

IS303 Origins of Political Economy

Seminar Leaders: Irwin Collier, Boris Vormann (Course Coordinator), Michael Weinman

Course Times: Tues. & Thurs., 9:00 – 10:30am

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Office hours: Provided by individual seminar leaders

Course Description

This course explores the intellectual history of the contemporary disciplines of economics, political science and sociology, by examining the historical origins of the discourse and practice known as “political economy”: the means and processes by which societies and populations provide for their own survival and development. It offers an introduction to the reach and implications of this endeavor, its relationship to questions of law, sovereignty and political representation. It equally addresses changing state-market relationships and normative discourses about the best ways to organize societies as they echo in the liberal and critical traditions of Western political thought. In keeping with its attention to the formative history of modern categories and disciplines of knowledge, the course also addresses the ways in which changes in the (understanding of) political economy have influenced literary texts and cultural exchange. It allows students to understand, draw upon and critique the historical formulation of contemporary problems and concerns such as inequality, the sources and circulation of wealth, and the connection and differentiation between the economic and political spheres.

Requirements

Required Textbooks

Course Reader (available at the library)

Class preparation

Preparing for class means reading thoughtfully and engaging with the text; for instance, by thinking through the argument in a particular section of the text and taking notes while reading. Try to identify questions in advance: Why do the authors argue as they do? If you do not agree with something you have read, how would you address the issue at hand differently? And how would you explain and justify that answer to others in conversation around the seminar table? To aid your preparatory effort, this syllabus includes short blurbs and study questions for the course readings. Do read and use them!

Attendance

Attendance at ALL classes is expected, as regular attendance is essential to the success of this course. More than two absences (that is absences from two sessions of 90 minutes) in a

semester will result in a reduction of the course grade by up to one grade step (e.g., B+ to B). Late arrival counts as an absence. Please consult the Student Handbook for regulations governing periods of illness or leaves of absence.

Assignments and Grade Breakdown

- **Classroom Participation** **30% (3*10%)**
This seminar involves thoughtful and active participation in class discussions and working groups. The classroom is a protected space and you should feel free to voice your arguments and comments. Please do not hesitate to address the seminar leaders if you feel that this is not the case.

- **Group Presentations** **20%**
Group presentations will be given in the lecture hall during the closing plenary (Dec 13). In their presentations, groups will look back at the term and revisit one pertinent tradition of thought or problem of political economy in more detail. Presentations will be no longer than 5 minutes. Details and formats will be discussed with seminar leaders.

- **10 Response Papers (each ~500-600 words; 10*5%)** **50%**
Each student is required to write 10 response papers (1.5-spaced, 12 pt., Times New Roman) on sessions of their choice (i.e., three responses in each section I-III, and one concluding response paper for the final session on Dec 13). Response papers should include a short abstract of the primary texts' main tenets, an analysis that embeds the reading in earlier class discussions, and the articulation of one central synthetic question that engages the issues and debates addressed in the reading as a starting point for broader discussion. The *concluding response paper* will identify and discuss a common problem or theme across readings throughout the class and seek to link it to current developments in political economy today.
 - Response papers need to be submitted in print by the beginning of the respective session.

Policy on Late Submission of Papers

Please note the following policy from the Student Handbook on the submission of essays: "essays that are up to 24 hours late will be downgraded one full grade (from B+ to C+, for example). Instructors are not obliged to accept essays that are more than 24 hours late. Where an instructor agrees to accept a late essay, it must be submitted within four weeks of the deadline and cannot receive a grade of higher than C. Thereafter, the student will receive a failing grade for the assignment."

