

ECON 209 (W)
Comparative Economic Systems
Syllabus

Spring 2018
Section 1
SC 302
M, W, F 10-11:05 AM

Laura Grube
grubel@beloit.edu
Campbell Hall 1
Office hours Tues, 1-2 PM;
Fri 2:45 – 3:45 PM

Course Description

This course will introduce students to the various ways in which society coordinates or has attempted to coordinate economic activity, with an emphasis on Marxist socialism and the Soviet experience. In order to understand why Marxism has been so influential to so many people, it is necessary to begin by understanding Marx's philosophical background and teachings, his vision for the future, as well as his utter disgust for capitalist society. We will then turn to the debate that Marx's advocacy for central economic planning inspired, the "Socialist Calculation Debate," after which we will examine the Soviet-type economy, including the dramatic events of the Russian Revolution, the subsequent record of economic performance, and attempts to reform the system.

The second half of the course explores more recent examples of economic systems, including Cuba, Sweden, North Korea, India, and Pakistan. When possible, subject matter experts contribute guest lectures.

The course is reading and writing intensive (hence, the "W" designator).

Course Structure

The course is reading and writing intensive. **You must bring a copy of the reading to class.** If you do not bring a copy, I may ask you to leave class and retrieve your copy. This makes it possible for us to reference the reading when appropriate. In some cases, the reading will be from a book, in other cases, you will have to print off the reading.

The course is a mixture of lecture, small group activities, discussion, and guest speaker lectures.

There is a TA for the course, Georgia Armitage, armitagegr@beloit.edu. She is a good resource for help with the papers – of course, I'm always available to answer questions as well. Her TA hours are Sunday evenings 7-9 PM in Kemper Lab.

Required Texts

Hayek, F.A. *Individualism and Economic Order*

McLellan, David (ed.) *Karl Marx: Selected Writings*

Sowell, Thomas *Conflict of Visions*

Other text – You may want to purchase a copy of Strunk and White's *The Elements of Style*. The book presents rules of grammar and writing. You can purchase a copy on amazon for a few dollars.

The following readings will be made available on Moodle (order reflects syllabus plan):

Smith, excerpts from *Wealth of Nations*

Mises, excerpts from *Economic Calculation in the Socialist Commonwealth*

Lange, "On the Economic Theory of Socialism"

White, chap 2, "The Bolshevik Revolution and the Socialist Calculation Debate"

Boettke, *The Political Economy of Soviet Socialism*, Chapters 1, 3-5

Grossman, "The 'Second Economy' of the USSR"

Nutter, diary

Hayek, *The Road to Serfdom*, Chap 1: <https://mises.org/library/road-serfdom-0>

Levy & Peart, "Expert Judgment and Soviet Growth"

Learning Goals

- Students will understand the definitions and differences among various economic systems.
- Students will improve their reading – this includes locating the central argument and posing questions along the way.
- Students will improve their writing - this includes grammar, essay structure, and how evidence is incorporated (note that this is a "W" course).
- Students will be able to trace ideas to theories to policies to economic outcomes.
- Students will see the relationship between the economic and the political spheres.

Evaluation

Participation 30%

Paper #1 10%

There will be a draft 1 and 2 for this first paper, each are worth 5%.

Paper #2 10%

Paper #3 10%

Paper #4 10%

Paper Proposal 30%

There will be a draft 1 and 2 for this proposal. Draft 1 is worth 10%, draft 2 is worth 20%.

Participation and papers – explained – edits made March 19, 2018

Participation

Participation includes coming to class on time (1 pt), bringing the assigned reading (the book or a version that you print) (1 pt), being engaged in class (1 pt), and completing reading guides and small homework assignments (3 pts).

Each day, you can receive up to 6 points. I will share your participation grade with you each week.

Absences – I understand that we all get sick. However, common illnesses should not mean that you miss more than one or two courses during the semester. If you have a serious illness or some other emergency, please contact me to let me know. If you have more than three (3) unexcused absences, you will automatically fail the course.

If participation is low, I reserve the right to introduce pop quizzes.

Papers and paper proposal

There will be four short papers assigned throughout the semester. For each paper I will provide a prompt (or ask you to select from two options). Each paper will follow the same format, which I will share with you in the assignment sheet. These papers are 2-3 pages in length. The first paper will have a draft 1 and 2.

The paper proposal is a proposal and outline of a research paper. You select the topic, although it needs to relate to material we cover in the course. Students will go through the process of developing a thesis, exploring the existing literature, and thinking about the structure of the paper. This assignment is meant to help students learn how to go about writing a paper and provides the basic scaffolding that will (hopefully) be helpful for students as they take on research papers in other courses at Beloit as well as after.

I am open to special projects in which students take their proposals to the next level and do the necessary additional research and writing. In order to do this, the paper proposal needs to be very high quality (A range) and provide a unique contribution to the literature.

