Political Economy: Major Themes
York University, Political Science 6272 (0.3)
Winter, January 4 – April 4, 2006, Tuesday 9:30-12:30

Course Director: Jonathan Nitzan
Office: S650  ·  Office hours: Tuesday 2:30-3:30, or by appointment
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OVERVIEW
At the dawn of the 21st century, more and more people realize that ‘economics’ and ‘politics’ are intimately related. And yet, these two aspects of social existence are usually studied as separate ‘disciplines,’ each with its own categories language, and theories. Can this departmentalization be overcome? Should it? And if so, how?

The seminar deals with these questions by critically examining major themes of political economy. Topics are divided into two major categories: elements and aggregates. In the first part, the seminar examines the origins and implications of concepts such as supply and demand, equilibrium, utility and productivity, market organization, and the role of power. Part two, focusing on aggregates, covers the issues of national accounting, theories of prosperity and crisis, money and finance, economic policy, stagflation, welfare/warfare, and the global formations of trade, capital flows and currency regimes.

Throughout the seminar, the emphasis is not only on the ‘how,’ but also on the ‘why.’ Where have the concepts and theories come from? Why have they risen to prominence and what brought them down? Who benefited from them and who paid the price? Do they help us understand the world, or do they serve to conceal it? In these explorations, special emphasis is put on methodology, as well as the importance of empirical/historical analysis.

EVALUATION

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<td>OPTION 1: Short Paper 1</td>
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**Schedule**

**I. Elements**
1. *Jan 10* Political Economy: An Overview
2. *Jan 17* The Trinity: Supply, Demand, Equilibrium
3. *Jan 24* Utility and Productivity: The Quantity of Quality
4. *Jan 31* Market Organization: Ideal Types
5. *Feb 7* Prices or Profit?
   *Feb 14* [No class – Reading Week]

**II. Aggregates**
8. *Mar 6* Prosperity or Crisis?
12. *Apr 3* Across Boarders: Well Being or Power?

**Required Texts**


**Useful Texts**


**OUTLINE AND READINGS**

(* Indicates a more demanding reading.

1. Political Economy: An Overview

2. The Trinity: Supply, Demand, Equilibrium

*Introductory Readings*


*Required Readings*


**Recommended Readings**


**3. Utility and Productivity: The Quantity of Quality**

**Introductory Readings**


**Required Readings**


**Recommended Readings**


History of Political Economy (1972) 4, Fall. Issue devoted to the ‘marginal revolution’ in economics.

4. Market Organization: Ideal Types

Introductory Readings

Required Readings
Recommended Readings


5. Prices or Profit?

Introductory Readings


Required Readings


Recommended Readings


6. Power: the End of ‘Economics’?

*Introductory Readings*


*Required Readings*


*Recommended Readings*


*Required Readings*


Recommended Readings


Hicks, John. 1940. The Valuation of the Social Income. *Economica* 7 (2, May): 105-140. (eResources)


### 8. Prosperity or Crisis?

**Introductory Readings**


**Required Readings**


**Recommended Readings**


Hicks, John R. 1937. Mr. Keynes and the “Classics”; A Suggested Interpretation. *Econometrica* 5 (2, April): 147-159. (eResources)


9. Money and Finance

*Introductory Readings*


*Required Readings*


*Recommended Readings*


**10. Economic Policy**

*Introductory*

Watch Fritz Lang's 1926 *Metropolis* on the policy ‘dilemmas’ of the 1920s.

*Required Readings*


*Recommended Readings*


11a. Welfare, Warfare, or Profitfare?

Introductory Readings

Shaw, Bernard. 1941. Major Barbara. New York: Dodd Mead. [nowhere to run from the war profiteers]

Required Readings


Recommended Readings


‘Introduction: The Experience,’ pp. 11-13; Ch. 3: ‘The Arms Economy,’ pp. 48-64.


11b. Stagflation: the End of Macroeconomics?

Introductory Readings

Required Readings

OR:

Recommended Readings


12. Across Borders: Well-Being or Power?

Required Readings


Recommended Readings


Assessment for Term Papers

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A+ (90-100) Exceptional
A (85-89) Excellent
A- (80-84) High
B+ (75-79) Highly Satisfactory
B (70-74) Satisfactory
C (60-69) Conditional
F (0-59) Failure

Comments: 