

THE UNIVERSITY OF
NEW SOUTH WALES



**INTRODUCTION TO POLITICAL ECONOMY PECO1000
GLOBAL POLITICAL ECONOMY GLST1000**

SESSION 1, 2009

COURSE INFORMATION AND LECTURE SCHEDULE

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COURSE WEBSITE
<http://vista.elearning.unsw.edu.au/>

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1. TEACHING STAFF

The Lecturer-in-charge is Dr. Joseph Halevi joseph.halevi@usyd.edu.au

The Lecturer-in-charge is responsible for the overall direction and content of the course.

The Course Administrator/tutor for the course is Roni Demirbag

roni.demirbag@usyd.edu.au

You should feel free to approach your *lecturer* about any academic matter.

The lecturer's consultation hours will be posted on the course website.

The lecturer and the Course Administrator may be contacted by e-mail, however, e-mail is not an appropriate medium for resolving technical questions regarding course material. These should be asked of your tutor or lecturer in consultation hours.

2. INFORMATION ABOUT THE COURSE

2.1 UNITS OF CREDIT AND CLASS HOURS

This course is worth 6 units of credit.

There are 1 x 2 hour lecture per week and 1 x 1 hour tutorial class

2.2 LECTURE TIMES AND LOCATIONS

Lectures are on:

Thursday	11.00 am -1.00 pm	CLB 6
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2.3 TUTORIAL GROUP ALLOCATIONS

Enrolment in tutorials is via www.my.unsw.edu.au

Tutorials start in week 1.

As tutorial questions form an integral part of this course, attendance at tutorials is compulsory.

Attendance also implies that you will be fully prepared to enter into any discussion and answer any question raised, so students are advised to prepare answers in advance. It is imperative that you attend the group to which you are allocated.

If, owing to illness or other exceptional circumstances, you are unable to attend your usual tutorial, you may try to attend another tutorial in the same week. However, **you are expected to attend your usual tutorial class at least 8 times during the session. Any student not attending at least 8 tutorials for which they are enrolled will fail the course.** In certain circumstances, such as where a request for special consideration is made (see below), tutorial attendance will be taken into account in determining your final assessment or whether a supplementary exam is offered.

TUTORIALS IN THIS SUBJECT WILL BEGIN IN WEEK 1, COMMENCING 13 MARCH.

2.4 RELATIONSHIP OF THIS COURSE TO OTHER COURSES

This is a first year course at UNSW. It is also a foundation course for students completing a major in Political Economy as part of a Bachelor of Social Science, or a major in Globalisation as part of the Bachelor of International Studies. Its aim is to provide an introduction to global political economy.

2.5 APPROACH TO LEARNING AND TEACHING

The philosophy underpinning this course and its Teaching and Learning Strategies (see 3.3 below) are based on "Guidelines on Learning that Inform Teaching at UNSW. These guidelines may be viewed at: www.guidelinesonlearning.unsw.edu.au.

3. COURSE AIMS AND OUTCOMES

3.1 COURSE AIMS

The aim of this course is to provide an introductory course in Political Economy, with an emphasis on global issues. Political Economy is the original name for economics, and the course aims to provide an introduction to the main school of thought, focusing on their treatment of the role of the state, globalisation and the issues relating to development.

3.2 STUDENT LEARNING OUTCOMES

At the end of this course you should be able to:

1. identify the major intellectual traditions in political economy;
2. explain and critically analyse the key concepts used by political economists;
3. explain and analyse the basic workings of the capitalist economy;
4. demonstrate an understanding the political economy of globalisation;
5. demonstrate an understanding of and critically appraise current economic debates;
6. research the economic literature.

This course assists in providing an environment that fosters in our students the following graduate attributes:

Course Learning Outcomes	Graduate Attributes
1-5	Critical thinking and problem solving
1-5	Communication
3-5	Teamwork and leadership
1-5	Social, ethical and global perspectives
All	In-depth engagement with relevant disciplinary knowledge
All	Professional skills

3.3 TEACHING AND LEARNING STRATEGIES

The examinable content of the course is defined by the Text references given in the Lecture Schedule, the content of Lectures, the readings in the Course Notes and the content of the Tutorial Program.