Course Schedule

Week	Day	Date	Topic	Reading	Additional assignment
1	1	Mon., Jan. 22	Introduction to the course	Sowell chaps 1 & 2	Definition of vision – with references to particular sentences in chapter (hand in)
	2	Wed., Jan. 24	Introduction to systems thinking, Sowell chaps 1 & 2	Sowell chap 4	
	3	Fri., Jan. 26	Introduction to systems thinking, Sowell chap 4		
2	4	Mon., Jan. 29	Deeping reading; The Philosophical and Economic Foundations of Marxism –Theses on Feuerbach	<i>The German Ideology</i> (pp. 175-184 in Karl Marx: Selected Writings)	Complete reading guide
	5	Wed., Jan. 31	The Philosophical and Economic Foundations of Marxism, Stages of development	“Communism and History” and “Communist Revolution” in <i>The German Ideology</i> (pp. 187-198 in Karl Marx: Selected Writings)	Complete reading guide
	6	Fri., Feb. 2	The Philosophical and Economic Foundations of Marxism, Communist Revolution, Activity	<i>The Communist Manifesto</i> (Chapter 18, pg. 245 - 262, in Karl Marx: Selected Writings)	Complete reading guide, Paper #1 assigned
3	7	Mon., Feb. 5	Marx’s Vision of History (Class Struggle and Historical Materialism), Communist Revolution		
	8	Wed., Feb. 7	Marx’s Vision of History (Class Struggle and Historical Materialism), Communist Revolution	Smith, (1) Pin factory, (2) Effects DOL (<i>on Moodle</i>); "Alienated Labour" pgs. 83-95 in	Complete reading guide (2 parts)

				<i>Karl Marx: Selected Writings</i>	
	9	Fri., Feb. 9	The Horrors of Capitalism: Alienation and Exploitation (Experience)	<p>“Alienated Labour in Capitalist Society” (pp. 429-430 in Karl Marx: Selected Writings);</p> <p>“Alienation in the Production Process” (pp. 547-550 in Karl Marx: Selected Writings); “Alienated Labour” (pp. 554-556 in Karl Marx: Selected Writings); “The Reproduction of the Capitalist Relationship” (pp. 556-561 in Karl Marx: Selected Writings)</p>	Complete reading guide, Paper #1 due
4	10	Mon., Feb. 12	The Horrors of Capitalism: Alienation and Exploitation (Economic Theory)		
	11	Wed., Feb. 14	Paper workshop – go over Paper #1		
		Fri., Feb. 16	No class, Econ Day	<i>Capital, Volumes I & III</i> (pp. 458-530 in Karl Marx: Selected Writings)	Complete reading guide
5	12	Mon., Feb. 19	Economic Crises in Late Capitalism-Marxian Value Theory and the Path Towards Revolution	<i>Capital, Volumes I & III</i> (pp. 458-530 in Karl Marx: Selected Writings)	Paper #2 assigned
	13	Wed., Feb. 21	Economic Crises in Late Capitalism-Marxian Value Theory and the Path Towards Revolution	TBD	

	14	Fri., Feb. 23	From Theory to the Soviet Context	White, chap 2, "The Bolshevik Revolution and the Socialist Calculation Debate", pages 32-35	Paper #2 due
6	15	Mon., Feb. 26	From Theory to the Soviet Context	Mises, <i>Economic Calculation in the Socialist Commonwealth</i>	Complete reading guide
	16	Wed., Feb. 28	The Austrian Challenge to Central Planning, Mises	Lange, "On the Economic Theory of Socialism"	Complete reading guide
	17	Fri., Mar. 2	The Market Socialist Response (Lange)	Sowell, chap 3	Paper #3 assigned
7	18	Mon., Mar. 5;	The Austrian Challenge to Central Planning, Hayek (through Sowell)	Hayek, chap 4, "Use of Knowledge in Society" from <i>Individualism and Economic Order</i> (alternatively, Hayek, chaps 7 & 8, "Socialist Calculation 1," "Socialist Calculation 2" from <i>Individualism and Economic Order</i>)	Complete reading guide
	19	Wed., Mar. 7	The Austrian Challenge to Central Planning, Hayek on Knowledge	Hayek, <i>Road to Serfdom</i>	Complete reading guide
	20	Fri., Mar. 9	The Austrian Challenge to Central Planning, Hayek on Worst Get on Top	White, chap 2, "The Bolshevik Revolution and the Socialist Calculation Debate"	Paper #3 due
Spring Break, March 10-18					
8	21	Mon., Mar. 19	The Political Economy of Soviet Socialism, Case Study 1. Gosplan	NBER article assigned (one of four)	Summary of your NBER article (hand in summary paragraph and be prepared to share, 10 min)
	22	Wed., Mar. 21	The Political Economy of Soviet Socialism, Case Study 1. The Data		

