Course description: Today, most of the nations that were once labeled “socialist” or “communist” are, in one way or another, either capitalist or in transition to capitalism. As a result the world economy has been—and continues to be—transformed. In this course, we will review the origins of capitalism and trace its development into the system that rules the globe today. We will study the history and theoretical frameworks of various economic models (Adam Smith, Karl Marx, J.M. Keynes, feudalism, capitalism, socialism). Considerable attention will be focused on the advanced capitalist countries (e.g., the U.S., Japan, France, Germany, and Sweden) in which most of the world’s rich people live, noting differences in institutional structures and policies. Also important will be an evaluation of the various development strategies currently being pursued in poorer nations in Africa, Asia and the Americas. After examining the rise and demise of Soviet-style “socialism” we will look at countries still governed by Communist regimes (e.g., China, Cuba, Vietnam, North Korea) and ones that are now in transition to capitalism (e.g., Poland, Hungary, the Czech Republic and the states that were previously within the Soviet empire). A central concern will be the continuing ideological and political conflicts over the appropriate roles of markets and governments in shaping social relationships and allocating economic resources. This will lead to consideration of the arguments in favor of new forms of socialism, such as “market socialism.” The context for all of our studies will of course be the global capitalist economy: we must ask whether any alternative to capitalism can be successfully established and sustained while capitalist globalization continues to spread without effective opposition. For conference work, students will be expected to focus on the history, present arrangements, and options for the future of a particular country other than the US. Prior study in history, public policy or the social sciences is required.

Required books (buy used copies if possible):
Kennett, David A., A New View of Comparative Economics, 2nd ed. (buy used copy on Internet)
Stigler, George, ed., Selections from “The Wealth of Nations” by Adam Smith
Kamenka, Eugene, ed., The Portable Karl Marx
Hunt, E.K., Property and Prophets: The Evolution of Economic Institutions and Ideologies (7th ed)
Chang, Ha-Joon, Bad Samaritans: The Myth of Free Trade and the Secret History of Capitalism
(=Wait until the paperback edition comes out in December.)
Kotz, David, and Fred Weir, Russia's Path from Gorbachev to Putin: The Demise of the Soviet System and the New Russia
Alperovitz, Gar, America Beyond Capitalism
Hacker, Diana, A Pocket Manual of Style
Harvey, Gordon, Writing with Sources: A Guide for Students
Course requirements: In each semester, there will be several class papers (4 to 6 pages each), an occasional quiz, and a worksheet essay due at the end of the semester. There will also be regular writing based on conference work. Attendance at all classes and conferences is required, participation in class discussions important, and preparation for conferences, essential.

COURSE OUTLINE

A. Introduction
   Kennett, A New View of Comparative Economics, Ch. 1 (read for 1st class)
   Epping, R. C., The Beginner's Guide To The World Economy (browse entire)

B. Before capitalism: feudal economy and society
   Kennett, Ch. 2, pp. 42-49
   Hunt, Property and Prophets, Ch. 1
   Roosevelt, F., graphic: “Feudal Agrarian Structure” (Course Reader)
   Film: “The Tree of Wooden Clogs” (1978, 3 hours, 1st half to be shown in class)
   Roosevelt, F., notes on “The Tree of Wooden Clogs” (Course Reader)
   Roosevelt, F., “Comparison of Feudalism and Capitalism” (Course Reader)
   Hoge, Warren, two articles on feudalism in Scotland today, The New York Times,
      Feb. 9, 1999, and Jan. 4, 2002 (Course Reader)

1st writing assignment (4 to 6 pp., typed, double-spaced, due Sept. 12th):
   Either: Imagine that you are “Bodo” or “Ermentrude” (see Eileen Power) — or one of the characters in “The Tree of Wooden Clogs” — and that you have somehow been transported to your hometown. Write a first-person narrative essay describing and reflecting on your experiences over a period of a few days. (Assume that you are literate, and please focus more on socio-economic institutions [e.g., property relations] and human relationships than on technology.)
   Or: Compare and contrast feudal society, economy, and way of life with those of the U.S. or a country in which you have lived.

C. The transition from feudalism to capitalism
   Kennett, Ch. 2, pp. 49-57
   Hunt, Property and Prophets, Chs. 2 and 3
   Polanyi, Karl, The Great Transformation, Chs. 3-10
   Smith, Adam, The Wealth of Nations, Book III, Ch. IV (Course Reader)
   Marx, Karl, excerpts from Capital, Vol. I, Chs. 26, 27, 31, 32, and 33 in Kamenka,
      ed., The Portable Karl Marx, pp. 461-503
   Roosevelt, F., notes on “Smith and Marx on the transition from feudalism to capitalism” (Course Reader)

2nd writing assignment (4 to 6 pp., due Oct. 3rd):
Compare Karl Polanyi's account of the emergence of capitalism with Adam Smith’s and/or Karl Marx’s.

