

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
Voice: 736-2100 (ext. 88822) · E-mail: nitzan@yorku.ca · Website: www.bnarchives.net

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

| | Weight | Maximum length | Due Date |
|-------------------------|--------------------|-----------------------|-----------------------|
| Participation | 20% | --- | |
| OPTION 1: Short Paper 1 | 40% | 3,000 words | April 3 rd |
| OPTION 1: Short Paper 2 | 40% | 3,000 words | May 30 th |
| OPTION 2: Long Paper | 80% | 6,000 words | May 30 th |
| <i>Total</i> | <i>100%</i> | | |

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]
6. *Feb 21* Power: The End of ‘Economics’?

II. Aggregates

7. *Feb 28* National Accounts: What do they ‘Account’ for?
8. *Mar 6* Prosperity or Crisis?
9. *Mar 13* Money and Finance
10. *Mar 20* Economic Policy
11. *Mar 27* Welfare, Warfare, or Profitfare? – ***OR*** – Stagflation: The End of ‘Macroeconomics’?
12. *Apr 3* Across Borders: Well Being or Power?

REQUIRED TEXTS

- Bowles, Samuel, Richard Edwards, and Frank Roosevelt. 2005. *Understanding Capitalism. Competition, Command, and Change*. New York and Oxford: Oxford University Press.
- Keen, Steve. 2001. *Debunking Economics. The Naked Emperor of the Social Sciences*. Annandale and London: Pluto Press Australia and Zed Books.
- Parkin, Michael, and Robin Bade. 2000. *Economics. Canada in the Global Environment*. Toronto: Addison Wesley Longman. [You could use this or any other edition of a major economics textbook]

USEFUL TEXTS

- Arestis, Philip, and Malcolm Sawyer, eds. 1994. *The Elgar Companion to Radical Political Economy*. Aldershot Hants, England and Brookfield, Vermont, USA: Edward Elgar.
- Asimakopulos, A. 1978. *An Introduction to Economic Theory: Microeconomics*. Toronto and New York: Oxford University Press.
- Baiman, Ron, Heather Boushey, and Dawn Saunders, eds. 2000. *Political Economy and Contemporary Capitalism: Radical Perspectives on Economic Theory and Policy*. New York: M. E. Sharpe.
- Blair, John M. 1972. *Economic Concentration: Structure, Behavior and Public Policy*. New York: Harcourt, Brace Jovanovich.
- Blaug, Mark. 1997. *Economic Theory in Retrospect*. 5th ed. Cambridge and New York: Cambridge University Press.
- Caporaso, James A., and David P. Levine. 1992. *Theories of Political Economy*. Cambridge: Cambridge University Press.
- Cherry, Robert D., ed. 1987. *The Imperiled Economy*. New York: Union for Radical Political Economics.
- Dowd, Douglas. 2000. *Capitalism and Its Economics: A Critical History*. London and Sterling, Virginia: Pluto Press.

- Hodgson, Geoffrey M., Warren J. Samuels, and Marc R. Tool, eds. 1994. *The Elgar Companion to Institutional and Evolutionary Economics*. 2 vols. Aldershot Hants, England and Brookfield, Vermont, USA: Edward Elgar Publishing Company.
- Edwards, Richard, Michael Reich, and Thomas E. Weisskopf. 1986. *The Capitalist System. A Radical Analysis of American Society*. 3rd ed. Englewood Cliffs, N.J.: Prentice-Hall.
- Howard, Michael Charles, and J. E. King. 1989. *A History of Marxian Economics. Vol. 1, 1883-1929*. Princeton, N.J.: Princeton University Press.
- Howard, Michael Charles, and J. E. King. 1992. *A History of Marxian Economics. Volume II, 1929-1990*. Princeton, N.J.: Princeton University Press.
- Hunt, E. K. 1992. *History of Economic Thought. A Critical Perspective*. 2nd ed. New York: HarperCollins Publishers.
- Hunt, E. K., and Howard J. Sherman. 1990. *Economics: An Introduction to Traditional and Radical Views*. 5th ed. New York: Harper & Row.
- Newman, Peter K., ed. 1998. *The New Palgrave Dictionary of Economics and the Law*. 3 vols. London and New York: Macmillan Reference and Stockton Press.
- Newman, Peter K., Murray Milgate, and John Eatwell, eds. 1992. *The New Palgrave Dictionary of Money & Finance*. Vol. 3. London and New York: Macmillan and Stockton Press.
- Nitzan, Jonathan, and Shimshon Bichler. 2002. *The Global Political Economy of Israel*. London: Pluto Press.
- Robinson, Joan. 1962. *Economic Philosophy*. Chicago: Aldine Pub. Co.
- Scherer, F. M., and David Ross. 1990. *Industrial Market Structure and Economic Performance*. 3rd ed. Boston: Houghton Mifflin.
- Schumpeter, Joseph A. 1954. *History of Economic Analysis*. Ed. from manuscript by E. B. Schumpeter. New York: Oxford University Press.
- Stretton, Hugh. 2000. *Economics: A New Introduction*. London: Pluto Press.

