

Written Exam at the Department of Economics winter 2023/2024

## **History of Economic Thought**

Final Exam

21.12.2023

(3-hour open book)

Answers only in English.

**This exam question consists of 2 pages in total**

### **Falling ill during the exam**

If you fall ill during an examination at South Campus, you must:

- Press that you will leave the exam due to illness.
- leave the examination.
- contact your GP and submit a medical report to the Faculty of Social Sciences no later than five (5) days from the date of the exam.

### **Be careful not to cheat at exams!**

You cheat at an exam, if during the exam, you:

- Make use of exam aids that are not allowed
- Communicate with or otherwise receive help from other people
- Copy other people's texts without making use of quotation marks and source referencing, so that it may appear to be your own text
- Use the ideas or thoughts of others without making use of source referencing, so it may appear to be your own idea or your thoughts
- Or if you otherwise violate the rules that apply to the exam

1. For several centuries, most economic writers were concerned with value theory.
  - (a) Give a brief description of the evolution of value theory from early contributors to Ricardo and Mill.
  - (b) What happened to value theory after the marginalist revolution around 1870?
  
2. Give a survey of the treatment of interest rates in the writings of economists from the marginalist revolution to (and including) Keynes. In the course of the survey, you should consider the following points:
  - (a) Were there differences in the treatment of interest rates between marginalists of the English, French and Austrian tradition, and if so, which?
  - (b) It has been argued that the role played by interest rates was one of the most crucial aspects of the Keynesian macroeconomic theory. Give an explanation and an assessment of this argument.
  
3. Several of the classical economic thinkers considered the need for public services and ways of financing such services.
  - (a) How was taxation treated by the classical authors Adam Smith and Ricardo?
  - (b) What was added to the discussion of taxation by the marginalists?