

Course Information

Political Science 3306: Political Economy. Collegium V Honors

Professor Contact Information

Edward J. Harpham

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Course Pre-requisites, Co-requisites, and/or Other Restrictions

This course is a Collegium V Honors Course. You must have the permission of the Collegium V Honors Director to register.

Course Description

At the heart of modern political thought lies an ongoing debate about capitalism. What is a capitalist economic system? What social, political, and moral relations flourish alongside a capitalist economy? Does a capitalist economy promote freedom for the individual or merely provide the framework for one class to exploit another? How does change in a capitalist society affect democratic political institutions? Is big government the solution to problems in a capitalist economy, or the problem itself? How are we to understand the larger historical significance of the breakup of communist regimes throughout the world? How has globalization changed the world in which we live? This course will address such questions through a reading of the works of Bernard Mandeville, David Hume, Adam Smith, Karl Marx, John Stuart Mill, Joseph Schumpeter, Friedrich Hayek, and Simon Johnson/James Kwak.

The course will be structured around three great debates that have shaped our understanding of capitalism over the past 300 years: the debate over morality, markets,

and freedom in the eighteenth century, the debate over technology and socialism in the nineteenth and twentieth centuries, and the debate over the economic crisis of 2008-10.

Student Learning Objectives/Outcomes

On completing this course, students will be able to

- 1) evaluate competing philosophical perspectives on the nature of capitalism and market society
 - 2) understand competing perspectives on the relationship between capitalism and modern democratic political systems
 - 3) describe and understand key issues and theoretical perspectives driving the contemporary debate over the economic crisis of 2008 and its aftermath.
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Required Textbooks and Materials

Dr. Harpham strongly recommends that you purchase the following editions of the texts that we will be using in class. There will be a great deal of textual analysis in the course and having a common edition of the text will make life easier for everyone.

Adam Smith *The Wealth of Nations (Liberty Classics)*

Adam Smith *The Theory of Moral Sentiments (Liberty Classics)*

Karl Marx *Selected Writings* (Hackett edition)

Joseph Schumpeter *Capitalism, Socialism, and Democracy* 3rd. ed

Friedrich Hayek *Road to Serfdom*

Simon John and James Kwak *13 Bankers: The Wall Street Takeover and the Next Financial Meltdown*

Recommended Texts

Robert Heilbroner's [Worldly Philosophers](#). This book contains excellent introductions to the life and thought of many leading modern economic theorists, including Smith, Marx, and Schumpeter.

Websites: The following websites contain a large amount of primary and secondary information relevant to the study of political economy. Students should take their time and explore them.

[Primary Texts in Economic Theory](#)

[Stanford Encyclopedia of Philosophy](#)

[Internet Encyclopedia of Philosophy](#)

www.econlib.org

[History of Economic Thought](#)

Assignments & Academic Calendar

Overview of the Course

January 12:

Political Theory and Capitalism

January 14:

Morality, Self-Interest and Market Society



Mandeville's Paradox

READ: *The Fable of the Bees* (poem only). text of poem:

www.xs4all.nl/~maartens/philosophy/mandeville/fable_of_bees.html

Websites:

[Francis Hutcheson's remarks On Fable of the Bees:](http://www.frankfurt-university.de/~philosophy/mandeville/fable_of_the_bees/)

<http://socserv2.socsci.mcmaster.ca/~econ/ugcm/3ll3/hutcheson/index.html>

January 21:

Hume on Commerce and Liberty



READ: Hume's "On Commerce." Liberty Fund Edition of Essay:
www.econlib.org/library/LFBooks/Hume/hmMPL.html

Websites:

Stanford Encyclopedia Entry on Hume: <http://plato.stanford.edu/entries/hume>

Writing assignment #1 due on February 11: Would Hume agree or disagree with Mandeville's assertion that private vices lead to public benefits? Why or why not. Would Smith agree with Mandeville, Hume or both on this issue? Limit your essay to 4 pages double-spaced, 12 font, reasonable margins.

January 26, 28, February 2, 4, 9, 11

C) Smith on Commercial Society



(note: read the pages of Smith's text, not the introduction)

a) The Moral and Philosophical Background

READ Smith Theory pp.9-91, 109-13, 156- 70, 179-93, 212-64

b) Economics

READ Smith Wealth pp.10-37, 65-116, 276-78, 330- 349, 376-427, 429-35, 687-88

c) Politics
READ Smith Wealth pp.689-723, 781-88

Websites:
[McMaster University Adam Smith Site](#)

February 16, 18, 23, 25, March 2

The Marxist Critique of Capitalism:



a) Philosophy
READ Marx pp. 28-39; 56-79; 99-101

b) Historical Materialism
READ Marx pp. 209-14; 157-86;

c) Economics
READ Marx pp. 216-300

d) Politics
READ Marx pp. 316-32

Websites:
[Marx-Engels Internet Archive](#) www.marxists.org

Stanford Encyclopedia of Philosophy: <http://plato.stanford.edu/entries/marx/>

March 4

The Vision of J.S. Mill

- a) John Stuart Mill: *Principles of Political Economy* Book IV chapters 1, 6, 7
(available on-line)

Websites: <http://www.econlib.org/library/Mill/mlP.html>

Stanford Encyclopedia of Philosophy: <http://plato.stanford.edu/entries/mill/>

March 9: Review for exam

IN CLASS EXAM 1: March 11

March 18, 23, 25, 30

Technology, Democracy, and the Modern World



- a) Rethinking Capitalism
READ Schumpeter Part II

b) Rethinking Democracy
READ Schumpeter Part IV

Essay #2 due on November 6: write an essay that either accepts or rejects the following thesis: Schumpeter's theory of capitalism is a logical extension of Marx's view of historical development. Limit your essay to 4 pages double-spaced, 12 font, reasonable margins.

April 1, 6, 8, 13

The Revival of Smith and the Critique of the Welfare State



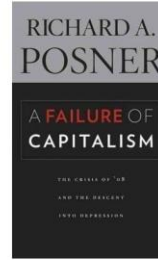
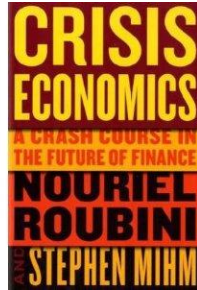
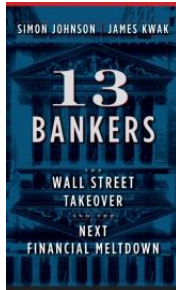
READ: Hayek End of Serfdom (all)

Websites:

Concise Encyclopedia of Economics: www.econlib.org/library/Enc/bios/Hayek.html

April 15, 20, 22

The Economic Crisis of 2008 and the Fate of Capitalist Democracy



Websites:

<http://uchicagolaw.typepad.com/beckerposner/>

April 27:

Looking Back and Going Forward: Reflections Upon Political Economy and the Twenty-first Century

IN CLASS:

IN CLASS SECOND EXAM.

Grading Policy

There will be 2 in-class exams in the course, each worth 35% of the final grade. The in-class exam will be composed of a series of short answer questions and a long answer question. Potential long answer questions for the in-class exams will be handed out 5 days before the exam. The two short essays will each be worth 10% of the final grade. Attendance will comprise 5% of the final grade. Class participation and quizzes will comprise 5% of the final grade.