Lectures

The purpose of Lectures is to provide a logical structure for the topics that make up the course; to emphasise the important concepts and methods of each topic, and to provide relevant examples to which the concepts and methods are applied.

Tutorials

The purpose of tutorial meetings is primarily to provide an opportunity for small group discussion of issues to which economic concepts and methods can be applied and to provide opportunities for students to develop their presentation skills, and to

A Tutorial Program of Debate Topics and Review Questions is provided below for tutorial meetings.

Out-of-Class Study

While students may have preferred individual learning strategies, it is important to note that most learning will be achieved outside of class time.

Lectures can only provide a structure to assist your study, and tutorial time is limited.

An “ideal” strategy (on which the provision of the course materials is based) may include:

*Reading of the relevant chapter(s) of the text and of any additional references and accessing the lecture overheads from the course website **before the lecture**.

This will give you a general idea of the topic area.

*Attendance at lecture.

Here the context of the topic in the course and the important elements of the topic are identified.

The relevance of the topic should be explained.

* Attending Tutorials

Tutorials reinforce the contents of the lecture by applying the general principles to different issues, as well as reinforcing critical thinking and presentations skills.

* Attending Tutorials

Tutorials reinforce the contents of the lecture by applying the general principles to practical issues.

4. STUDENT RESPONSIBILITIES AND CONDUCT

4.1 WORKLOAD

It is expected that you will spend at least **ten hours** per week studying this course. This time should be made up of reading, research, working on exercises and problems, and attending classes. In periods where you need to prepare for a Tutorial Presentation or an examination, the workload may be greater.

Over-commitment has been a cause of failure for many students. You should take the required workload into account when planning how to balance study with employment and other activities.

4.2 ATTENDANCE

Your regular and punctual attendance at lectures and seminars is expected in this course. University regulations indicate that if students attend less than eighty per cent of scheduled classes they may be refused final assessment. **Any student not attending at least eight (8) tutorials for which they are enrolled will fail the course.**

4.3 GENERAL CONDUCT AND BEHAVIOUR

You are expected to conduct yourself with consideration and respect for the needs of your fellow students and teaching staff. Conduct which unduly disrupts or interferes with a class, such as ringing or talking on mobile phones, is not acceptable and students may be asked to leave the class, and/or refused final assessment. More information on student conduct is available at: www.my.unsw.edu.au

4.4 KEEPING INFORMED

You should take note of all announcements made in lectures, tutorials or on the course web site. In particular you should check “Announcements” on the course website at least once a week. From

time to time, the University will send important announcements to your university e-mail address without providing you with a paper copy. You will be deemed to have received this information.

4.5 GENERAL RESPONSIBILITIES

It is your responsibility to ensure that:

1. You are recorded by the University as being correctly enrolled in all your courses. The last day for students to discontinue without financial penalty is **Tuesday March 31** and the last day to discontinue without academic penalty is **Sunday 26 April**.
2. You have successfully completed all prerequisite courses. Any work done in courses for which prerequisites have not been fulfilled will (unless an exemption has been granted) be disregarded, and no credit given nor grade awarded.
3. You organise your affairs to take account of examination and other assessment dates where these are known. Be aware that your final examination may fall at any time during the session's examination period. The scheduling of examinations is controlled by the University administration. No early examinations are possible. The examination period for Session 1, 2009 falls between **12 June and 27 June**.
4. When the provisional examination timetable is released (**May 12**), ensure that you have no clashes or unreasonable difficulty in attending the scheduled examinations. The final examination timetable is released on 19 May.
5. You keep the University informed of all changes to your contact details.
6. You make a copy of all work submitted for assessment, and keep returned marked assignments and essays.

A full list of UNSW Key Dates is located at:

<https://my.unsw.edu.au/student/resources/KeyDates.html>

5. ASSESSMENT

5.1 FORMAL REQUIREMENTS

In order to pass this course, you must:

- ❑ achieve a composite mark of at least 50; and
- ❑ make a satisfactory attempt at all assessment tasks (see below).

