

School	Responds to	Builds on... (Think about methodology, primary actors, tools to analyze economy, concepts such as value, unit of analysis etc.)	Leaves out / moves away from
<i>Classical Political Economy</i>	Problem of social order	Western Moral philosophy	Beyond Classical philosophical focus on the individual New focus on society as a whole
<i>Marxism</i>	"A Critique of Political Economy" (Marx)	Classical PE: Labour theory of value (Ricardo)	Beyond Idealism and Moral philosophy Central role of production (material and social) Empirics become important
<i>Neoclassical Economics</i>	Marxism and Classical Political Economy	Partly Marxism (value can also be objective) Formal sciences (math., natural sciences)	Focus on exchange instead of production (Marxism) Value is both subjective (demand) and objective (supply): where both meet Drops labour theory of value & historicism
<i>Institutionalism</i>	Response and Rethinking of Neoclassic	Focus on individual in the context of societal structures Moves away from Formalism back to Empiricism	Criticizes core axioms of Neoclassic: Human Motivations not easy to know Deciphering the environment not easy for actors

Overview Schools of Thought in PE

This is a basic scheme and thus incomplete. Use it as a starting point and make up your own mind 😊

Source: Joan v. Heijster (J.vanHeijster@uva.nl)