

Political-Economic Theories

PPPE6301

Fall 2016

Tue 7:00pm - 9:45pm

GR 4.208

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Course Description

How can long-dead Adam Smith help us explain sex trafficking of Thai women to Japan? What insights can Karl Marx provide for explaining the Financial Crisis of 2008? What can Schumpeter teach us about cartels in the Mexican Telecom Industry? This seminar provides a grand overview of the big thinkers in political economy from Malthus and Ricardo, to Keynes, Freeman and Lucas Jr., to Olson, Gerschenkron and Polanyi, and many more. In addition to introducing these old theories, each class explores their relevance to current times using case studies of real world scenarios.

Course Objectives and Learning Outcomes

Discussions concerning topics in political economy are typically both interesting and heated. For any given topic, several legitimate positions can typically be adopted – even though they might contradict each other. Which of these positions is the ‘best’ position often depends on the criteria used to evaluate the problem: Is the objective to reduce costs or to uphold ethical standards? Is it about benefiting consumers or favoring producers? In other words, there might not be a ‘correct’ answer, but there might be a ‘best’ answer given the criteria by which you judge what is most appropriate in a certain situation. The objective of this course is to enable you to evaluate the validity of competing arguments in order to identify the ‘best’ answer. To achieve this, the course offers the opportunity to sharpen your analytical skills. We focus on two learning outcomes: a) how to evaluate the theoretical merit of competing arguments, and b) how to obtain and understand empirical evidence to adjudicate between competing arguments. In sum, you will learn how to make sense of messy real-world situations by examining competing arguments in a theoretically-informed and evidence-based way.

Teaching Method

Issues in political economy often offer no ‘correct’ answer but only a ‘best’ answer that are most appropriate given some criteria by which to evaluate the possible answers. Consequently, this course offers an opportunity to prepare for a career in settings where there are no clear-cut answers either, such as consulting, finance and law. In addition to the analytical skills, skills such as teamwork, argumentation, writing and independent project management are required as well.

I use teaching methods that offer the opportunity to develop these workplace-related skills while you are investigating Political Economy issues. For example, the class will be divided in teams that work together for the entire semester. During class time I frequently give small in-class assignments that need to be solved by the teams in order to facilitate your ability to work in a team. Further, I require students to

produce written output such as short memos. These assignments convey basic writing and argumentation skills, which you need at your workplace later on.

I subscribe to these teaching methods not only to prepare you for the workplace, but also from a pedagogical perspective. Research shows that student learning is enhanced by providing active learning opportunities. In other words, you will learn more if I engage you with tasks than if I would simply lecture to you.

Assignments and Academic Calendar

Week 1 (8/23) – Introduction

Required

none

Recommended

J.A. Caporaso and David K Levine. Introduction. In *Theories of political economy*. Cambridge University Press, 1992.

R.L. Heilbroner. The Economic Revolution. In *The worldly philosophers: the lives, times, and ideas of the great economic thinkers*. Touchstone, 1999.

Lefteris Tsoulfidis. The Origins of Economic Theory. In *Competing Schools of Economic Thought*. Springer, October 2010.

Week 2 (8/30) – Classical economics: Smith

Required

R.L. Heilbroner. The Wonderful World of Adam Smith. In *The worldly philosophers: the lives, times, and ideas of the great economic thinkers*. Touchstone, 1999.

J.A. Caporaso and D.P. Levine. The classical approach. In *Theories of political economy*. Cambridge University Press, 1992.

Lefteris Tsoulfidis. Adam Smith's Wealth of Nations. In *Competing Schools of Economic Thought*. Springer, October 2010. [3.3; 3.6-3.8.1]

Recommended

Naazneen H Barma and Steven K Vogel, editors. *The Political Economy Reader*. Markets as Institutions. Routledge, September 2007. [Chapter on Smith]

Lars G Magnusson. Mercantilism. In Warren J Samuels, Jeff E Biddle, and John B Davis, editors, *A Companion to the History of Economic Thought*, pages 1–15. Wiley-Blackwell, August 2006.

Andrew S Skinner. Adam Smith (1723 –1790): Theories of Political Economy. In Warren J Samuels, Jeff E Biddle, and John B Davis, editors, *A Companion to the History of Economic Thought*, pages 1–18. Wiley-Blackwell, August 2006.

Lorenzo Bernaldo de Quirós. Book Review: Why Globalization Works. *Cato Journal*, 24(3):379–386, 2004.

Week 3 (9/6) – Classical economics: Malthus and Ricardo

Required

R.L. Heilbroner. The Gloomy Presentiments of Parson Malthus and David Ricardo. In *The worldly philosophers: the lives, times, and ideas of the great economic thinkers*. Touchstone, 1999.

Fiona Cameron MacLachlan. The Ricardo-Malthus debate on underconsumption: A case study in economic conversation. *History of Political Economy*, 31(3):563–574, 1999.