OUTLINE AND READINGS

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| (*) Indicates a more demanding reading. |
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1. Political Economy: An Overview

2. The Trinity: Supply, Demand, Equilibrium

Introductory Readings

Huxley, Aldous. 1932. *Brave New World*. With a special Forward by the author. New York: The Modern Library. [*A portrait of social equilibrium*]

Required Readings

Parkin, Michael, and Robin Bade. 2000. *Economics. Canada in the Global Environment*. Toronto: Addison Wesley Longman. Ch. 2: 'Making and Using Graphs,' pp. 19-36; Ch. 4: 'Demand and Supply,' pp. 63-88. [44 pages]

Asimakopulos, A. 1978. *An Introduction to Economic Theory: Microeconomics*. Toronto and New York: Oxford University Press. Ch. 4: 'Statics, Dynamics and the Stability of Equilibrium,' pp. 79-95. [17 pages]

Georgescu-Roegen, Nicholas. 1979. Methods in Economic Science. *Journal of Economic Issues* XIII (2, June): 317-328. [12 pages]

Keen, Steve. 2001. *Debunking Economics. The Naked Emperor of the Social Sciences*. Annandale and London: Pluto Press Australia and Zed Books. Ch. 7: 'There is Madness in Their Method,' pp. 147-164; Ch. 8: 'Let's Do the Time Wrap Again,' pp. 165-187. [41 pages]

Recommended Readings

- Caldwell, Bruce J. 1984. *Appraisal and Criticism in Economics. A Book of Readings*. Boston: Allen & Unwin.
- Hahn, Frank. 1973. *On the Notion of Equilibrium in Economics. An Inaugural Lecture*. London: Cambridge University Press.
- Henry, John F. 1983-84. On Equilibrium. *Journal of Post Keynesian Economics* 6 (2): 214-229.
- Hicks, John Richard. 1946. *Value and Capital. An Inquiry into Some Fundamental Principles of Economic Theory*. 2nd ed. Oxford: Clarendon Press.
- Kaldor, Nicholas. 1985. *Economics Without Equilibrium*. Armonk, N.Y.: M.E. Sharpe.
- Lange, Oscar. 1945-1946. The Scope and Method of Economics. *The Review of Economic Studies* 13 (1): 19-32. (eResources).
- Lawson, Tony. 1995. A Realist Perspective on Contemporary "Economic Theory". *Journal of Economic Issues* 29 (1): 1-32. (eResources).
- North, Douglas. 1995. The Adam Smith Address: Economic Theory in a Dynamic Economic World. *Business Economics* 30 (1, Jan): 7-12. (eResources).
- Robbins, Lionel. 1946. *An Essay on the Nature & Significance of Economic Science*. Revised and Extended. Second ed. London: Macmillan and Co., Limited.
- Schumpeter, Joseph A. 1954. *History of Economic Analysis*. Ed. from manuscript by E. B. Schumpeter. New York: Oxford University Press, Ch. 7: 'Equilibrium Analysis,' pp. 951-1053.
- Working, E. J. 1927. What Do Statistical "Demand Curves" Show? *The Quarterly Journal of Economics* 41 (2, February): 212-235. (eResources).

