**Franklin & Marshall College**  
Department of Economics

**Economics 103**  
Introduction to Economic Perspectives  
Fall 2012  

**Prof. Brennan**  
Office: 333 Stager  
Telephone: 291-3936  
Office Hours: 11:30-12:45 T and 11:30-1:30 W or by appointment only if you cannot make those times

**Required Texts:**  
(Text can be purchased in the F&M bookstore.)

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Additional Readings are on edisk. Be sure that you know how to access the edisk for your section of ECO 103.

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**Course Description:** This is a survey course of economic perspectives. You may ask yourself, “What does that mean?” Economics is a diverse field of inquiry with a rich history that contributes to a wide array of approaches to current social problems. There is some truth to the joke that given two economists, one can expect at least three opinions. This course covers a variety of topics from a variety of perspectives. For example, we will discuss in detail issues of technology, product markets, the origin of profits, the current recession, and critiques of capitalism. We will explore these issues from a variety of perspectives including institutional, feminist, neoclassical, Marxian, and Keynesian schools of thought.

One question on students’ minds is why does one need to study all of these perspectives. Why not study just the correct one? The short answer is that there is no definitively correct view. To demonstrate this, explore the causes of the 2008 recession. I bet you can easily find over 15 different explanations. Furthermore, many of these explanations contradict each other. Some Nobel Prize winning economists find that the government was to blame. Other Nobel laureates find that the private sector was to blame. Others find a different set of explanations. What should you believe? If we can’t agree on the truth, then surely a consensus view is beneficial, right? Well, no. There was a strong consensus that what was happening before 2007 was the best course of action. In hindsight, the consensus was terribly mistaken.

Also, there are philosophical differences. Last, we must admit that significant epistemological and ideological differences make “knowledge” produced from one perspective incommensurate with knowledge from another. As a result, one perspective cannot usually be easily measured against another. But don’t despair. A liberal arts education helps one to make sense of the conflicting and contradictory aspects of knowledge.

**Goals:** The purpose of this class is to expose you to the multidimensionality of economics. This means that we will explore points of view that disagree with each other or may seem foreign to
Scholarly endeavors often entail going beyond one’s comfort zone. Our goal is to learn about the various traditions and their implications in order to appreciate all the field has to offer.

**Course Design:** This course can be considered an interactive, discussion-based course. I believe the best way for students to learn is to get them involved. Therefore, I expect you to come prepared and participate in each and every class. Participation may take many forms, from raising or responding to questions, to sharing your experiences with the rest of us, to pop quizzes. The point here is that participation is not an option, but a requirement, and there are many opportunities to satisfy this requirement.

**Grading:** You are responsible for all material assigned in the syllabus and covered in class lectures. Sometimes the lecture material and reading material will not overlap. You are responsible for both nevertheless. Two exams and in-class participation determine your grade. **There are no make-ups for any of these evaluations.** You must attend all lectures and submit papers and assignments at the beginning of class on the date they are due. Failure to abide by these stipulations will result in a grade of ZERO for the assignment! Remember that you have been informed.

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**In-class participation:** This is graded on your attendance, productive participation, attention, preparation, positive attitude, pop quizzes, and a healthy respect for your instructor and classmates. I also call on students randomly, so be prepared.

**Attendance Policy:** You are expected to attend every lecture. Perfect attendance provides the most opportunities to participate in class. Also, you gain from the insights presented in lectures, which are not included in the readings. However, if perfect attendance is not possible, you can miss only two classes without an automatic reduction in the final grade. If you miss 3 classes, you will be dismissed from the course. As for your class participation grade, I call on students to answer questions from the roster. If I call your name to answer a question and you are not there, a zero can be entered for that opportunity to participate. Also, the above applies for all absences. I will not judge between acceptable and unacceptable absences. For example, if you are sick for two classes and miss them, then you have missed your maximum number. If then you get a job interview at class time and miss class to go you will be removed from the roster. If you slept in for two classes and missed them, then you as well missed your max. number. If you then get sick, then you have exceeded the maximum number of absences and then you will be removed from the roster. There is an exception for official excused absences, which entails a leave of absence from the College.

**Computer/Technology Use Policy:** It has been my experience that most users of computers, texting devices, and cell phones in the classroom fall prey to checking email, surfing the net, Facebooking, and such. These activities distract the user, other classmates, and the instructor. Therefore, any use of electronics is strictly prohibited. There are no exceptions to this rule, and I am the person who decides if an electronic devise is being used. Often times a student will have a cell phone or similar electronic on his/her desk or lap. This too is unacceptable. I don’t want to see such electronics out and accessible in any way. Please keep them turned off and in your pocket or closed in your purse. The first time I see electronics, I will warn the class of this rule. The next time I see any electronics I will ask the student to leave the classroom. If there is an occasion where I need to ask the student to leave more than once for one incident, or if there is more than one incident of electronic use, the matter will go before the administration for disciplinary action. At that time, I will argue for the student’s remov
from the class roster. Given the amount of attention I have given to this matter, you should realize that I am not going to be flexible here. You are warned!

**Classroom behavior:** One’s willingness to pay tuition does not permit one to engage in rude, disrespectful, and/or disruptive behavior. Included in disruptive behavior, but not limited to it, are excusing oneself during the class to use the restroom, sleeping, or the use of electronics. Please take care of all personal matters before entering class.

**A note from your instructor:** My duty is to help you to appreciate the field of economics and to help you to succeed in the course. If, during the course, you would like more individual attention, please do not hesitate to contact me. In fact, I welcome and encourage you to seek more personalized attention from me, if that is what you would like. I only ask that you come during my office hours, so that I may give you my undivided attention.