Lefteris Tsoulfidis. The Structure of Classical Theory. In *Competing Schools of Economic Thought*. Springer, October 2010. [6.3 and 6.5]

Recommended

Thomas Malthus. *An Essay on the Principle of Population*. September 1998. [Ch.1,2,5,16]

David Ricardo. *On the Principles of Political Economy and Taxation*. August 1817. [Preface, Ch.1,2,7,8,32]

Lefteris Tsoulfidis. David Ricardo's Principles of Political Economy. In *Competing Schools of Economic Thought*. Springer, October 2010.

W Dixon. Ricardo: Economic thought and social order. *Journal of the History of Economic Thought*, 30(2):235–253, 2008.

Denis P O'Brien. Classical Economics. In Warren J Samuels, Jeff E Biddle, and John B Davis, editors, *A Companion to the History of Economic Thought*, pages 1–18. Wiley-Blackwell, August 2006.

Week 4 (9/13) – Marxist Economics

Required

J.A. Caporaso and David K Levine. Marxian political Economy. In *Theories of political economy*. Cambridge University Press, 1992.

R.L. Heilbroner. The Inexorable System of Karl Marx. In *The worldly philosophers: the lives, times, and ideas of the great economic thinkers*. Touchstone, 1999.

A. Przeworski and J.D. Sprague. *Paper Stones: A History of Electoral Socialism*. University of Chicago Press, 1986. [Ch. 2]

Recommended

James P Henderson. Agency or alienation? Smith, Mill, and Marx on the joint-stock company. *Political Economy*, pages 1–21, September 2008.

Lefteris Tsoulfidis. Karl Marx's Das Kapital. In *Competing Schools of Economic Thought*. Springer, October 2010.

Michael Charles Howard and John Edward King. Karl Marx and the decline of the market. *Journal of the History of Economic Thought*, 30(02):217–234, 2008.

J. King. Non-Marxian Socialism. In Warren J Samuels, Jeff E Biddle, and John B Davis, editors, *A Companion to the History of Economic Thought*, pages 1–17. Wiley-Blackwell, August 2006.

Geert Reuten. Karl Marx: His Work and the Major Changes in its Interpretation. In Warren J Samuels, Jeff E Biddle, and John B Davis, editors, *A Companion to the History of Economic Thought*, pages 1–19. Wiley-Blackwell, August 2006.

Richard D Wolff Stephen A Resnick. *Contending Economic Theories*. Neoclassical, Keynesian, and Marxian. August 2012. [Marx]

Naazneen H Barma and Steven K Vogel, editors. *The Political Economy Reader*. Markets as Institutions. Routledge, September 2007. [Chapters on Marx and Engels, List]

Week 5 (9/20) – Neoclassical Economics

Required

J.A. Caporaso and D.P. Levine. Neoclassical political economy. In *Theories of political economy*. Cambridge University Press, 1992.

Richard D Wolff Stephen A Resnick. *Contending Economic Theories*. Neoclassical, Keynesian, and Marxian. August 2012. [p.51-71]

Recommended

Lefteris Tsoulfidis. The Structure of the Neoclassical Theory. In *Competing Schools of Economic Thought*. Springer, October 2010. [7.2-7.3]

Robert A Solo. Neoclassical economics in perspective. *Journal of Economic Issues*, pages 627–644, 1975.

Lefteris Tsoulfidis. Theory of Capital and Cambridge Controversies. In *Competing Schools of Economic Thought*. Springer, October 2010.

R.L. Heilbroner. *The worldly philosophers: the lives, times, and ideas of the great economic thinkers*. Touchstone, 1999. [Ch. 7]

Vincent J Tarascio. Vilfredo Pareto and Marginalism. *History of Political Economy*, 4(2):406–425, 1972.

Donald A Walker. Early General Equilibrium Economics: Walras, Pareto, and Cassel. In Warren J Samuels, Jeff E Biddle, and John B Davis, editors, *A Companion to the History of Economic Thought*, pages 1–16. Wiley-Blackwell, August 2006.

Peter Groenewegen. English Marginalism: Jevons, Marshall, and Pigou. In Warren J Samuels, Jeff E Biddle, and John B Davis, editors, *A Companion to the History of Economic Thought*, pages 1–16. Wiley-Blackwell, August 2006.

Steven Horwitz. The Austrian Marginalists: Menger, Böhm-Bawerk, and Wieser. In Warren J Samuels, Jeff E Biddle, and John B Davis, editors, *A Companion to the History of Economic Thought*, pages 1–16. Wiley-Blackwell, August 2006.

Mark Blaug. Was there a marginal revolution? *History of Political Economy*, 4(2):269–280, 1972.

Michel De Vroey. The transition from classical to neoclassical economics: a scientific revolution. *Journal of Economic Issues*, pages 415–439, 1975.