	23	Fri., Mar. 23	No class, Advising Practicum		
9	24	Mon., Mar. 26	The Political Economy of Soviet Socialism, Case Study 1. Black Markets		
	25	Wed., Mar. 28	The Political Economy of Soviet Socialism, Case Study 1. Transition and Today	<i>Atlantic Magazine</i> article, 1990	
	26	Fri., Mar. 30	GUEST LECTURE, Olga Ogurtsova (Soviet Russia)	William Brown, "North Korea's Shackled Economy"	Complete reading guide
10	27	Mon., Apr. 2	The Political Economy of North Korea, Case Study 2		
	28	Wed., Apr. 4	GUEST LECTURE, Curtis Melvin (North Korea)	Rosser sq, on Modern Comparative Economic Systems	
	29	Fri., Apr. 6	Thinking about Modern Comparative Economic Systems		
11	30	Mon., Apr. 9	The Political Economy of Cuba, Case Study 3	"The Cuban Revolution: A Promised Land"	Complete reading guide
	31	Wed., Apr. 11	The Political Economy of Cuba, Case Study 3		
	32	Fri., Apr. 13	GUEST LECTURE, Pablo Toral (Cuba)		
12	33	Mon., Apr. 16	The Political Economy of China, Case Study 4	Yasheng Huang's "State capitalism in China"	Complete reading guide
	34	Wed., Apr. 18	The Political Economy of China, Case Study 4		
	35	Fri., Apr. 20	TBD		
13	36	Mon., Apr. 23	The Political Economy of Sweden, Case Study 5	Two news articles	Complete reading guide

	37	Wed., Apr. 25	Spring Day, no class		
	38	Fri., Apr. 27	The Political Economy of Sweden, Case Study 5	Buchanan, Public Debt Finance	Complete reading guide
14	39	Mon., Apr. 30	The Political Economy of the U.S., Case Study 6 – The problem of deficits and debt	Coyne and Hall’s “Drones come home”	Complete reading guide
	38	Wed., May 2	The Political Economy of the U.S., Case Study 6 – military industrial complex	Rodrik’s “Trade and the demand for social insurance”	Complete reading guide
	39	Fri., May 4	The Political Economy of the U.S., Case Study 6 – globalization and demand for social insurance		
15	40	Mon., May 7	Crony capitalism		
	41	Wed., May 9	TBD		

Olga Ogurtsova – (education, M.A., Romance and Germanic Languages, Kaliningrad State University; B.A., Romance and Germanic Languages, Kuban State University). Professor Ogurtsova is a native of Krasnodar, Russia, and she teaches Russian Conversation and Composition, Russian civilization, and topical courses on Russian literature. She also coordinates the Russian program in Beloit College's Center for Language Studies.

Curtis Melvin – (education, MA in Economics from George Mason University; BA in Economics from the University of Georgia). Mr. Melvin is a researcher at the US-Korea Institute at Johns Hopkins SAIS, a contributor to the website 38 North, and editor of the blog “North Korean Economy Watch.” Since 2006 Mr. Melvin has been one of the most prolific open source researchers who use publicly available satellite imagery, along with other innovative forms of data collection and data fusion, to identify and analyze changes in North Korea’s economy. Mr. Melvin’s work has been cited in most major media outlets, including the *Wall Street Journal*, the *Washington Post* and news outlets in Korea. He has also built the largest non-classified satellite imagery mapping of North Korea’s political, economic, cultural, and security infrastructures.

Pablo Toral – (education, BA, Journalism; MA International Studies; PhD in International Relations from Florida International University). Pablo is a professor of international relations

and environmental studies and joined the Beloit College faculty in the Fall of 2003. His teaching and research interests include international political economy, environmental politics, international relations theory, international governance and development, with a focus on Latin America and Europe. His publications include *Multinational Enterprises in Latin America since the 1990s* (New York: Palgrave Macmillan, 2011), *Latin America's Quest for Globalization: The Role of Spanish Firms* (edited with Felix E. Martin. London: Ashgate, 2005) and *The Reconquest of the New World. Multinational Enterprises and Spain's Direct Investment in Latin America* (London: Ashgate, 2001).

Themes:

- The relationship between ideas and economic theories and policies and economic outcomes.
- The assumptions about human nature that underpin economic systems.
- The relationship between the economic and the political.
- The history of economic thought.
- How history has shaped the field of economics.

Grading Policy

		B+	88-89	C+	78-79	D+	68-69
A	93+	B	83-87	C	73-77	D	63-67
A-	90-92	B-	80-82	C-	70-72	F	0-62

I use the standard grading scale. All grades are final. No extra credit is offered.

Academic Honesty

Please see the College’s policy on academic honesty. Cheating and/or plagiarism will not be tolerated.

Disability Statement

If you have a disability and need accommodations, contact Learning Enrichment and Disability Services located on 2nd floor Pearsons (north side) or call [608-363-2572](tel:608-363-2572). For accommodations in my class, you must bring me an Access Letter from the Director of that office and then we will discuss how to meet your needs. Contact that office promptly; accommodations are not retroactive.

Free peer tutoring is available for most classes. For a tutor, apply by going to your Portal, to the Student Life tab, and then apply using the Tutoring Forms (on left) and Request a Tutor. If you have any questions, contact Learning Enrichment and Disability Services.