Level

Initiation

**5
Modules**

3 H



M181 – THE PRECURSORS

Objectives education

- Understand mercantilism and its main authors
- Understand physiocracy and its main authors

Word from the author

« *The mercantilist and physiocratic schools are often referred to as the precursors of classical economic thought. These two schools of thought contain the foundations of what would become economic science. They take into account economic factors in their reflections, such as wealth, satisfaction, scarcity and trade.* »

Chapters

- Mercantilism and physiocracy

Quiz

M182 – THE CLASSICAL SCHOOL

Objectives education

- Understand the theories of the classical school and its main authors
- Understand the three phases of the circular flow of income

Word from the author

« *The classical school emerged during the 18th century in Europe, predominantly in the United Kingdom (the cradle of the first industrial revolution) and in France. The first industrial revolution effectively produced the first contemporary economists of capitalism and the industrial age. This school of thought, known as the classical school, united authors subscribing to economic liberalism and a capitalist economic model. The classical economists subscribed to two theories: the labour theory of value and the notion of the circular flow of income.* »

Chapters

- Theories
- Model of the circular flow of income
- Main authors

Quiz

M183 – THE MARXIAN SCHOOL

Objectives education

- Understand the theories of the Marxian school and its main authors
- Be able to identify how it differs from previous schools of thought

Word from the author

« In the early 1840s, left-wing academics began to criticise the classical school. The two leading representatives of this new approach were Karl Marx and Friedrich Engels. Marxism takes a philosophical view of the world, which is closely intertwined with economics.

Although they were critical of the classical school, this didn't stop the Marxists taking up and adding to certain theories from the classical school. »

Chapters

- Theories
- Main authors

Quiz

M184 – THE NEOCLASSICAL SCHOOL

Objectives education

- Understand the theories of the neoclassical school and its main authors
- Be able to identify how it differs from previous schools of thought

Word from the author

« The neoclassical school aims to show that the market (including the capitalist economy) is able to produce optimal results, and that it is non-exploitative and fair by nature.

The neoclassical school attempts to give scientific legitimacy to economics by using maths as a new approach. »

Chapters

- Theories and main authors

Quiz

M185 – THE KEYNESIAN SCHOOL

Objectives education

- Understand the theories of the Keynesian school and its main authors
- Be able to identify how it differs from previous schools of thought

Word from the author

« The Keynesian school of thought was motivated by the economic crisis of the 1930s, a crisis that the classicists had failed to predict and that was unthinkable in their model of the world.

This theory is often described as the "revolution of economics". »

Chapters

- Theories
- Main authors

Quiz