Christian Arnsperger and Yanis Varoufakis. What is neoclassical economics. *Panoeconomicus*, 51(1):1–13, October 2005.

Lefteris Tsoulfidis. Between Competition and Monopoly. In *Competing Schools of Economic Thought*. Springer, October 2010. [Excerpts]

Week 6 (9/27) – Keynesian Economics

⇒ Due: Short Paper 1

Required

J.A. Caporaso and D.P. Levine. Keynesian political economy. In *Theories of political economy*. Cambridge University Press, 1992.

R.L. Heilbroner. The Heresies of John Maynard Keynes. In *The worldly philosophers: the lives, times, and ideas of the great economic thinkers*. Touchstone, 1999.

Richard D Wolff Stephen A Resnick. *Contending Economic Theories*. Neoclassical, Keynesian, and Marxian. August 2012. [p.105-125]

Recommended

A Nentjes. Hayek and Keynes:A Comparative Analysis of Their Monetary Views. pages 1–16, August 2007.

J.M. Keynes. The German Transfer Problem. *Economic Journal*, 39(153):1–7, 1929.

B. Ohlin. Transfer Difficulties - Real and Imagined. *Economic Journal*, 39:172–1978, 1929.

J.M. Keynes and B. Ohlin. The reparations problem: a discussion. II. A rejoinder. *The Economic Journal*, 39:179–182, 1929.

Lefteris Tsoulfidis. Keynes's General Theory. In *Competing Schools of Economic Thought*. Springer, October 2010.

Lefteris Tsoulfidis. The Neoclassical Synthesis. In *Competing Schools of Economic Thought*. Springer, October 2010.

Lefteris Tsoulfidis. Disequilibrium Macroeconomics: From Its Brief Ascent to the Rapid Decline. In *Competing Schools of Economic Thought*. Springer, October 2010.

Robert W Dimand. Interwar Monetary and Business Cycle Theory: Macroeconomics before Keynes. In Warren J Samuels, Jeff E Biddle, and John B Davis, editors, *A Companion to the History of Economic Thought*, pages 1–18. Wiley-Blackwell, August 2006.

R E Backhouse and B W Bateman. Keynes and Capitalism. *History of Political Economy*, 41(4):645–671, November 2009.

Kevin D Hoover. A History of Postwar Monetary Economics and Macroeconomics. In Warren J Samuels, Jeff E Biddle, and John B Davis, editors, *A Companion to the History of Economic Thought*, pages 1–17. Wiley-Blackwell, August 2006.

G C Harcourt and Prue Kerr. Keynes and the Cambridge School. In Warren J Samuels, Jeff E Biddle, and John B Davis, editors, *A Companion to the History of Economic Thought*, pages 1–17. Wiley-Blackwell, August 2006.

Peter Groenewegen. Keynes and Marshall: Methodology, society, and politics. *History of Political Economy*, 27(Supplement):129–155, 1995.

Week 7 (10/4) – Return of the Classics

Required

Lefteris Tsoulfidis. The Rise and Fall of Monetarism. In *Competing Schools of Economic Thought*. Springer, October 2010. [Skip 13.3-13.4]

Paul Krugman. Who Was Milton Friedman? *New York Review of Books*, pages 1–13, February 2007.

Anna J Schwartz and Edward Nelson. ‘Who Was Milton Friedman?’ - Response. *New York Review of Books*, pages 1–4, March 2007.

Paul Krugman. 'Who Was Milton Friedman?' - Response to the Response. *New York Review of Books*, pages 1–1, March 2007.

I S Abdalla and O Pino-Santos. Joint statement on the Nobel Prize Award to Dr. Milton Friedman. *The Review of Black Political Economy*, 1977.

Lefteris Tsoulfidis. New Classical Macroeconomics. In *Competing Schools of Economic Thought*. Springer, October 2010. [Skip 14.7-14.8]

Recommended

Christopher Mayer. Housing Bubbles: A Survey. *Annual Review of Economics*, 3(1):559–577, September 2011.

Alan S Blinder. Keynes, Lucas, and Scientific Progress. *The American Economic Review*, 77(2):130–136, May 1987.

Nahid Aslanbeigui and Steven G Medema. Beyond the dark clouds: Pigou and Coase on social cost. *History of Political Economy*, 30(4):601–625, 1998.

Michel De Vroey. Friedman and Lucas on the Phillips Curve: from a Disequilibrium to an Equilibrium Approach. *Eastern Economic Journal*, 27(2):127–148, 2001.

Naazneen H Barma and Steven K Vogel, editors. *The Political Economy Reader*. Markets as Institutions. Routledge, September 2007. [Chapters on Hayek, Friedman]

Peter J Boettke and Peter T Leeson. The Austrian School of Economics. In Warren J Samuels, Jeff E Biddle, and John B Davis, editors, *A Companion to the History of Economic Thought*, pages 1–9. Wiley-Blackwell, August 2006.