Schedule

(Highlighted sessions will be held jointly in the Lecture Hall)

Week Beginning	Tuesday	Thursday	Assignments
I. The Idea of Society and the Birth of Liberalism			
1 Sept 3	What is Political Economy? Wolff, <i>Intro to Political Philosophy</i> , Ch. 1 Freeden, <i>Liberalism</i> , Chs. 1, 2 Slater & Tonkiss, <i>Market Society</i> , Ch. 1	Legitimizing State Authority Bodin, <i>Six Books</i> , Chs 8, 10 Hobbes, <i>Leviathan</i> , Ch. 17	
2 Sept 10	Protecting Bourgeois Property Locke, <i>2nd Treatise "Property"</i> , Chs. 2, 5, 8, 9	Civilization as Degeneration Rousseau, <i>Second Discourse</i> , 162-88; <i>Of the Social Contract</i> (excerpt)	
3 Sept 17	Private Vice Public virtue Mandeville, <i>Fable of the Bees</i>	Mercantilism Mun, <i>England's Treasure</i> Viner, <i>Power vs. Plenty</i>	
4 Sept 24	Harmonious Orders Smith, <i>Wealth of Nations</i> , 1.1-3 Smith, <i>Theory of Moral Sentiments</i>	Classical Political Economy Bentham, <i>Morals & Legislation</i> , 1, 4 Malthus, <i>Essays on Populat.</i> , 1, 5, 10, 15 Ricardo, <i>Principles of Pol. Econ. and Tax.</i>	
GROUP ROTATION			
II. Nineteenth Century Challenges to Liberalism			
5 Oct 1	Varieties of Socialism Proudhon, <i>What is Property?</i> / Owen, <i>A New View of Society</i> / Saint-Simon, <i>On Social Organization/On the Political History of Industry</i> / Fourier, <i>Selections</i> / Rist, <i>Proudhon and the Socialism of 1848</i>	Reforming Liberalism Mill, <i>On Liberty</i> , Ch. 1 <i>The Subjection of Women</i>	
6 Oct 8	Liberalism and Women's Rights Wollstonecraft, <i>Vindication</i>	Historical Materialism Marx & Engels, <i>Communist Manifesto</i>	
	Industrialization and Inequality	Kapital	

7
Oct 15 Marx, *Estranged Labor*
Engels, *Conditions of the Working Class*

Marx, *Value, Price & Profit*

8
Oct 22 **Slavery and Reconstruction**
DuBois, *Black Reconstruction*
Chs. I & XVII

Rationalization
Weber, *Politics as a Vocation*

Fall break

GROUP ROTATION
III. The Great Debate of the Twentieth Century: Tradition and Critique

9
Nov 5 **Disciplinary Divides**
Weber, *Science as a Vocation*
Heilbroner, *Worldly Philosophers*, Ch. 11
Session hosted by Michael Weinman

Monetary Policy
Bagehot, *Lombard Street*

10
Nov 12 **Fiscal Policy**
Samuelson, *Economics*, Ch. 12, Part A
Session hosted by Irwin Collier

Capitalism as Creative Destruction
Schumpeter, *Capital, Socialism,*
Democracy

11
Nov 19 **Markets and Information**
Hayek, *The Use of Knowledge in Society*

Embedded Markets
Polanyi, *Great Transformation*, Chs. 6, 12
Session hosted by Boris Vormann

12
Nov 26 **Technological Rationality**
Marcuse, *Social Implications of Technology*

Capitalism and Freedom
Friedman, *Capitalism and Freedom*,
Chs. 1, 2

IV. 21st Century Reflections

13
Dec 3 **Recognizing the World System**
Robinson, *Black Marxism*, Intro, Ch. 1

Commodification and Care
Fraser, *Capital and Care / Why Two Karls*
are Better than One

14
Dec 10 **Capital in the 21st Century**
Mazzucato, *The Value of Everything*

Closing Plenary
Group presentations

Course Overview, with study questions

For all readings, please familiarize yourself with the biographical background of the authors and their historical context. Who are the audiences they are trying to reach? Why were their claims important in that particular moment in time? How do they refer back to earlier discussions in political economy? (Consider doing this in small groups in order to share tasks and generate questions to bring with you to seminar.)