3. Utility and Productivity: The Quantity of Quality

Introductory Readings

Veblen, Thorstein. 1923. [1967]. *Absentee Ownership and Business Enterprise in Recent Times. The Case of America*. With an introduction by Robert Leckachman. Boston: Beacon Press. 'Note to Chapter XI,' pp. 319-325 [On salesmanship and the Propaganda of Faith]

Required Readings

- (*) Robinson, Joan. 1962. *Economic Philosophy*. Chicago: Aldine Pub. Co. Ch.3: 'The Neo-classics: Utility,' pp. 48-70 [23 pages]
- Parkin, Michael, and Robin Bade. 2000. *Economics. Canada in the Global Environment*. Toronto: Addison Wesley Longman. Ch. 8: 'Utility and Demand,' pp. 158-176; Ch. 9: 'Possibilities, Preferences, and Choices,' pp. 177-194; Ch. 11: 'Output and Cost,' pp. 223-242. [55 pages]
- Keen, Steve. 2001. *Debunking Economics. The Naked Emperor of the Social Sciences*. Annandale and London: Pluto Press Australia and Zed Books. Ch. 2: 'The Calculus of Hedonism,' pp. 23-54; Ch. 3: 'The Price of Everything and the Value of Nothing,' pp. 54-84. [61 pages]
- Baran, Paul A. 1957. *The Political Economy of Growth*. New York and London: Modern Reader Paperbacks, pp. xi-xviii [8 pages]

Recommended Readings

- Böhm-Bawerk, Eugen von. 1891. [1971]. *The Positive Theory of Capital*. Translated with a Preface and Analysis by W. Smart. Freeport, New York: Books for Libraries Press.
- Clark, John Bates. 1899. [1965]. *The Distribution of Wealth*. New York: Augustus M. Kelley.

- History of Political Economy* (1972) 4, Fall. Issue devoted to the 'marginal revolution' in economics.
- Jevons, W. Stanley. 1871. [1970]. *The Theory of Political Economy*. Edited with an introduction by R. D. Collison Black. Harmondsworth, Middlesex, England: Penguin Books Ltd.
- Marshall, Alfred. 1920. *Principles of Economics. An Introductory Volume*. 8th ed. London: Macmillan. Book V: General Relations of Demand, Supply and Value, pp. 269-417.
- Menger, Carl. 1871. [1981]. *Principles of Economics*. With an Introduction by F.A. Hayek. Translated by James Dingwall and Bert F. Hoselitz. New York: New York University Press.
- Schumpeter, Joseph A. 1954. *History of Economic Analysis*. Ed. from manuscript by E. B. Schumpeter. New York: Oxford University Press, Appendix to Ch. 7: 'Note on the Theory of Utility,' pp. 1053-1073.
- Sen, Amartya Kumar. 1977. Rational Fools: A Critique of the Behavioral Foundations of Economic Theory. *Philosophy and Public Affairs* 6: 317-344.
- Stigler, George. 1950. [1962]. The Development of Utility Theory. In *Landmarks in Political Economy. Selections for the Journal of Political Economy*, edited by E. J. Hamilton, A. Rees and H. G. Johnson. Chicago: Phoenix Books, The University of Chicago Press, pp. 380-452 (Originally published in the *Journal of Political Economy*, Vol. 58, No. 4: 307-327; and No. 5: 373-396; available from eResources).
- Sraffa, Piero. 1926. The Law of Return Under Competitive Conditions. *The Economic Journal* 36 (144, December): 535-550. (eResources).
- Veblen, Thorstein. 1908. [1961]. Professor Clark's Economics. In *The Place of Science in Modern Civilisation and Other Essays*. New York: Russell & Russell, pp. 180-230 (Originally published in *The Quarterly Journal of Economics* 22, Feb; available from eResources).
- Veblen, Thorstein. 1909. [1961]. The Limitations of Utility Analysis. In *The Place of Science in Modern Civilisation and Other Essays*. New York: Russell & Russell, pp. 231-251 (Originally published in the *Journal of Political Economy*, Vol. 17, No. 9; available from eResources).
- Viner, Jacob. 1925. The Utility Concept in Value Theory and Its Critics. *Journal of Political Economy* 33 (4): 369-387. (eResources).
- Viner, Jacob. 1925. The Utility Concept in Value Theory and Its Critics. II. The Utility Concept in Welfare Economics. *Journal of Political Economy* 33 (6): 638-659. (eResources).
- Viner, Jacob. 1931. [1953]. Cost Curves and Supply Curves. In *Readings in Price Theory*. Selected by a committee of the American Economic Association, edited by G. J. Stigler and K. E. Boulding. Chicago: R.D. Irwin, pp. 198-232.