S Abu Turab Rizvi. Postwar Neoclassical Microeconomics. In Warren J Samuels, Jeff E Biddle, and John B Davis, editors, *A Companion to the History of Economic Thought*, pages 1–18. Wiley-Blackwell, August 2006.

D Laidler. Lucas, Keynes, and the crisis. *Journal of the History of Economic Thought*, 32(01):39–62, 2010.

Week 8 (10/11) – Economic approaches to politics

Required

J.A. Caporaso and D.P. Levine. Economic approaches to politics. In *Theories of political economy*. Cambridge University Press, 1992.

J. Bonner. *Introduction to the theory of social choice*. Johns Hopkins University Press, 1986. [Ch.4]

M. Olson. *Logic of Collective Action: Public Goods*. Harvard University Press, 1971. [p.5-16, p.33-43]

A. Downs. The Causes and Effects of Rational Abstention. In *An economic theory of democracy*. Harper Press, 1957. [260-276]

Recommended

G.W. Cox. The Empirical Content of Rational Choice Theory: A Reply to Green and Shapiro. *Journal of Theoretical Politics*, 11(2):147, 1999.

Ole Rogeberg. Taking Absurd Theories Seriously: Economics and the Case of Rational Addiction Theories*. *Philosophy of science*, 71(3):263–285, 2004.

David Austen-Smith. Economic Methods in Positive Political Theory. In Barry R Weingast and Donald Wittman, editors, *Oxford Handbook of Political Economy*, pages 1–16. January 2013.

Herve Moulin. Social Choice. In Barry R Weingast and Donald Wittman, editors, *Oxford Handbook of Political Economy*, pages 1–17. January 2013.

Kenneth A Shepsle and Barry R Weingast. Why So Much Stability?: Majority Voting, Legislative Institutions, and Gordon Tullock. *Public Choice*, 152(1-2):83–95, 2012.

A. Downs. The Basic Logic of Voting. In *An economic theory of democracy*. Harper Press, 1957.

Donald Green and I. Shapiro. *Pathologies of Rational Choice Theory: A Critique of Applications in Political Science*. Yale University Press, 1994. [Ch.4]

Week 9 (10/18) – Political approaches to economics

Required

R.C. Fair. *Predicting Presidential Elections and Other Things*. Stanford University Press, 2002. [pages 1-13]

D.A. Hibbs Jr. Political parties and macroeconomic policy. *The American Political Science Review*, pages 1467–1487, 1977.

Alberto Alesina and Jeffrey D. Sachs. Political Parties and the Business Cycle in the United States, 1948-1984. *Journal of Money, Credit and Banking*, 20(1):63–82, 1988.

D.C. North and B.R. Weingast. Constitutions and Commitment: The Evolution of Institutions Governing Public Choice in Seventeenth-Century England. *The Journal of Economic History*, 49(4):803–832, 1989.

Recommended

A. Przeworski. Institutions Matter? *Government and Opposition*, 39(4):527–540, 2004.

Edward R Tuft. *Political control of the economy*. Princeton Univ Pr, 1980. [Ch.1]

Daron Acemoglu, Simon Johnson, and James A. Robinson. The colonial origins of comparative development: an empirical investigation. *American Economic Review*, 91(5):1369–1401, 2001.

M. Olson. Dictatorship, Democracy, and Development. *The American Political Science Review*, 87(3):567–576, 1993.

Daron Acemoglu and James A. Robinson. Economic Backwardness in Political Perspective. *American Political Science Review*, 100(01):115–131, 2006.

Dani Rodrik. Institutions for High-Quality Growth: What They Are and How to Acquire Them. *Studies in Comparative International Development (SCID)*, 35(3):3–31, 2000.

Week 10 (10/25) – Power

Required

J.A. Caporaso and D.P. Levine. Power-centered approaches to political economy. In *Theories of political economy*. Cambridge University Press, 1992.

Terry M Moe. Power and Political Institutions. *Perspectives on Politics*, 3(2):215–233, 2005.

R. Rogowski and M.A. Kayser. Majoritarian Electoral Systems and Consumer Power: Price-Level Evidence from the OECD Countries. *American Journal of Political Science*, 46(3):526–539, 2002.

Adam Przeworski and Michael Wallerstein. Structural dependence of the state on capital. *The American Political Science Review*, pages 11–29, 1988.

Recommended

- Joseph A Schumpeter. *Capitalism, Socialism and Democracy*. George Allen & Unwin, May 1943. [Ch.7,8]
- A.O. Hirschman. *Exit, voice, and loyalty: Responses to Decline in Firms, Organizations, and States*. Harvard University Press, 1970. [Ch.1]
- T Nicholas. Why Schumpeter was right: innovation, market power, and creative destruction in 1920s America. *Journal of Economic History*, 63(4):1023–1058, 2003.
- R.H. Coase. The Nature of the Firm. *Economica*, 4(386):405, 1937.
- Peter B Evans. *Dependent Development: The Alliance of Multinational, State, and Local Capital in Brazil*. Princeton University Press, 1979. [Introduction]
- Steve Krasner. State power and the structure of international trade. *World Politics*, pages 317–347, 1976.
- R.O. Keohane. After hegemony: Cooperation and discord in the world political economy. 1984.
- Lloyd Gruber. *Ruling the World. Power Politics and the Rise of Supranational Institutions*. Princeton University Press, March 2000.