5.2 ASSESSMENT DETAILS

Assessment will consist of :

<i>Tutorial Journals</i>	<i>30%</i>
<i>Debate</i>	<i>30%</i>
<i>Tutorial Participation</i>	<i>10%</i>
<i>Comprehensive final examination</i>	<i>30%</i>

SATISFACTORY PERFORMANCE IS REQUIRED IN ALL PARTS OF THIS COURSE

Tutorials

For tutorials students will be required to present a debate, as well as to critically analyse discussion questions, with a record to be kept in on-line journals

Debates

Some tutorials in this course will be presented in the form of a debate, with students presenting each side of an argument on a given question. Tutorial presentations will be assessed according to guidelines which will be distributed during classes. In addition, in the week after their debate, students will submit a 2 page report outlining their main arguments. The report should be properly referenced.

Tutorial Participation

10% of the grade for this course will reflect tutorial participation, half of which is determined by attendance, and the rest by contributions to tutorials throughout the session, particularly for those tutorials focusing on critical reviews of a discussion question.

Tutorial Journals

Students will be required to keep a record of their tutorial preparations for those tutorials involving discussion questions, in the form of an on-line tutorial journal. This is not a diary; rather we are asking you to keep a record of your learning throughout the course by thinking about and answering questions on your tutorial material. The hallmark of a journal is that there are multiple entries made over a period of time. In your case, it is to be done fortnightly. When you post a journal entry online, the exact time you submitted it will be recorded.

What do I need to include?

Answers to the fortnightly discussion questions

How much should I aim to write?

Between 1-2 typewritten pages.

What makes for a good answer?

- Try to apply the concepts, theories and frameworks you have learnt in the lecture and the readings to help you develop an answer (ie. don't just guess or use commonsense);
 - Show that you understand the key concepts that you are using (DON'T use a term you don't know the meaning of – look it up first!)
 - Make sure you answer the question being asked: a relevant answer is important;
 - Make your point of view clear (ie. the reader needs to understand what it is you are arguing)
 - Explain your point of view: don't make assertions without justifying and providing evidence for them;
 - If you wish, use examples to help illustrate your point;
 - Try to be comprehensive in your answer and think about the different dimensions relating to the question;
 - However, quality not quantity: don't just try to fill up space for the sake of it and don't just write down everything you know;
 - Yes, you may use point form – however, if you use bullet points, make sure you still explain each point;
 - Keep in mind that usually in Political Economy there is no single right answer;
 - Try to express yourself clearly, although you will not be marked down for spelling errors and grammatical mistakes;
 - In your answers to discussion questions, you must refer to the textbook and readings, although you can use additional material (eg. from lectures, library) to expand your argument.
- Following these guidelines will help you develop your critical and analytical thinking. These are also the principles behind a good exam answer so the tutorial journal constitutes valuable exam preparation.

How will I be assessed?

You will be assessed on the basis of

- 1) whether you have submitted your journal entries on time (remember, WebCT records the EXACT time you posted your journal entry); and
 - 2) the quality of your entries.
- Further details will be made available on the web.

FINAL EXAMINATION:

This will be held in the University examination period (June) and will be 1 hour long. The final exam will cover the entire course.

Further information on the content of the Final Exam will be provided towards the end of session. The purpose of the final exam is to assess knowledge of the concepts Political Economy and their appropriate use, to test the ability to use reasoning to make deductions.

It is important to note that a satisfactory performance in the Final Examination is required to pass this course.

5.3 SPECIAL CONSIDERATION AND SUPPLEMENTARY EXAMINATIONS

A supplementary final examination *may* be offered to students who failed to attend the final examination for medical reasons, or whose performance during the final examination has been severely affected by illness, or other extraordinary circumstances that can be documented by the student. Supplementary examinations are not offered as a matter of course. The following conditions, *must* be fulfilled before such an application to sit for a supplementary final examination will be considered:

- (i) the student's performance during the session (based on the student's tutorial attendance [students must attend at least eight tutorials in the tutorial they are formally enrolled for], and their assignment marks must be deemed to be at a satisfactory level by the lecturer-in-charge, and
- (ii) the student has applied for special consideration which is made through NewsouthQ within 3 days of the final examination, and the application is supported with full documentation.