**Keys to success:** I realize that economics is challenging. One reason for this is that the field, regardless of the school of thought, demands specificity. This means that vagueness is to be avoided and correct details are applauded. Concretely, this means that very careful reading and studying on your part will be required to succeed in this course. The field is chock full of new vocabulary, mathematics, and rigor. Hence, vague, incomplete, or sloppy thinking will not produce successful outcomes.

**Schedule (subject to change)**

Aug. 30 (Thursday)
Class overview and review of the syllabus

Sept. 4 (Tuesday)
**What and Why of Theory**
“Is Capitalism Doomed” by Nouriel Roubini,
“Karl Marx Is Hot” by Joe Weisenthal
“The Human Condition” picture by René Magritte
*Political Economy: The Contest of Economic Ideas*: Ch. 39

**What is economics?**
*Political Economy: The Contest of Economic Ideas*: Ch. 1.

Sept. 6 (Thursday)
**What is economics?**
“A Primer in Political Economy,” by Bruce Pietykowski

**The Political Economy Landscape**
“Left, Right, and Center,” by David Gordon

Sept. 11 (Tuesday)
**Prices and Values** (neoclassical)
*Political Economy: The Contest of Economic Ideas*: Chs. 18 and 19

**Firms and Market Structure** (neoclassical)
*Political Economy: The Contest of Economic Ideas*: Ch. 20
Sept. 13 (Thursday)
**Firms and Market Structure** (neoclassical)
*Political Economy: The Contest of Economic Ideas*: Ch. 20

Sept. 18 (Tuesday)
**Firms and Market Structure** (neoclassical)
*Political Economy: The Contest of Economic Ideas*: Ch. 21
**Distribution** (neoclassical)
*Political Economy: The Contest of Economic Ideas*: Chs. 22 and 23

Sept. 20 (Thursday)
**Institutional Approaches**
*Political Economy: The Contest of Economic Ideas*: Chs. 24, 25, and 26

Sept. 25 (Tuesday)
**Institutional Approaches**
“What Do Bosses Do? The Origins and Functions of Hierarchy in Capitalist Production,” by Stephen Marglin

Sept. 27 (Thursday)
**Response to the Institutional Approach**
“What do Bosses Really Do?” by David S. Landes

Oct. 2 (Tuesday)
**Gender**
“Feminist Political Economy: A Primer,” by Ellen Maturi
“Rethinking Economics Through a Feminist Lens,” by Myra H. Strober
“The Economic Risks of Being a Housewife,” by Barbara Bergman

Oct. 4 (Thursday)
**EXAM** Don't miss it!

Oct. 11 (Thursday)
**Prices and Values** (Marxian)
*Political Economy: The Contest of Economic Ideas*: Chs. 13 and 14

Oct. 16 (Tuesday)
**The Firm** (Marxian)
“Marxian Class Analysis and Economics” by Rick Wolff.
“CEO Pay: Have They No Shame?” by Jerry Useem

Oct. 18 (Thursday)
**Business Cycles/Instability**
“Business Cycles and Forecasting”

Oct. 23 (Tuesday)
**Business Cycles/Instability**
*Political Economy: The Contest of Economic Ideas*: Chs. 29 and 32
General Theory: “The State of Long-Term Expectations,” Ch. 12

Oct. 25 (Thursday)
Business Cycles/Instability
   Political Economy: The Contest of Economic Ideas: Ch. 17
   “An introduction to Radical Theories of Economic Crisis,” by James N. Devine

Oct. 30 (Tuesday)
Business Cycles/Instability
   “Power, Accumulation, and Crisis: The Rise and Demise of the Postwar Structure of Accumulation,” by David M. Gordon, Thomas E. Weisskopf, and Samuel Bowles

Nov. 1 (Thursday)
Current Crisis
   “Minsky Crisis” by L. Randall Wray

Nov. 6 (Tuesday)
Current Crisis
   David Harvey's view on the crisis (video shown in class)
   “Introduction” in The Economic Crisis Reader.
   “Crisis and Neoliberal Capitalism” by David Kotz in The Economic Crisis Reader.
   “We’re All Minskyites Now” by David Kotz in The Economic Crisis Reader.

Nov. 8 (Thursday)
Current Crisis
   Capitalism Hits the Fan by Richard Wolff (video shown in class)
   “Myths of the Deficit” by Marty Wolfson in The Economic Crisis Reader.

Nov. 13 (Tuesday)
Development

Nov. 15 (Thursday)
Development
   “Theories of Development: A Comparative Analysis,” by Michael P. Todaro

Nov. 20 (Tuesday)
Socialism and its Critics
   Road to Serfdom (in cartoons) by Frederick Hayek
   “Subjectivism and Democratic Firms: A Response to Hayek’s Critique of Socialism,” by Theodore Burczak
Nov. 27 (Tuesday)
**Alternatives to Capitalism and Socialism**
“The Middle Way: Swedish Social Democracy,” by Charles Sackery and Geoffrey Schneider with Janet Knoedler

Nov. 29 (Thursday)
**Alternatives to Capitalism and Socialism**
“Waiting for the Revolution, or How to Smash Capitalism While Working at Home in Your Spare Time,” by J.K. Gibson-Graham,
“Mode of Production, Social Formation, and Uneven Development, or is There Capitalism in America?” by Richard McIntyre

Dec. 4 (Tuesday)
**Wrapping Up**
Political Economy: The Contest of Economic Ideas: Ch. 39 and Ch. 40.

Dec. 6 (Thursday)
**Exam:** Don’t miss it"