Week 11 (11/1) – State

⇒ Due: Short Paper 2

Required

- J.A. Caporaso and David K Levine. State-centered approaches to political economy. In *Theories of political economy*. Cambridge University Press, 1992.
- Anne O Krueger. Government Failures in Development. *The Journal of Economic Perspectives*, 4(3):9–23, 1990.
- H.J. Chang. The political economy of industrial policy in Korea. *Cambridge Journal of Economics*, 17(2):131, 1993.

Recommended

- Steven G Medema. The Economic Role of Government in the History of Economic Thought. In Warren J Samuels, Jeff E Biddle, and John B Davis, editors, *A Companion to the History of Economic Thought*, pages 1–17. Wiley-Blackwell, August 2006.
- A. Shonfield. *Modern capitalism*. Oxford Univ. Press, 1969.
- R.H. Wade. *Governing the Market: Economic Theory and the Role of Government in East Asian Industrialization*. Princeton University Press, 1990. [Ch.1]
- Naazneen H Barma and Steven K Vogel, editors. *The Political Economy Reader*. Markets as Institutions. Routledge, September 2007. [Chapter on Johnson]
- Kiren Aziz Chaudhry. The Myths of the Market and the Common History of Late Developers. *Politics & Society*, 21(3):245–274, September 1993.
- D. Lal. The Dirigiste Dogma. In *The Poverty of Development Economics*. MIT Press, 2000.
- Alice H Amsden. *Asia's Next Giant*. South Korea and Late Industrialization. Oxford University Press on Demand, April 1992.
- Paul Krugman. The Myth of Asia's Miracle. *Foreign Affairs*, 73:62, 1994.
- Peter B Evans. *Embedded autonomy: states and industrial transformation*. Princeton University Press, 1995.

- Anne Wren. Comparative Perspectives on the Role of the State in the Economy. In Barry R Weingast and Donald Wittman, editors, *Oxford Handbook of Political Economy*, pages 1–14. January 2013.
- Martin Wolf. Sad about the State. In *Why Globalization Works*. Yale University Press, 2005.
- Helmut Herwartz and Bernd Theilen. Partisan influence on social spending under market integration, fiscal pressure and institutional change. *European Journal of Political Economy*, pages 1–57, November 2013.
- Naazneen H Barma and Steven K Vogel, editors. *The Political Economy Reader*. Markets as Institutions. Routledge, September 2007. [Chapter on Strange]

Week 12 (11/8) – History

Required

- W.W. Rostow. The Five Stages of Growth—A Summary. In *Politics and the stages of growth*, pages 4–16. Cambridge University Press, 1960.
- A. Gerschenkron. *Economic Backwardness in Historical Perspective*. Routledge, 1962. [Ch.1]
- Ha-Joon Chang. *Kicking away the ladder*. Development Strategy in Historical Perspective. Anthem London, 2002. [Ch.2]

Recommended

- Scott Page. Path Dependence. *Quarterly Journal of Political Science*, 1(1):87–115, 2006.
- Geoffrey M Hodgson. The Limitations of General Theory. In *How economics forgot history: The problem of historical specificity in social science*. Routledge, 2002.
- Robert M. Solow. Economic history and economics. *American Economic Review*, 75(2):328–331, 1985.
- George J Stigler. Does economics have a useful past? *History of Political Economy*, 1(2):217–230, 1969.
- Keith Tribe. Historical Schools of Economics: German and English. In Warren J Samuels, Jeff E Biddle, and John B Davis, editors, *A Companion to the History of Economic Thought*, pages 1–16. Wiley-Blackwell, August 2006.
- Hamid S Hosseini. Contributions of Medieval Muslim Scholars to the History of Economics and their Impact: A Refutation of the Schumpeterian Great Gap. In Warren J Samuels, Jeff E Biddle, and John B Davis, editors, *A Companion to the History of Economic Thought*, pages 1–18. Wiley-Blackwell, August 2006.
- Geoffrey M Hodgson. Are there universals in social and economic theory? In *How economics forgot history: The problem of historical specificity in social science*. Routledge, 2002.
- James Fearon. Counterfactuals and Hypothesis Testing in Political Science. *World Politics*, 43(2):169–195, 1991.
- Giovanni Capoccia and R Daniel Kelemen. The study of critical junctures: theory, narrative, and counterfactuals in historical institutionalism. *World Politics*, 59(03):341–369, 2007.
- Janet Box-Steffensmeier and B.S. Jones. Time is of the Essence: Event History Models in Political Science. *American Journal of Political Science*, 41(4):1414–1461, 1997.
- John R. Freeman. Can Time Series Methods Be Used to Detect Path Dependence? *Working Paper*, 2010.
- R.J. Franzese, Jude C Hays, and A Kachi. Modeling History Dependence in Network-Behavior Coevolution. *Political Analysis*, 20(2):175–190, April 2012.
- W.W. Rostow. The Five Stages of Growth—A Summary. In *Politics and the stages of growth*, pages 4–16. Cambridge University Press, 1960.