I. The Idea of Society and the Birth of Liberalism

After the discovery of the so-called New World, European societies began to question their own feudal hierarchies and political set-up. How should states be organized? Who should have the right to govern? These are just two of the central questions that social contract theorists posed in the 17th and 18th century to legitimate and, ultimately, transcend absolute state power. By contrast, economic liberty, political freedom, and individual self-determination were central tenets of liberalism -- and most liberal authors of the 18th and 19th century would have agreed that it is markets that are best suited to bring about these objectives. While an earlier strand of liberalism emphasized the economic dimension of the market and its liberating potential in the context of bourgeois revolutions and the overcoming of the absolutist state, later liberal thinkers that have witnessed the social upheavals and environmental problems brought about by the industrial revolution added a more social dimension to economic life and the people who led it.

Study Questions

- Social contract theorists assumed a hypothetical state of nature to better fathom the contours of a state of society -- and to legitimate their critique of it. How do the conceptions of the state of nature and the state of society differ among the authors? And for what precise purpose?
- In the different readings: Who is included by the authors to belong to civil society and who is not? On which basis are inequalities among humans legitimate, according to the different authors? What types of liberties do the authors envisage, and at what point can they become a social problem?
- How do, or may, markets produce social order? Why are they conducive to democracy? What legitimates market order?
- What are the limits of democracy and why should it be reined in? What are the institutions beyond the market that make democracy work?

II. 19th Century Challenges to Liberalism

The critical tradition can be traced back to Jean-Jacques Rousseau whom we have already read in the context of the early social contract theorists. From his perspective, the division of labor and the transition toward market society is seen much more skeptically than in the liberal tradition. Authors we encounter in this section point out the contradictions between the theory of universal liberal values and the practices of capitalism. As such, by highlighting the discrepancy between the actual and the possible, critical thinkers in the mid-19th century all the way to the mid-20th century sought more emancipatory forms of social organization to recapture the potential for human creativity -- and think about ways to get there.

Study Questions

- What are the basic assumptions about the driving forces of history? And how do these assumptions differ among the authors in this section? How is social change brought about? And what is the role of the intellectual in making that happen?
- Alienation--not being in control of one's existence--is a central concept in critical thought. How does its definition change over time? How is it used by different authors?
- How can society be viewed differently, according to the different authors, in order to critique existing conditions?

III. The Great Debates of the Twentieth Century

The early twentieth century saw a clash of different ideas about society and how it should be organized. In the readings of this section we will encounter many echoes of earlier debates on the best ways to structure social relations. While some of the authors -- much in the liberal tradition -- insist on the markets as means to achieve individual freedom and to keep a potentially totalitarian state at bay, others -- building on the critical tradition -- point out that free market societies are a utopian endeavor that misrepresents true social relations. While the former strand provides the basis for the later ascent, in the 1970s, of neoliberal dominance in public policy and political thought, the latter account served as the backdrop for a critique of consumer societies and the false and self-defeating needs that they produced.

Study Questions

- What would happen if all aspects of life were marketized? Is full out commodification theoretically and practically feasible?
- Why are markets superior in the provision of goods, according to some of these thinkers? And why should states refrain from intervening? Why, on the other hand, might it be necessary for states to step in? Under which conditions does that make economic and/or political sense?
- What implicit assumptions about human nature do the different thinkers in this section have in mind? In which ways do they echo earlier debates?

IV. 21st Century Reflections

The end of the 20th century was marked by hopes for an "end of history" and saw liberalism on the rise, seemingly spreading liberal democracy and market freedom across the planet. The September 11 attacks in 2001, the 2007-2008 global financial crisis, and the re-nationalization and rise of authoritarian regimes in and outside the West are just some examples that have spread doubt about the global ascent of liberalism. The texts united in the last section of this course shed light on the planetary networks that render national political economies possible and echo critiques of liberalism we have discussed through the term. While Robinson and

Fraser highlight the role of difference and otherness in global economic processes, Mazzucato raises the question where value is produced – and some of its normative implications.

Study Questions:

- How do these readings inform our understanding of national political economies?
- Do the authors raise points that have so far been ignored in the discussions we had about the emergence of national polities and economies?
- Which longer-standing traditions of thought and discourses do you see reflected in these contemporary debates?