4. Market Organization: Ideal Types

Introductory Readings

- London, Jack. 1907. [1957]. *The Iron Heel*. New York: Hill and Wang. [From competition, to monopoly, to fascism – a literary forecast]

Required Readings

- Asimakopulos, A. 1978. *An Introduction to Economic Theory: Microeconomics*. Toronto and New York: Oxford University Press. Ch. 10: 'The Theory of the Firm: Introduction,' pp. 237-247. [11 pages]
- Parkin, Michael, and Robin Bade. 2000. *Economics. Canada in the Global Environment*. Toronto: Addison Wesley Longman. Ch. 12: 'Perfect Competition,' pp. 243-266; Ch. 13: 'Monopoly,' 267-288. [55 pages]
- (*) Keen, Steve. 2001. *Debunking Economics. The Naked Emperor of the Social Sciences*. Annandale and London: Pluto Press Australia and Zed Books. Ch. 4: 'Size Does Matter,' pp. 85-109. [25 pages]

Recommended Readings

- Chamberlin, E. H. 1933. *The Theory of Monopolistic Competition*. Cambridge, Mass.: Harvard University Press.
- Coase, Ronald H. 1937. [1996]. The Nature of the Firm. In *The Economic Nature of the Firm. A Reader*, edited by L. Putterman and R. S. Kroszner. Cambridge: Cambridge University Press, pp. 89-104.
- Lebowitz, Michael A. 1985. The Theoretical Status of Monopoly Capital. In *Rethinking Marxism. Struggles in Marxist Theory. Essays for Harry Magdoff & Paul Sweezy*, edited by S. Resnick and R. Wolff. Brooklyn, NY: Autonomedia, pp. 185-203.
- Penrose, Edith Tilton. 1959. *The Theory of the Growth of the Firm*. Oxford: Blackwell.
- Robinson, Joan. 1933. *The Economics of Imperfect Competition*. London: St. Martin's Press.
- Stigler, George. 1957. Perfect Competition Historically Contemplated. *Journal of Political Economy* 65 (1, February): 1-17. (eResources)
- Stigler, George. 1982. The Economists and the Problem of Monopoly. *The American Economic Review, Papers and Proceedings* 72 (2, May): 1-11. (eResources)
- Sweezy, Paul M. 1981. [1984]. Competition and Monopoly. In *The Faltering Economy. The Problem of Accumulation Under Monopoly Capitalism*, edited by J. B. Foster and H. Szljajfer. New York: Monthly Review Press, pp. 27-40.

5. Prices or Profit?*Introductory Readings*

- Bowles, Samuel, Richard Edwards, and Frank Roosevelt. 2005. *Understanding Capitalism. Competition, Command, and Change*. New York and Oxford: Oxford University Press. Ch. 10: 'Capitalist Production and Profits,' pp. 226-252; Ch. 11: 'Competition and Concentration,' pp. 253-282 [57 pages].