David A Lake. British and American Hegemony Compared: Lessons for the Current Era of Decline. In *International Political Economy*. Routledge, March 2003.

Peter Alexis Gourevitch. International Trade, Domestic Coalitions, and Liberty: Comparative Responses to the Crisis of 1873–1896. In *International Political Economy*. Routledge, March 2003.

Charles P Kindleberger. The Rise of Free Trade in Western Europe. In *International Political Economy*. Routledge, March 2003.

Week 13 (11/15) – Culture

Required

Gudmund Hernes. The Logic of The Protestant Ethic. *Rationality and Society*, 1(1):123–162, July 1989. [p.123-130 and p.148-151]

R.L. Heilbroner. The Savage Society of Thorstain Veblen. In *The worldly philosophers: the lives, times, and ideas of the great economic thinkers*. Touchstone, 1999.

F. Block. Karl Polanyi and the writing of The Great Transformation. *Theory and Society*, 32(3):275–306, 2003.

Neil Fligstein. Markets as Institutions. In *The architecture of markets: An economic sociology of twenty-first-century capitalist societies*. Princeton University Press Princeton, 2002.

Recommended

K. Polanyi. *The great transformation: Economic and political origins of our time*. New York: Rinehart, 1944. [Ch.3,4,5,6]

Max Weber. *The Protestant Ethic and the Spirit of Capitalism*. Routledge, December 2011.

D.S. Landes. *The Wealth and Poverty of Nations: Why Some Are So Rich and Others So Poor*. New York: WW Norton, 1998. [Ch.12]

Andrea Migone. Embedded markets: A dialogue between F.A. Hayek and Karl Polanyi. *The Review of Austrian Economics*, 24(4):355–381, April 2011.

Gareth Dale. Lineages of embeddedness: On the antecedents and successors of a Polanyian concept. *American Journal of Economics and Sociology*, 70(2):306–339, 2011.

G Dale. Double movements and pendular forces: Polanyian perspectives on the neoliberal age. *Current Sociology*, 60(1):3–27, January 2012.

Vicki Birchfield. Contesting the hegemony of market ideology: Gramsci's 'good sense' and Polanyi's 'double movement'. *Review of International Political Economy*, 6(1):27–54, 1999.

Richard W Ault and Robert B Ekelund. Habits in economic analysis: Veblen and the neoclassicals. *History of Political Economy*, 20(3):431–445, 1988.

Neil Fligstein. Markets as politics: a political-cultural approach to market institutions. *American Sociological Review*, pages 656–673, 1996.

Week 14 (11/22) – no class (Thanksgiving)

Week 15 (11/29) – Comparative Capitalisms

⇒ Due: Short Paper 3

Required

Torben Iversen. Capitalism and Democracy. In Barry R Weingast and Donald Wittman, editors, *Oxford Handbook of Political Economy*, pages 1–23. January 2013.

Gøsta Esping-Andersen. The Three Political Economies of the Welfare State. In *The three worlds of welfare capitalism*. Polity Press Cambridge, UK, 1990. [p.18-29]

Jonas Pontusson. Varieties of Capitalism. In *Inequality and Prosperity: Social Europe Vs. Liberal America*. Cornell University Press, 2005.

Jonas Pontusson. Macro-Economic Management and Wage Bargaining. In *Inequality and Prosperity: Social Europe Vs. Liberal America*. Cornell University Press, 2005. [p.95-103]

Recommended

Peter A. Hall and David Soskice. An Introduction to Varieties of Capitalism. In Peter A. Hall and David Soskice, editors, *Varieties of Capitalism*. Oxford University Press, USA, 2001. [p.21-33]

Torben Iversen and David Soskice. New Macroeconomics and Political Science. *Annual Review of Political Science*, 9, 2006.

Naazneen H Barma and Steven K Vogel, editors. *The Political Economy Reader*. Markets as Institutions. Routledge, September 2007. [Chapter on Seldon]

Jonas Pontusson. *Inequality and Prosperity: Social Europe Vs. Liberal America*. Cornell University Press, 2005. [Ch.1-4]

Charles Edward Lindblom. Chosen Domain. In *The Market System*. Yale University Press, 2002.