Notes:

If a supplementary examination is granted, the format of that examination will be similar to that of the final examination.

Students who are granted a supplementary examination will be advised of the date of the supplementary exam as soon as possible, and students have the responsibility to make themselves available to sit for the supplementary exam on the date specified.

Information and policy about special consideration and supplementary examinations – it is recommended that there is a standard School policy, which is available on the School website and referred to in the course outline.

6. ACADEMIC HONESTY AND PLAGIARISM

The University regards plagiarism as a form of academic misconduct, and has very strict rules regarding plagiarism. For full information regarding policies, penalties and information to help you avoid plagiarism see: www.my.unsw.edu.au/student/atoz/Plagiarism

Plagiarism is the presentation of the thoughts or work of another as one's own.* Examples include:

- direct duplication of the thoughts or work of another, including by copying work, or knowingly permitting it to be copied. This includes copying material, ideas or concepts from a book, article, report or other written document (whether published or unpublished), composition, artwork, design, drawing, circuitry, computer program or software, web site, Internet, other electronic resource, or another person's assignment without appropriate acknowledgement;
- paraphrasing another person's work with very minor changes keeping the meaning, form and/or progression of ideas of the original;
- piecing together sections of the work of others into a new whole;
- presenting an assessment item as independent work when it has been produced in whole or part in collusion with other people, for example, another student or a tutor; and,
- claiming credit for a proportion a work contributed to a group assessment item that is greater than that actually contributed.†

Submitting an assessment item that has already been submitted for academic credit elsewhere may also be considered plagiarism.

The inclusion of the thoughts or work of another with attribution appropriate to the academic discipline does *not* amount to plagiarism.

Students are reminded of their Rights and Responsibilities in respect of plagiarism, as set out in the University Undergraduate and Postgraduate Handbooks, and are encouraged to seek advice from academic staff whenever necessary to ensure they avoid plagiarism in all its forms.

The Learning Centre website is the central University online resource for staff and student information on plagiarism and academic honesty. It can be located at:

www.lc.unsw.edu.au/plagiarism

The Learning Centre also provides substantial educational written materials, workshops, and tutorials to aid students, for example, in:

- correct referencing practices;
- paraphrasing, summarising, essay writing, and time management;
- appropriate use of, and attribution for, a range of materials including text, images, formulae and concepts.

Individual assistance is available on request from The Learning Centre.

Students are also reminded that careful time management is an important part of study and one of the identified causes of plagiarism is poor time management. Students should allow sufficient time for research, drafting, and the proper referencing of sources in preparing all assessment items.

* Based on that proposed to the University of Newcastle by the St James Ethics Centre. Used with kind permission from the University of Newcastle

† Adapted with kind permission from the University of Melbourne.

7. STUDENT RESOURCES

7.1 COURSE WEBSITE

The Introduction to Political Economy website may be found among others of your courses at:

<http://vista.elearning.unsw.edu.au/>

To log in, you will need to click on the blue **UNSW**, link on the middle of the page. Enter your student number prefixed with a lower case z and your unipass password and then click “Log in”. Then click on “PECO1000” or “GLST1000”.

Students are expected to:

- Make sure that they are officially enrolled in PECO1000 or GLST1000
- Familiarise themselves with WebVista
- Access this site at least weekly as the site will contain important announcements about the course, as well as lecture notes. In addition, it will carry most of the subject information, and will be the media for submitting tutorial journals and receiving feedback on them. It will also provide a discussion forum where students will be able to discuss course related materials, as well as trial exam questions.

It will be assumed that all students have seen any notice posted on the course website. VistaWebCT information and support services can be found at:

<http://support.vista.elearning.unsw.edu.au/>

7.2 TEXTBOOK AND READINGS

You will require the following textbook to complete this course:

Stilwell, F. 2006 2nd Edition. *Political Economy: The Contest of Economic Ideas*. Oxford University Press, Oxford, ISBN 0-19-555127-3.

7.3 OTHER RESOURCES, SUPPORT AND INFORMATION

The University and the Faculty provide a wide range of support services for students, including:

- Learning and study support;
- Counselling support;
- Library training and support services;
- Disability support services;

OTHER UNSW SUPPORT

UNSW Learning Centre (<http://www.lc.unsw.edu.au>)

The UNSW Learning Centre provides academic skills support services for all UNSW students. The Learning Centre is located on Level 2 of the Library and can be contacted by phone: 9385 3890 or through their website.

Technical support:

For any technical support issues (difficulty logging in to websites, problems downloading documents, etc) you can contact the UNSW IT Service Desk at:

(02) 9385 1333 ; Email: servicedesk@unsw.edu.au

Counselling support - <http://www.counselling.unsw.edu.au>

Students experiencing problems of a personal or academic nature are encouraged to contact the Counselling Service at UNSW. This consultation service is free and confidential and run by professional counsellors. The Counselling Service also conducts workshops on topics such as ‘Coping With Stress’ and ‘Procrastination’. The Counselling Service is located on Level 2, Quadrangle East Wing, and can be contacted on 9385 5418.

Library training and support services - <http://info.library.unsw.edu.au>

Disability Support Services – Those students who have a disability that requires some adjustment in their teaching or learning environment are encouraged to discuss their study needs with the Course Coordinator or the Equity Officer (<http://www.studentequity.unsw.edu.au/disabil.html>). Early notification is essential to enable any necessary adjustments to be made.

In addition, it is important that all students are familiar with University policies and procedures in relation to such issues as:

- **Examination procedures** and advice concerning illness or misadventure <https://my.unsw.edu.au/student/academiclife/assessment/examinations/examinationrules.html>
- **Occupational Health and Safety** policies and student responsibilities; <https://my.unsw.edu.au/student/atoz/OccupationalHealth.html>

8. CONTINUAL COURSE IMPROVEMENT

Each year feedback is sought from students and other stakeholders about the courses offered in the School. UNSW's Course and Teaching Evaluation and Improvement (CATEI) Process is one of the ways in which student evaluative feedback is gathered. Continual improvements are made based on this feedback.

We take student feedback and evaluations very seriously and respond to comments and suggestions made by students.

LECTURE SCHEDULE

Week	Date	Topic	Text Stillwell
1	12 March	What is Political Economy	Part I
2	19 March	Capitalism as an economic system	Part II
3	26 March	Classical Political Economy	Part III
4	2 April	Marx	Part IV
5	9 April	Marx	Part IV
MIDSESSION BREAK 10 – 17 APRIL			
6	23 April	Neoclassical Microeconomics	Part V
7	30 April	Neoclassical Microeconomics and Macroeconomics	Part V and VII
8	7 May	Neoclassical Macroeconomics	Part VII
9	14 May	Keynes and the Post Keynesians	Part VII
10	21 May	Keynes and the Post Keynesians	Part V11
11	28 May	Institutions	Part VII
12	4 June	Overview	Part IX

LECTURE READINGS

1 12 March

What is Political Economy

This topic discusses the nature of Political Economy, and the extent that it can be defined as a field of study. It will focus on the way in which a study of Political Economy is different to the way in which the economy is studied in a 'traditional' course in economics.

Required reading

Stillwell Part I

Other material

Gittins, R. 2004. *An Economics Fit for Humans*, The Ronald Henderson Oration, Melbourne, Thursday, August 5, 2004

O'Hara, P. 1999. "Political Economy: Major contemporary themes". In O'Hara, P. (ed.) *Encyclopedia of Political Economy*, vol. 2, Routledge, London, pp. 861-7.

Sweezy, P. (1972) "Towards a critique of economics" in his *Modern Capitalism and Other Essays* [Monthly Review Press]

Documentation of student complaints about the way economics has been taught in:

France http://www.btinternet.com/%7Epae_news/texts/a-e-petition.htm,

Cambridge UK http://www.btinternet.com/%7Epae_news/Camproposal.htm, and

Harvard http://www.btinternet.com/%7Epae_news/Harvard2.htm

2 19 March Capitalism as an economic system

This topic looks at the origins, emergence and establishment of Capitalism as a social, economic and political system. It traces the development of the application of the ideas of science and society stemming from the enlightenment to agriculture, industry and human relationships. It looks at the development of economic and political institutions that was to culminate in the Industrial Revolution. It traces the emergence of ideas to explain the sources of wealth and productivity generated by the new system through the ideas of the Mercantilists, such as Petty and the French Physiocrats. Work that developed, through the work of Adam Smith and Locke into the foundations of our current ideas about Capitalism. The importance of the development of the modern state in facilitating Capitalism is outlined. Key questions addressed include:

Why did Capitalism emerge when it did?

What were the key components and drivers of change and how were they understood?

Who were the winners and losers in the process?

Required reading

Stillwell, Part II.

Other reading

Dobb, M. 1975. *Studies in the Development of Capitalism*, Routledge and Kegan Paul, London, 'Capitalism' pp. 1-33.

Heilbroner, R.L. 1999. *The Worldly Philosophers*, Penguin, Harmondsworth, 'The Economic Revolution' pp. 18-41.

3 26 March Classical Political Economy

Classical political economy raised issues that are still of central concern to current policy-making. These issues include the sources of growth and stagnation in Capitalism; The conflict over the distribution of economic production; the sources of technological change, the impact of technology on employment and unemployment; the environmental limits to growth; and the relative importance of the state and the market in coordinating the economic system. These were issues with which the great Classical economists such as Smith and Ricardo grappled in their political economy. The

results of their thinking were fundamental insights into the sources and creation of value in production; the distribution of the benefits of the system (including the moral questions this produced) and the importance of economic growth for sustaining the system.

Required reading

Stilwell, Part III.

Other material

Barber, W.J. 1967. *A History of Economic Thought*, Penguin, Harmondsworth, pp 94-115.
330.15/112E

Heilbroner, R.L. 1999. *The Worldly Philosophers*, Penguin, Harmondsworth, pp.42-104.

Ricardo, D. 1821. *The Principles of Political Economy and Taxation*, 3rd ed., Vol.1 of *The Works and Correspondence of David Ricardo*, edited by P. Sraffa, Cambridge University Press, chapters IV, V, XXXI. S330.15/3

Smith, A. 1776. *An Inquiry into the Nature and Causes of the Wealth of Nations*. Campbell, R.H. and Skinner, A.S. , Liberty Classics, Indianapolis, S330.153/101 General Introduction and chapters I-III, VII.

Most of the original texts are available from a number of sources, including the Archive for the History of Economic Thought, for which one address is: <http://melbecon.unimelb.edu.au/het/>

4	2 April	Marx
5	9 April	Marx

Since the fall of most nominally 'Marxist' governments, it is sometimes argued that Marxism is no longer a relevant theory; history has proven it wrong. Yet Marxism is principally an analysis of capitalism, and as such it still has contemporary relevance. As an analysis of the way in which a market-based system operates, Marxism focuses on issues of conflict, economic growth and periodic recession, technological change, unemployment, and the limits to state intervention to 'correct' for these problems.

Required reading

Stilwell, Part IV.

Other material

Most of the works of Marx, as well as extensive discussion of his works are available on the Marx Internet Archive at: <http://www.marx.org/>

Heilbroner, R.L. 1999. *The Worldly Philosophers*, Penguin, Harmondsworth, ch.VI, pp.136-170.

Marx, K. 1849. *Wage Labour and Capital*.

Marx, K. 1867. *Capital*, vol.1, reprinted in abridged form in McLellan (ed). 1977. Karl Marx: *Essential Writings*, Oxford University Press S320.532/46.

Sweezy, P. 1942. *The Theory of Capitalist Development: Principles of Marxian Political Economy*, Monthly Review Press, New York. S330.15/45C

Sweezy, P. (1981) "The contradictions of capitalism" in his *Four Lectures on Marxism* [Monthly Review Press]

MIDSESSION BREAK 6 – 15 APRIL

6	23 April	Neoclassical Microeconomics
7	30 April	Neoclassical Microeconomics

From around the 1870s the focus of economic analysis began to shift to the concerns of neoclassical microeconomics about what determines the relative prices of commodities and an examination of the conditions under which markets operate efficiently. While neoclassical economics generally argues that perfectly competitive markets will produce a socially optimum outcome, it does allow

for specific circumstances where perfect competition does not necessarily lead to the most efficient results, where there is “market failure”.

Required reading

Stilwell Part V

Other material

The New School History of Economic Thought Website, Phases of the Marginalist Revolution

<http://cepa.newschool.edu/het/essays/margrev/phases.htm>

7 Cont	30 April	Neoclassical Macroeconomics
8	7 May	Neoclassical Macroeconomics

This topic investigates the neoclassical analysis of the 'macroeconomy'; the way in which the economy as a whole operates, rather than just individual markets within it. It focuses on the conclusion that neoclassical economics reaches regarding full employment and inflation, and the role of the government in managing the macroeconomy.

Required reading

Stilwell, Part VII

Other material

An excellent introduction to Macroeconomics, both neoclassical and Keynesian is Stegman, T. and Junor, B. 1993. *Introductory Macroeconomics*, Harcourt Brace, Sydney, S339/212

Eatwell, J. “Theories of value, output and employment”. In Eatwell, J. and Milgate, M. (eds). *Keynes's Economics and the Theory of Value and Distribution*, Duckworth, London, pp. 111-118. S339.3/47

Kriesler, P. 1992. "The role of the state: developments in economic theory since Keynes" in *Economics'92, Conference Proceedings, Macro and Micro Policy in the '90s* Tim Riley (ed) pp. 154-163

Kriesler, P. 1997. “Keynes, Kalecki and The General Theory”. In Harcourt, G. and Riach, P. (eds) *A 'Second Edition' of Keynes's General Theory*, Routledge: London, pp. 300-322, S330.156/120 [Also useful for next topic]

9	14 May	Keynes and the Post Keynesians
10	21 May	Keynes and the Post Keynesians

This topics looks at the ideas of John Maynard Keynes, arguably the most influential economist of the twentieth century. It covers the reasons why he rejected the neoclassical theory of full employment and the Quantity Theory of Money. It then looks at his own theory of effective demand, which he regarded as a more appropriate macroeconomic theory than the neoclassical theory.

The topic then looks at the development of Keynes' ideas by the Post Keynesian school of political economy.

Other material

Heilbroner, R.L. 1999. *The Worldly Philosophers*, Penguin, Harmondsworth, pp.249-287.

Kalecki, M. 1969. Money and real wages, part 1. In *Studies in the Theory of Business Cycles: 1933-1939*, Oxford University Press. S338.54/93

Keynes, J.M. 1936. *The General Theory of Employment, Interest, and Money*, Macmillan, London, Preface to the French Edition, ch.s 18, 19. S330.15/25, or, on line:

<http://www.marxists.org/reference/subject/economics/keynes/general-theory/>
http://etext.library.adelaide.edu.au/k/keynes/john_maynard/k44g/ (although some chapters in Keynes are difficult to read, these chapters should be ok. If some things go over your head, DON'T PANIC! Just concentrate on the central arguments).

Kriesler, P. 1997. Keynes, Kalecki and The General Theory. In Harcourt, G. & Riach, P. (eds) A 'Second Edition' of Keynes's *General Theory*, [Routledge:] pp. 300-322 S 330.156/120 [available as PDF]

Public Broadcasting Service, Commanding Heights, Videos on John Maynard Keynes.

http://www.pbs.org/wgbh/commandingheights/shared/minitextlo/vid_johnmaynardkeynes.html

Robinson, J.V., 2nd ed. 1969, *Introduction to the Theory of Employment*, Macmillan, London.

(This was written to explain the General Theory to a wider audience, and is very readable) S 331.1/1

11 28 May The Role of Institutions

This topic looks at the development of Evolutionary and Institutional economics. The issue will be addressed through the insights of economists who see Political Economy as the study of the historical development of the economic system, a system where industries and economic organisations change in form and structure over time.

The economic system is a world of institutions, both private and public undergoing adaption and growth. The creation and growth of the modern corporation is a key element in this process and had a major effect on patterns of consumption, accumulation and growth.