Required Readings

- (optional) Blair, John M. 1972. *Economic Concentration: Structure, Behavior and Public Policy*. New York: Harcourt, Brace Jovanovich, Chs. 16-19, pp. 405-522. [118 pages] [*Perhaps the best review of oligopolistic pricing*]
- Asimakopulos, A. 1978. *An Introduction to Economic Theory: Microeconomics*. Toronto and New York: Oxford University Press. Ch. 14: 'Oligopoly,' pp. 311-346. [36 pages]
- Means, Gardiner C. 1935. Price Inflexibility and Requirements of a Stabilizing Monetary Policy. *Journal of the American Statistical Association* 30 (June): 401-413. [13 pages] (eResources).
- Machlup, Fritz. 1946. Marginal Analysis and Empirical Research. *American Economic Review* 36 (4, September): 519-554. [56 pages] (eResources).
- Hall, R. L., and C. J. Hitch. 1939. Price Theory and Business Behaviour. *Oxford Economic Papers* (2): 12-45. [34 pages]
- (*) Kalecki, Michal. 1943. [1971]. Costs and Prices. In *Selected Essays on the Dynamics of the Capitalist Economy, 1933-1970*. Cambridge: Cambridge University Press, pp. 43-61. [19 pages]
- Lanzillotti, Robert F. 1958. Pricing Objectives in Large Companies. *American Economic Review* 48 (5, December): 921-940. [20 pages] (eResources).
- Lee, Frederic S. 1984. The Marginalist Controversy and the Demise of Full Cost Pricing. *Journal of Economic Issues* 18: 1107-1132. [26 pages]

Recommended Readings

- Blinder, Alan S., Elie Canetti, David Lebow, and Jeremy Rudd. 1998. *Asking About Prices. A New Approach to Understanding Price Stickiness*. New York: Russell Sage Foundation.

- Brown, D. 1924. Pricing Policy in Relation to Financial Control. *Management and Administration*: February, pp. 195-198; March, pp. 283-286; April, pp. 417-422.
- Downward, Paul, and Frederic Lee. 2001. Post Keynesian Pricing Theory "Reconfirmed"? A Critical Review of *Asking About Prices*. *Journal of Post Keynesian Economics* 23 (3, Spring): 465-483. (eResources)
- Heflebower, R. B. 1955. Full costs, Cost Changes and Prices. In *A Conference of the Universities-National Bureau Committee for Economic Research*. Princeton: Princeton University Press, pp. 361-392.
- Howard, Michael. 1983. *Profits in Economic Theory*. London: Macmillan.
- Kahn, R. F. 1952. Oxford Studies in the Price Mechanism. *The Economic Journal* 62 (March): 119-130. (eResources)
- Kaplan, A. D. H., J.B. Dirlam, and R. F. Lanzillotti. 1958. *Pricing In Big Business. A Case Approach*. Washington, D.C.: The Brookings Institution.
- Kenyon, Peter. 1978. Pricing. In *A Guide to Post-Keynesian Economics*, edited by A. S. Eichner. New York: M. E. Sharpe, pp. 35-45.
- Lee, Frederic S., and J. Irvin-Lessmann. 1992. The Fate of an Errant Hypothesis: The Normal Cost Price Doctrine. *History of Political Economy* 24 (Summer): .
- Lee, Frederic S., P. Mongin, P. E. Earl, and C. C. Langlois. 1990-91. Symposium: The Marginalist Controversy and Post Keynesian Price Theory. *Journal of Post Keynesian Economics* 13 (Winter): 233-292.
- Lester, Richard A. 1946. Shortcomings of Marginal Analysis for Wage-Employment Problems. *American Economic Review* 36 (March): 63-82.
- Machlup, Fritz. 1967. Theories of the Firm: Marginalist, Behavioral, Managerial. *American Economic Review* 57 (1, March): 1-33. (eResources)
- Means, Gardiner C. 1972. The Administered-Price Thesis Reconfirmed. *The American Economic Review* 62 (3, June): 292-306. (eResources)
- Means, Gardiner C. 1983. Corporate Power in the Marketplace. In G. T. Moore et al. 'Corporations and Private Property,' Conference Sponsored by the Hoover Institution. *The Journal of Law & Economics* 26 (2, June): 467-485.
- National Resources Committee. 1939. The Price Structure. In *The Structure of the American Economy. Part I. Basic Characteristics*. A Report Prepared by the Industrial Section Under the Direction of Gardiner C. Means. New York: Augustus M. Kelley. Reprints of Economic Classics, pp. 122-152.
- Obrinsky, Mark. 1983. *Profit Theory and Capitalism*. Series Edited by S. Weintraub, *Post Keynesian Economics*. Philadelphia: University of Pennsylvania Press.
- Okun, Arthur M. 1981. *Prices and Quantities. A Macroeconomic Analysis*. Washington, D.C.: Brookings Institution.
- Sherman, Howard J. 1968. *Profits in the United States. An Introduction to a Study of Economic Concentration and Business Cycles*. Ithaca, N.Y.: Cornell University Press.
- Silberston, Aubrey. 1970. Surveys of Applied Economics: Price Behaviour of Firms. *The Economic Journal* 80 (319, September): 511-582. (eResources)
- Stigler, George. 1947. [1952]. The Kinky Oligopoly Demand Curve and Rigid Prices. In *Readings in Price Theory*, edited by G. J. Stigler and K. E. Boulding. Chicago: Richards D. Irwin, Inc., pp. 410-439.
- Stigler, George J. 1964. A Theory of Oligopoly. *Journal of Political Economy* 72 (1, February): 44-61. (eResources)
- Stigler, George Joseph, and James Keith Kindahl. 1970. *The Behavior of Industrial Prices*. New York: National Bureau of Economic Research; distributed by Columbia University Press.
- Sweezy, Paul M. 1939. [1952]. Demand Under Conditions of Oligopoly. In *Readings in Price Theory*, edited by G. J. Stigler and K. E. Boulding. Chicago: Richards D. Irwin, Inc., pp. 404-409.