Stephen K Vogel. Why Freer Markets Need More Rules. In Marc K Landy, Martin A Levin, and Martin Shapiro, editors, *Creating Competitive Markets: The Politics of Regulatory Reform*, pages 1–13. Brookings Institution Press, November 2007.

Charles Edward Lindblom. Alternative Market Systems. In *The Market System*. Yale University Press, 2002.

Torben Iversen and A. Wren. Equality, Employment, and Budgetary Restraint: The Trilemma of the Service Economy. *World Politics*, 50(4):507–546, 1998.

M. Estevez-Abe, Torben Iversen, and David Soskice. Social Protection and the Formation of Skills: A Reinterpretation of the Welfare State. In Peter A. Hall and David Soskice, editors, *Varieties of Capitalism*. Oxford University Press, USA, 2001.

Week 16 (12/06) – Dissertation Workshop

No readings

Structure of Class

Each class has three parts: A Round-of-Questions, a discussion, and a case study. For the Round-of-Questions, each student will prepare three questions about the readings and share them at the beginning of each class. These questions should be pretty specific, and they should focus on the theory proposed (not the personal background of the author, etc.). For example, "I don't understand why the author argues that A follows B - could we clarify this issue?", "Why does the author think that X is going to happen, because from my understanding Y is much more likely?", or "Why does B follow from A for author X while author Y apparently has a very different take on this?". As you can see, "why"-questions are good questions. Each of you should come with at least 3 of such specific questions.

You don't need to know the answers, but you should expect that I will ask you to clarify your questions. The intention of the Round-of-Reflections is to ensure every student has completed the readings, as the failure to do so will be obvious during this part of class.

Second, I will use these questions to create an agenda for a guided discussion of the readings. After a short break we will change gears: Using case-studies, we will think about how the insights from our discussion can be applied to questions in the realm of academe, government and the private sector. I will conclude the class by reviewing the key 'take-away' points from this class and provide some guidance regarding the readings for the following week.

Grading Policy

This course will use several types of assignments to assess your learning.

- 3 Short Papers (50 points each = 150 points): One of the key skills required of each graduate student is to ask good questions and think of several potential answers. The short paper provides an opportunity to sharpen these skills. The paper has three parts. First, it requires you to identify an empirical puzzle in the news of the past year. For example, two neighboring countries that share the same political system, same geographical location, same cultural background might behave very differently when confronted with a particular phenomenon. Second, you are asked to derive a research question from this puzzle. For example, why did Ecuador obtain a loan from the Chinese while neighboring Colombia did not? Third, you will need to come up with three competing hypotheses that each could provide an answer to the research question. These three hypotheses must be closely related to three different approaches discussed in class. The short papers have a word limit of 1750 words.
- Class Attendance and Participation (100 points): Class participation is essential for this course's success – particularly during the Round-of-Questions and the theoretical discussion. As such, students' final grades will depend in large part on their preparation, participation in class discussion, and general contribution to the course's intellectual climate.

The final course grade calculation therefore consists of the following components:

- 3 short papers: 150 points
- Dissertation Workshop: 50 points
- Participation: 50 points
- **Total: 250 points**

Note: Please consider the course policies on late work, missed exams, and grade disputes at the end of this document.

Expectations

What I expect of my students

- Willingness to work: As a general rule, one credit represents three hours of academic work per week (including lectures, laboratories, recitations, discussion groups, field work, study, and so on), averaged over the semester. In other words, you need to invest time into this course, otherwise the benefits and the grades you get might not be what you want.

- Classroom etiquette: You are expected to complete the assigned readings prior to the class session for which they are scheduled. Lectures and discussions will not duplicate, but instead will build on, and hence assume prior familiarity with the assigned readings. Your active, informed, and civil participation in discussion and class activities is expected. You are responsible for remaining attentive in class, arriving prepared to discuss course materials, and respecting other members of the class as you and they participate.
- Obligations to other students: You will be assigned to a team of about 5 students that will work together the entire semester. Each team will have the opportunity to agree on how the teamwork should happen. You are expected to work with your teammates in the manner that all team members agreed upon.
- Course policies: Please read the course policies at the end of this syllabus. They facilitate a learning experience that is as efficient and effective as possible. Further, they represent the professional code of conduct in the real world.

What you can expect from the instructor

- I offer a learning environment that challenges you in order to provide opportunities for growth. I will be prepared to the best of my abilities.
- I encourage you to explore your own ideas in response to the assigned tasks. I will be open-minded in responding to your ideas and suggestions. I will offer constructive feedback.
- I am open to constructive feedback from you on my performance. If you have ideas or suggestions, please do not hesitate to discuss them with me. I am committed to make this the best possible classroom experience.