Linking economic inequality, evolutionary thinking, an understanding of the nature and role of institutions and the clustering of economic activities is central to an understanding of the economic growth process.

Required reading

Stilwell, Part VI

Boyer, R. and Saillard, Y. (eds) (2002), *Régulation theory: the state of the art*, London: Routledge [Ch, 1, 2 and 5]

Boulding, K. E. 1991. "What is evolutionary economics?" *Journal of Evolutionary Economics*, vol. 1, pp. 9-17.

Hodgson, G.M. (1998), "The Approach of Institutional Economics", *Journal of Economic Literature*, Vol. 36, March, pp.166-92

Hodgson, G.M. (1999), *Evolution and Institutions*, Edgar Elgar.

Langlois, R.N. (1989), "What was wrong with the 'Old' Institutional Economics? (And What is Still Wrong with the 'New'?)", *Review of Political Economy*, Vol. 1, pp.272-300

Laurent, J. and Nightingale, J. (eds) (2001), *Darwinism and Evolutionary Economics*, Edward Elgar [Preface & Chapter 1]. CP

Veblen, T. (1898), 'Why is economics not an Evolutionary Science?', *Quarterly Journal of Economics*, Vol. 12, 373-397. CP

12 4 June Overview

TUTORIAL PROGRAM

Tutorials in this course will alternate between two different types. The first is a critical discussion of the question set each fortnight. The recommended readings for the relevant lecture should be regarded as the starting point for research into the question. In order to prepare for these sessions, students will be required to keep a record of their tutorial preparations for these tutorials in the form of an on-line tutorial journal. The second type of tutorial will be presented in the form of a debate, with students presenting each side of an argument about the development process. For many of the debates,

TUTORIALS:

WEEK 1

INTRODUCTION AND ALLOCATION OF DEBATE TOPICS

What is the difference between studying 'economics' and studying 'political economy'?

What have been the main student complaints about the way economics has been taught in [France](#), [Cambridge UK](#), and [Harvard](#)?

WEEK 2

CAPITALISM AS AN ECONOMIC SYSTEM

Why did Capitalism emerge when it did? What were the key components and drivers of change and how were they understood? Who were the winners and losers in the process? How was the process of change understood by its interpreters?

What is the contemporary relevance of studying the emergence of Capitalism?

WEEK 3

CLASSICAL POLITICAL ECONOMY

What is the role of the market system and the conditions under which it best works in the view of Smith and Ricardo? What are the major policy implications of their views, and the function of the state?

Outline their views on international trade?

WEEK 4

MARX

What are the main features of class under a capitalist society? What does Marx identify as the forces driving capitalist economies?

WEEK 5 NO TUTORIAL DUE TO EASTER BREAK however journal still due

MARX

What role does Marx see for the state and for international trade?

WEEK 6

MARX DEBATE

Crisis and conflict are inevitable in capitalist economies.

WEEK 7
NEOCLASSICAL MICROECONOMICS

What is the social and economic role of the individual in the market according to neoclassical economics?

Does the market provide the key organizing principle of society?

What role do relative prices play in the allocation of scarce resources between alternate uses?

WEEK 8
NEOCLASSICAL MICROECONOMICS DEBATE

Markets are the best allocators of resources. Any interference by the state in the working of markets always causes more problems than it cures.

WEEK 9
NEOCLASSICAL MACROECONOMICS

“What is the role for macroeconomic policy in neoclassical economics? What are the key economic policy levers?

Why are interest rates important?

What role does government expenditure play? Are budget surplus's a necessity for budget settings?

WEEK 10
MACROECONOMICS DEBATE

Government macroeconomic policy can have no long run impact on the level of unemployment.

Unemployment is the result of either wages being too high or of workers intentionally substituting more leisure for less work.

WEEK 11
POSTKEYNESIAN ECONOMICS

What are the main formulations of Keynes theory of effective demand? How influential have these theories been on policy making? In what ways has Post Keynesianism extended the work of Keynes? What are the key features of Post Keynesianism?

WEEK 12
GLOBAL FINANCIAL CRISIS DEBATE

The global financial crisis is the result of the lack of supervision of markets, that is, of deregulation of financial markets in particular.



The End!