6. Power: the End of 'Economics'?

Introductory Readings

Josephson, Matthew. 1934. *The Robber Barons. The Great American Capitalists. 1861-1901*. New York: Harcourt, Brace and Company. [*The making of monopoly capitalism. An unrivaled masterpiece*]

Required Readings

Caporaso, James A., and David P. Levine. 1992. *Theories of Political Economy*. Cambridge: Cambridge University Press. Ch. 7, 'Power-Centred Approaches to Political Economy,' pp. 159-180. [32 pages]

Scherer, F. M., and David Ross. 1990. *Industrial Market Structure and Economic Performance*. 3rd ed. Boston: Houghton Mifflin. Ch. 3: 'Industry Structure,' pp. 57-96. [40 pages]

Bowring, Joseph. 1986. *Competition in a Dual Economy*. Princeton, N.J.: Princeton University Press. [191 pages]

Recommended Readings

Averitt, Robert T. 1968. *The Dual economy. The Dynamics of American Industry Structure*. 1st ed. New York: W. W. Norton.

Bain, Joe Staten. 1956. *Barriers to New Competition*. Cambridge: Harvard University Press.

Baran, Paul. A., and Paul M. Sweezy. 1966. *Monopoly Capital. An Essay on the American Economic and Social Order*. New York: Modern Reader Paperbacks.

Bowles, Samuel, M. Franzini, and Ugo Pagano. 1999. *The Politics and Economics of Power*. London and New York: Routledge.

Blair, John M. 1972. *Economic Concentration: Structure, Behavior and Public Policy*. New York: Harcourt, Brace Jovanovich.

Edwards, Richard. 1979. *Contested Terrain. The Transformation of the Workplace in the Twentieth Century*. New York: Basic Books.

Coase, Ronald H. 1937. [1996]. The Nature of the Firm. In *The Economic Nature of the Firm. A Reader*, edited by L. Putterman and R. S. Kroszner. Cambridge: Cambridge University Press, pp. 89-104.

Gerlach, Michael L. 1992. *Alliance capitalism. The Social Organization of Japanese Business*. Berkeley: University of California Press.

Chandler, Alfred D. Jr. 1962. *Strategy and Structure. Chapters in the History of the Industrial Enterprise*. Cambridge, Mass.: The M.I.T. Press.