Course Policies

Late work

- Late papers, projects, homework, and other assignments: With regard to papers, projects and other out-of-class assignments, my late-policy is two-fold. First, due dates are due dates. Late work will be subjected to a penalty in the form of points deducted. This deduction will increase exponentially with lateness. More specifically, I will deduct 20% of the points achieved for a 12 hours delay, 50% for 24 hours, and 100% for more than 48 hours. This policy is justified as all deadlines are announced at the beginning of the semester in the syllabus (and the fact that your future boss will not be impressed if you cannot finish work assignments on time). Please note that it is always possible to hand in an assignment early.
- Incomplete coursework: Incompletes will be granted only in the case of documented long-term illness, and if you and I jointly complete the required paperwork with the Undergraduate Associate Dean of EPPS, which is available here:
<http://catalog.utdallas.edu/2013/undergraduate/policies/academic#incomplete-grades>
- Extra credit: Extra credit activities or coursework resubmission will not be permitted. Do your best the first time around.

Academic Misconduct

Students are expected to do their own assigned work. If it is determined that a student has engaged in any form of Academic Dishonesty, he or she may be given an *F* or an *N* for the course, and may face additional sanctions from the University. Academic dishonesty in any portion of the academic work for a course shall be grounds for awarding a grade of *F* or *N* for the entire course.

Sexual Harassment

University policy prohibits sexual harassment as defined in the University Policy Statement (<http://www.utdallas.edu/legal/title9/contactharass.html> and <http://www.utdallas.edu/hrm/er/complaints/harassment.php5>). This is a serious offense, and I feel strongly about addressing it. Complaints about sexual harassment should be reported to the Dean of Students, Office of Student Life, Student Union Room 1, phone 972-883-6391 or email gene.fitch@utdallas.edu. However, I also want you to know that you can also talk to me as well about any issues that come up.

Accommodations for Students with Disabilities

Participants with special needs are strongly encouraged to talk to me as soon as possible to gain maximum access to course information. It is important to me that everyone who wants to take this class is not prevented from doing so due to special needs. University policy is to provide, on a flexible and individualized basis, reasonable accommodations to students who have documented disability conditions (e.g., physical, learning, psychiatric, vision, hearing, or systemic) that may affect their ability to participate in course activities or to meet course requirements. Students with disabilities are encouraged to contact the Office of Student AccessAbility and their instructors to discuss their individual needs for accommodations. The Office of Student AccessAbility is located in SSB 3.200. Staff can be reached at studentaccess@utdallas.edu or by calling 972-883-2098. For more information see <http://www.utdallas.edu/studentaccess/>

Please note, however, that if you have any concerns regarding how special needs might affect the assessment of your performance, you have to talk to me *prior* to the date of the assessment. I cannot make grade adjustments after the fact.

Statement regarding diversity

I strongly believe that diversity is an asset rather than a liability. For one, in a globalized world you will be exposed to people who are different from you. Therefore, it is necessary to recognize that people who are different in almost all cases bring something valuable to the table: Experiences that you can learn from, insights that were not apparent to you, skills that you do not have, or knowledge that you can benefit from. It is my intention to create a learning environment in this class that allows everyone to share their unique strengths. This is not only my personal belief. After all, research shows that the best work is usually produced by groups that combine the different comparative advantages of their group members.

I therefore emphasize that I will welcome anyone to my class, regardless of your sexual orientation, religious observances, political orientation, physical characteristics, cultural background, nationality, or any other characteristic. I recognize that I myself am not perfect, but I promise you to make every effort. If you have any concerns with respect to your acceptance in the classroom I strongly encourage you to talk with me.

Technology in the classroom

Laptops are allowed and even encouraged in the classroom. Bring yours to classes, as we will frequently use it for group activities and short in-class writing assignments. However, I do expect you to use the laptop for activities related to the class only. That is, no gaming, no facebook, no emails, no chatting. I reserve the right to administer sanctions if your behavior does not align with these expectations.

However, any other technological items such as cell phones, Ipods, MP3 players, pagers, and PDAs need to be turned OFF during class. That's right: turn it off, rather than just setting it to vibrate. The purpose for this policy is that I want to minimize distractions during class. I do want you to be focused on the learning activities that will be going on. If I notice that you are not paying attention but instead are focused on your cell phone I reserve the right to do something about it.

Further, you are not allowed to make video- or audio-recordings of the classes without my prior permission. I reserve the right to legal action in case I observe you doing so. The reason why the dialogue between professors and students should stay within the closed community of the classroom is simple.

After all, academic freedom and completely honest communication in the classroom requires a certain degree of privacy for all the people in the classroom. Students and teachers alike need to be able to be frank, and they need to express their emotions honestly. A video- or audio recording will seriously impede the willingness of students to come forward and engage in an open and honest discussion.

UT Dallas Syllabus Policies and Procedures

The information contained in the following link constitutes the University's policies and procedures segment of the course syllabus. Please go to <http://go.utdallas.edu/syllabus-policies> for these policies.

The descriptions and timelines contained in this syllabus are subject to change at the discretion of the Professor.