D. Adam Smith: the theory and institutions of a market economy
   E. K. Hunt, Property and Prophets, Ch. 4
   Film: “Adam Smith and the Wealth of Nations” (Liberty Fund)
   Roosevelt, F., “Questions for Smith, Marx, and Keynes” (Course Reader)
   Roosevelt, F., notes on “Adam Smith's Assumptions” (Course Reader)
   Stigler, ed., Selections from The Wealth of Nations, all except pp. 72-80
   Smith, The Wealth of Nations, Book I, Ch. VIII, “Wages of Labor” (Course Reader)
   Smith, Wealth, Book IV, Ch. II, on the “invisible hand” (Course Reader)
   Smith, Wealth, Book V, Ch. I, on the harmful effects of the division of labor
      (Course Reader)
   Kennett, Chs. 3, 4, and 5
   Optional: Polanyi, The Great Transformation, Chs. 11-18

E. The industrial revolution and the origins of socialism
   Hunt, Property and Prophets, Ch. 4 (first section) and Ch. 5

F. Karl Marx on capitalism and socialism
   (a) Marx as humanist
      Roosevelt, F., notes on “Marx as a Moral Thinker” (Course Reader)
      Kamenka, ed., The Portable Karl Marx, “Editor’s Note,” pp. 125-129
      “Alienated Labor” in Kamenka, ed., The Portable Karl Marx, pp. 131-46
      “Private Property and Communism” in Kamenka, pp. 146-52
   (b) Marx as social-scientific historian: the materialist conception of history
      Hunt, Property and Prophets, Ch. 6
      “Theses on Feuerbach” in Kamenka, pp. 155-58, esp. No. VI on p. 157
      “Preface” (1859) in Kamenka, pp. 158-161
      Optional: The German Ideology, excerpts in Kamenka, pp. 162-79, 189-195
   (c) Marx as political-economic analyst of capitalism
      Hunt, Property and Prophets, Ch. 7
      Kamenka, ed., The Portable Karl Marx, “Editor’s Note,” pp. 369-374
      Capital, Vol. I, Ch. 1, excerpts in Kamenka, pp. 437-461
      “Spheres of Circulation and Production,” excerpts from the last three
      paragraphs of Capital, Vol. I, Ch. 6 (Course Reader)
   (d) Marx as visionary-utopian proponent of communism
      “Critique of the Gotha Programme,” in Kamenka, pp. 533-555

G. John Maynard Keynes and the theory of regulated capitalism
Video: “J. M. Keynes: What Did We Learn from the Great Depression?”
(from the “Economics, USA” TV series)
Keynes, J. M., selections from Essays In Persuasion (all in Course Reader):
  -- “A Short View of Russia” (pp. 297-311)
  -- “The End of Laissez-Faire” (pp. 312-322)
  -- “Am I a Liberal?” (pp. 323-338)
  -- “Economic Possibilities for our Grandchildren” (pp. 358-373)
  Summer 1933, pp. 755-769 (Course Reader)

3rd writing assignment (4 to 6 pp., typed, double-spaced, due _____):

  Either: Construct an imaginary conversation in which Adam Smith, Karl Marx, and J. M. Keynes deliberate on
          the positive and negative aspects of capitalism as an economic system.

  Or: Compare and contrast the ideas of Smith, Marx, and Keynes on capitalism as an economic system.

**COURSE OUTLINE: SECOND SEMESTER**

**First class:** DEBATE (“Classicals vs. Keynesians”) between teams representing different approaches --
  from Amity Shlaes to Paul Krugman -- to the current economic recession.
Selection of 16 articles and opinion pieces published between Nov. 2008 and Jan. 2009
  various other weblogs (provided by the instructor via e-mail)

**H. Globalization: origins and consequences**
Sherman, Howard, et al., Economics: An Introduction to Traditional and
  Progressive Views, 7th edition, Chs. 52-56 (on reserve)
Yergin and Stanislaw, The Commanding Heights, Introduction and Chs. 1 and 5
Chang, Ha-Joon, Bad Samaritans: The Myth of Free Trade and the Secret
  History of Capitalism, Prologue and Chapter 1
Davis, Bob, “Rise of Nationalism Frays Global Ties,” The Wall Street Journal,
  April 28, 2008 (provided by the instructor via e-mail)
  August 3, 2008 (provided by the instructor via e-mail)

4th writing assignment (4 to 6 pp., typed, double-spaced):

  Either: Write an imaginary debate on globalization, the state and the market between Yergin
          and Stanislaw on one side and Chang on the other.