Chandler, Alfred D. Jr. 1965. The Beginning of 'Big Business' in American Industry. In *New Views on American Economic Development. A Selective Anthology of Recent Work*, edited by R. L. Andreano. Cambridge, Mass.: Schenkman Publishing Company, pp. 277-306.

Chandler, Alfred D. Jr. 1977. *The Visible Hand: The Managerial Revolution in American Business*. Cambridge: Harvard University Press.

Chandler, Alfred Dupont, and Takashi Hikino. 1990. *Scale and Scope. The Dynamics of Industrial Capitalism*. Cambridge, Mass.: Belknap Press.

Chandler, Alfred D. Jr., Franco Amatori, and Takashi Hikino, eds. 1997. *Big Business and the Wealth of Nations*. Cambridge: Cambridge University Press.

Edwards, Richard, Michael Reich, and Thomas E. Weisskopf. 1986. *The Capitalist System. A Radical Analysis of American Society*. 3rd ed. Englewood Cliffs, N.J.: Prentice-Hall. Ch. 3 'Capitalist Accumulation and the Capitalist Class,' pp. 58-117.

Eichner, Alfred S. 1976. *The Megacorp and Oligopoly. Micro Foundations of Macro Dynamics*. Cambridge, England and New York: Cambridge University Press.

Foster, John Bellamy. 1986. *The Theory of Monopoly Capitalism. An Elaboration of Marxian Political Economy*. New York: Monthly Review.

- Galbraith, John Kenneth. 1967. *The New Industrial State*. Boston: Houghton Mifflin Company. Read particularly Chs. I-XV (pp. 1-178).
- La Porta, Rafael, Frlorenzo Lopez-De-Silanes, and Andrei Shleifer. 1999. Corporate Ownership Around the World. *Journal of Finance* 54 (2, April): 471-517. (eResources)
- Moore, Thomas Gale, ed. 1983. *Corporations and Private Property*. A Conference Sponsored by the Hoover Institution. Special issue of *The Journal of Law & Economics* XXVI (2, June).
- O'Connor, James. 1973. *The Fiscal Crisis of the State*. New York: St. Martin's Press.
- O'Neill, Patrick B. 1996. The Trend of Aggregate Concentration in the United States. *American Journal of Economics and Sociology* 55 (2, April): 197-211. (eResources)
- Scott, J. 1997. *Corporate Business and Capitalist Classes*. Oxford: Oxford University Press.
- Sherman, Howard J. 1968. *Profits in the United States. An Introduction to a Study of Economic Concentration and Business Cycles*. Ithaca, N.Y.: Cornell University Press.
- Screpanti, E. 1999. Capitalist Forms and the Essence of Capitalism. *Review of International Political Economy* 6 (1): 1-26. (eResources)
- Steindl, Josef. 1945. *Small and Big Business. Economic Problems of the Size of Firms*. Institute of Statistics, Monograph No. 1. Oxford: Basil Blackwell.
- Sweezy, Paul M. 1939. [1953]. Interest Groups in the American Economy. In *The Present as History. Essays and Reviews on Capitalism and Socialism*. New York and London: Monthly Review Press, pp. 158-188.
- Sweezy, Paul M. 1942. [1953]. The Illusion of the Managerial Revolution. In *The Present as History. Essays and Reviews on Capitalism and Socialism*. New York and London: Monthly Review Press, pp. 39-66.
- Tool, Marc R., and Warren J. Samuels, eds. 1989. *The Economy as a System of Power*. 2nd completely revised ed. New Brunswick, N.J.: Transaction Books.
- Zeitlin, Maurice. 1974. Corporate Ownership and Control: The Large Corporation and the Capitalist Class. *American Journal of Sociology* 79 (5): 1073-1119.

