

CALIFORNIA STATE POLYTECHNIC
UNIVERSITY, POMONA

Course Title: Comparative Economic
Systems
EC 412

Date of Preparation: May 2009

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COURSE OUTLINE

I. Catalog Description

EC 412 Comparative Economic Systems (4)

Examination of alternative economic organizations, ranging from free enterprise to fully planned economies. 4 lecture/presentations. Prerequisites: EC 201 and EC 202.

II. Required Background or Experience

EC 201 and EC 202.

III. Expected Outcomes

Students in EC 412 will:

- a) compare and contrast the fundamental principles that distinguish the two basic economic systems -- capitalism and socialism,
- b) identify and summarize the multiple forces that can affect the historical or concrete forms of development of real-world systems, including the economic, political and moral dimensions,
- c) examine the interrelationships between underlying premises and real-world manifestations of these premises across economic systems,
- d) summarize the complexity of forces that affect systems,
- e) critically discuss the relevant criteria by which real world systems may be compared and evaluated, and
- f) comparative analysis and historical role of institution in the evolution of the capitalist and economies in transition.

IV. Text and Readings

Texts:

Agressano, J. Comparative Economics (Upper Saddle River, NJ: Prentice Hall, 1991).

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Aoki, M. Comparative Institutional Analysis (Cambridge, MA: The MIT Press, 2001).

Gardner, H. S. Comparative Economic Systems (New York, NY: Harcourt Brace, 1998).

Hammond, R. Comparative World Atlas (Maplewood, NJ: Hammond, 1989).

Hatton, T. J., K. H. O'Rourke, and A. M. Taylor, Eds. The New Comparative Economic History (Cambridge, MA: The MIT Press, 2007).

Przeworski, A. Democracy and Development, Political Regimes and Material Well-Being in the World 1950-1990 (Cambridge, UK: Cambridge University Press, 2000).

Roland, G. Transition and Economics, Politics, Market and Firms (Cambridge, MA: The MIT Press, 2000).

Readings:

Bergson, A. The Economics of Soviet Planning (New Haven, CN: Yale University University Press, 1964).

Bolton, P. and J. Farrell "Decentralization, Duplication and Delay", Journal of Political Economy, Vol. 98, (4), 1990, pp. 803-826.

Carrere D'Encausse, H. Confiscated Power (New York, NY: Harper Row, 1982).

Dewatripont, M. and E. Maskin "Credit and Efficiency in Centralized and Decentralized Economies", Review of Economics Studies, Vol. 66, pp. 541-555.

Djankov, S., E. Glaeser, R. La Porta, F. Lopez de Silanes, and A. Shleifer "The New Comparative Economics", Journal of Comparative Economics, Vol. 31, (4) Dec. 2002, pp 595-616.

Djilas, M. The New Class (New York, NY: Praeger Publishers, 1957).

Dobb, M. On Economic Theory and Socialism (London, UK: Routledge and Paul, 1965).

Fischer, E., Ed. The Essential Marx (New York, NY: Herder and Herder, 1970).

Friedman, M. Capitalism and Freedom (Chicago, IL: University of Chicago Press, 1963).

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Fromm, E. Marx's Concept of Man (New York, NY: Ungar Publishing Company, 1962).

Gray, A. The Socialist Tradition (New York, NY: Longman Green and Company, 1946).

Greif, A. "Cultural Beliefs and the Organization of Society: A Historical and Theoretical Reflection on Collectivist and Individualist Societies" Journal of Political Economy (Vol. 102 (5), 1994, pp. 912-950).

Harrington, M. Socialism Past and Future (New York, NY: Arcade, 1989).

Hoff, T. J. B. Economic Calculation in the Socialist Society (London: W. Hodge, 1949).

Howe, I., Ed. Essential Works of Socialism (New York, NY: McGraw-Hill, 1964).

Lavoie, D. National Economic Planning (Cambridge, MA: Ballinger Publishing Company, 1985).

Lavoie, D. Rivalry and Central Planning (Cambridge, UK: Cambridge University Press, 1985).

Leeman, W. A., Ed. Capitalism, Market Socialism and Central Planning (Boston, MA: Houghton Mifflin, 1963).

McKenzie, R. B. Competing Visions (Washington, D.C.: CATO Institute, 1985).

Novak, M. The Spirit of Democratic Capitalism (New York, NY: Simon and Schuster, 1982).

Nove, A. The Soviet Economy, 2nd Edition (New York, NY: Praeger Publishers, 1969).

Roberts, P.C. Marx's Theory of Exchange (Stanford, CA: Hoover Institution Press, 1963).

Rothbard, M.N. For A New Liberty (New York, NY: Macmillan, 1973).

Schumpeter, J. Capitalism, Socialism, and Democracy (New York, NY: Harper, 1950).

Von Mises, L. Socialism (Indianapolis, IN: Liberty Fund, 1981).

V. Minimum Student Materials

Textbooks and notebooks.

VI. Minimum College Facilities

Classroom suitable for lecture/presentations. Library of assigned reading materials and basic works.

VII. Course Outline

A. Introduction

1. Economic Problem of Scarcity
2. Fundamental Tasks of Economic Systems

B. Which System is Best?

1. Economic Analysis of Economic Policy

C. Theories of Capitalism

1. Free Market or Laissez-Faire Ideals
 - a. Private Property,
 - b. Consumer's sovereignty
 - c. Competition
 - d. Monopoly
 - e. Business Cycles
 - f. Unemployment
 - g. Inflation
 - h. Poverty
2. Managed Capitalism -- Capitalism and Planning in the 20th Century

D. Marx's Vision of Socialism and Communism

1. Capitalism and Alienation
2. The Path from Capitalism to Socialism
3. The Nature and Purpose of Socialism
4. Pure Communism

5. The Theory of Democratic Socialism, or Market Socialism
- E. The Mises Critique of Socialist Economy
1. The Problems of Value and Prices
 2. Economic Calculations in Socialist and the Market Systems
 3. The Meaning of Planning
 4. Socialist Approximation to the Market
- F. The USSR Experience in Socialism
1. The Soviet Economy and Its Basic Institutions
 2. Problems in Planning and Emergence of Markets
 3. Economic Growth and the Rise of the Soviet Consumer
 4. The Liberman and other Reform Proposals
- G. Socialist Systems in Other Countries: Yugoslavia, China, Eastern Europe

VIII. Instructional Methods

Lecture/presentation sessions covering text assignments and course readings.

IX. Evaluation of Outcomes

Students complete a written research paper on one of the categories listed in the course outline. Written in-class examinations and classroom participation.