  Or: Compare and contrast the views on globalization, the state and the market of Yergin and
       Stanislaw on the one hand and Chang on the other.

**I. The “American Model”**
Schlesinger, Jacob. M., “Denver May Be Seen as Model …” The Wall Street Journal,
June 19, 1997, p. A1 (photocopy provided by the instructor)
Alperovitz, Gar, *America Beyond Capitalism*, Introduction and Chapters 1 through 5
Yergin and Stanislaw, Chs. 2 and 12

J. **Other advanced capitalist economies**
Kennett, Chs. 10 and 11 (on the European Union)
Kennett, Ch. 6 (on France)

K. **Soviet-style socialism**
Kennett, Chs. 16 and 17

L. **The transition to capitalism in former Soviet Union and E. Europe**
Kennett, Chs. 20 and 21
Film: Natasha Lance, “Russia for Sale” (1991)
Yergin and Stanislaw, Ch. 10 (on Russia): “Ticket to the Market”
Kotz, David, and Fred Weir, *Russia's Path from Gorbachev to Putin: The Demise of the Soviet System and the New Russia*
Kramer, Andrew, “The Last Days of the Oligarchs?” *The New York Times*, March 8, 2009 (provided by the instructor via e-mail)

5th writing assignment (4 to 6 pp., typed, double-spaced):
Either: Write an imaginary conversation between Adam Smith and Karl Marx looking down from the “Heaven’s Gate Bar” on the attempts to establish “communism” in Russia, China, or Cuba (pick two of the three).
Or: Discuss the possible impacts on the views of Adam Smith and Karl Marx if either of them had been able to witness the attempts to establish “communism” in Russia, China, or Cuba (pick two of the three).

M. **China’s transition from socialism to capitalism**
Kennett, Ch. 23
Yergin and Stanislaw, Ch. 7 (on China): “The Color of the Cat”
Lippit, V., “Market Socialism in China?” *Review of Radical Political Economics*, Vol. 29, No. 3 (Summer 1997), pp. 112-123 (provided by the instructor via e-mail)


N. Socialism in Cuba
Selection of 11 articles on Cuba published between 1999 and 2008 in The New York Times and The Wall Street Journal, (provided by the instructor via e-mail)

O. Employee Ownership and Worker Self-management
Alperovitz, Gar, America Beyond Capitalism, Chs. 6 and 7
Video: “The Mondragon Experiment” (BBC, 1979)
Mondragon Corporación Cooperativave (MCC) website: http://www.mcc.es/ing/index.asp
Gunn, Christopher, “Markets Against Economic Democracy,” Review of Radical Political Economics, Sept. 2000 (provided by the instructor via e-mail)

Ellerman, David P., “What is a Worker Cooperative?” published by the Industrial Cooperative Association, 1984 (photocopy provided by the instructor)

P. Is “market socialism” a viable alternative to capitalism?
Kennett, Chs. 18 and 19, on Yugoslavia and “The Possibilities of a Third Way”
Weisskopf, T. E., “Toward a Socialism for the Future, in the Wake of the Demise of the Socialism of the Past,” Review of Radical Political Economics, Vol. 23, No. 3 & 4 (Fall & Winter 1992), pp. 1-28 (provided by the instructor via e-mail)
David M. Kotz, “What Economic Structure for Socialism?” (Unpublished paper provided by the instructor via e-mail)
Roosevelt, F., and Belkin, D., eds., Why Market Socialism? (on reserve)

Q. Where is the world headed?
Kennett, Ch. 2, pp. 57-60
Selection of 12 articles on the first 100 days of the Obama presidency published in The New York Times and The Wall Street Journal, April 29th and 30th, 2009 (provided by the instructor via e-mail)
Fukuyama, Francis, “The End of History,” The National Interest, Summer 1989 (provided by the instructor via e-mail)

FINAL ASSIGNMENT OF THE SEMESTER (3-5 pages, due in last class):

Write a worksheet essay, to be attached to your student worksheet (the latter will be provided by the instructor), reviewing, summarizing and reflecting on what you have learned in this course this semester.
Additional:

Several chapters were assigned in: Chang, Ha-Joon, *Bad Samaritans: The Myth of Free Trade and the Secret History of Capitalism*

Various documents (distributed as e-mail attachments or as photocopies handed out in class) of articles from various contemporary periodicals relating to what was happening in the political or economic spheres during the semester.