7. National Accounts: What Do They 'Account' For?

Required Readings

- Parkin, Michael, and Robin Bade. 2000. *Economics. Canada in the Global Environment*. Toronto: Addison Wesley Longman. Ch. 22: 'Measuring GDP, Inflation, and Economic Growth,' pp. 475-498. [24 pages]
- (*) (optional) U.S. Department of Commerce. Bureau of Economic Analysis. 2001. *A Guide to the NIPA's. Methodology, National Income and Product Accounts, 1929-97*. Washington D.C.: Government Printing Office (<http://www.bea.doc.gov/bea/an1.htm>).
- Kendrick, John W. 1970. The Historical Development of National Income Accounts. *History of Political Economy* 11: 284-315. [32 pages]
- Nitzan, Jonathan. 1989. Price and Quantity Measurements: Theoretical Biases in Empirical Procedures. Working Paper 14/1989, Department of Economics, McGill University, Montreal. [<http://bnarchives.yorku.ca/137/>; 24 pages]
- (*) Boskin, Michael J., Ellen R. Dulberger, Robert J. Gordon, Zvi Griliches, and Dale Jorgensen. 1997. Applied Economics in Action: The CPI Commission. *American Economic Review Papers and Proceedings* 87 (2, May): 78-98. [21 pages]. (eResources)
- Tsuru, Shigeto. 1993. *Institutional Economics Revisited*. Raffaele Mattioli lectures. Cambridge and New York: Cambridge University Press. Ch. 6, 'The Future of Institutional Economics I: In Place of GDP,' pp. 83-99. [17 pages]

Recommended Readings

- Boskin, Michael J., Ellen R. Dulberger, Zvi Griliches, Robert J. Gordon, and Dale Jorgensen. 1996. *Toward a More Accurate Measure of the Cost of Living: Final Report to the Senate Finance Committee from the Advisory Commission to Study the Consumer Price Index*. S. Prt. 104-72, 104 Cong., 2 sess. Washington D.C.: U.S. GPO.
- Berndt, Ernst R., and Jack E. Triplet. 1990. *Fifty Years of Economic Measurement. The Jubilee of the Conference on Research in Income and Wealth*. Studies in Income and Wealth. Vol. 54. Chicago: University of Chicago Press.
- Court, A. T. 1939. Hedonic Price Indexes with Automotive Examples. In *The Dynamics of Automobile Demand*. Based upon papers presented at a joint meeting of the American statistical association and the Econometric society, in Detroit, Michigan, on December 27, 1938, edited by General Motors Corporation, American Statistical Association and The Econometric Society. New York: General Motors Corporation.
- Griliches, Zvi, ed. 1971. *Price Indices and Quality Change. Studies in New Methods of Measurement*. Cambridge, Mass.: Harvard University Press.
- Hicks, John. 1940. The Valuation of the Social Income. *Economica* 7 (2, May): 105-140. (eResources)
- Kendrick, John W., ed. 1996. *The New System of National Accounts*. Recent Economic Thought Series. Boston: Kluwer Academic Publishers.
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8. Prosperity or Crisis?

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Recommended Readings

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9. Money and Finance

Introductory Readings

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Required Readings

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10. Economic Policy

Introductory

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

Required Readings

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11a. Welfare, Warfare, or Profitfare?

Introductory Readings

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11b. Stagflation: the End of Macroeconomics?

Introductory Readings

Zweig, Stefan. 1943. *The World of Yesterday. An Autobiography*. New York: Viking Press. [Contains one of the most fascinating accounts of hyperinflation]

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- Weintraub, Sidney. 1978. *Capitalism's Inflation and Unemployment Crisis. Beyond Monetarism and Keynesianism*. Reading, Mass. Don Mills, Ont.: Addison-Wesley. Part 2: 'The Theoretical Structure,' pp. 39-64 [26 pages]
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- Kotz, David M. 1982. Monopoly, Inflation, and Economic Crisis. *Review of Radical Political Economics* 14 (4): 1-17. [17 pages]
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Assessment for Term Papers

Student Name:

Paper Title:

| Grade | Overall | Thesis | Theoretical | Empirical / Historical | Presentation | Originality |
|---------------------------------------|---------|--------|-------------|---------------------------|--------------|-------------|
| 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: