

POL239 Political Economy: Money, Justice and Politics

Instructor:

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Office hours: Monday 8:30-11:30, Wednesday 1:30-4:30, and by appointment

Course Description and Objectives: Political economy encompasses the intersection of politics and economics. Political scientists, economists, and political economists disagree over the precise scope and character of this intersection. This course is designed to introduce students to some of the terrain of political economy while giving them some grounding in the major debates and issues which define the discipline. Some of the issues that will be addressed include fiscal and monetary policy, markets as systems of power, the political economy of inequality, of social and corporate welfare spending, of food and hunger, of (un)employment and the workplace, and of consumption and the environment.

Course Requirements

Readings: The following books are required and are available for purchase from the Baldwin-Wallace College campus bookstore.

Chuck Collins and Felice Yeskel, *Economic Apartheid in America: A Primer on Economic Inequality and Insecurity* (NY: The New Press, 2006)

Barbara Ehrenreich, *Nickel and Dimed, - On (Not) Getting By in America* (NY: Metropolitan Books, 2001)

Daniel Fireside and John Miller, et. al., eds., *Real World Macro*, 23rd edition (Boston, MA: Economic Affairs Bureau, 2006)

Daniel Fireside and Chris Tilly, et. al., eds., *Real World Micro*, 13th edition (Boston, MA: Economic Affairs Bureau, 2006)

Additionally, students are required to read any materials provided by the instructor.

Attendance and participation: Attendance at all classes, lectures and presentations is required. Active participation in the forms of listening, discussing, presenting, asking questions, (respectfully) challenging others, and submitting your own ideas to scrutiny by others is a central ingredient of this course. Any unexcused absences over two during the course will count against

the student's participation grade. Since this course emphasizes shared responsibility for learning, absences will be counted as double on days when you are expected to present ideas from the readings; and if it is clear that you came to class unprepared to present your share of ideas from the readings, it will be reflected in your participation grade.

Timeliness: Class will begin promptly, and students are expected to arrive on-time. Persistent tardiness may result in a reduced participation grade and confrontation by the instructor. Assignments not handed in on the due date will be penalized one half of a letter grade for each day that they are late. Students can make up exams or assignments only upon prior permission of the instructor or if due to provable medical reasons.

Academic integrity: Honesty and integrity are values which are considered fundamental to academic institutions. Plagiarism or cheating on an assignment or exam are violations of these values, and may result in dismissal from class and at a minimum will result in an F on the particular assignment or exam.

Miscellaneous: *Cell phones* should be turned off and put away during class time. Exceptions to this rule should be cleared with the instructor. Text-messaging during class time is disrespectful and distracting, and will result in the student being counted as absent for that class period for the first offense, as two absences for the second offense, and so on. Please leave *food* outside the classroom during class times, except under extraordinary circumstances approved by the instructor. Drinks are okay.

Teaching methods: Research studies have consistently shown that students learn best through interactive and experiential teaching and learning methods, as the pyramid illustrates. This course combines lectures with class discussions, student presentations, and other interactive learning methods. The instructor will avoid the "sponge" method of teaching, where he hands out knowledge and the students are expected to soak it up. Instead, learning is understood to require a collaborative effort among students and the instructor involving a sharing of responsibility and accountability. Students, who will produce knowledge as well as consume it, will be expected to participate in the identification of issues, in the posing of questions, in the exploration of potential answers, and in the sharing of individual and group knowledge with others in the classroom.



Basis for Evaluation: Students' course grades will be based on the following:

1. Course research paper (8-10 pages) worth 25% of the final grade.
2. Final exam worth 20% of the final grade.
3. Two midterm exams, each worth 20% of the final grade.
4. Class participation (attending, listening, discussing, presenting, asking questions) worth 15% of the final grade.

Grading

All grading will be done on a straight percentage basis, as described below:

98-100	=	A+
93-97	=	A
90-92	=	A-
88-89	=	B+
84-87	=	B
80-83	=	B-
78-79	=	C+
74-77	=	C
70-73	=	C-
68-69	=	D+
64-67	=	D
60-63	=	D-
below 60	=	F

In borderline cases, adjustments may be made which reflect exceptional effort, substantial improvement, or the opposite.

Students with disabilities

Students with special needs due to learning or physical disabilities should discuss them as soon as possible with the instructor in order to make arrangements. Students should also file appropriate materials with the Baldwin Wallace Coordinator of Disability Services for Students.

COURSE SCHEDULE

Guide to abbreviations:

RWMacro = Real World Macro

RWMicro = Real World Micro

handout = reading distributed by instructor

Week 1: Economics and democracy

Daniel Fireside, et. al., "Introduction" (RWMacro, p. 1)

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Lester Thurow, "How Much Inequality Can a Democracy Take?" (handout)

Weeks 1-3: Fiscal policy

John Miller, "High and Dry" (RWMacro, p. 5)

Ellen Frank, "Don't the Rich Pay a Lot of Taxes?" (RWMicro, p. 19)

Adria Scharf, "Tax Cut Time Bomb" (RWMicro, p. 115)

Ellen Frank, "Will Tax Cuts Increase Revenue?" (RWMicro, p. 117)

Amy Gluckman, "Corporate Tax Cut Bonanza" (RWMicro, p. 118)

Michael Rebne, "What's Wrong with the 'Taxpayers Bill of Rights'" (RWMicro, p. 119)

Chuck Collins and Dedrick Muhammad, "Tax Wealth to Broaden Wealth" (RWMicro, p. 121)

Gar Alperovitz, "The Coming Era of Wealth Taxation" (RWMicro, p. 124)

Alejandro Reuss, "Ruling the Empire" (RWMacro, p. 17)

Michelle Sheehan, "Tax Breaks for the Rich" (RWMacro, p. 19)

Paul Krugman, "The Tax-Cut Con" (RWMacro, p. 56)

John Miller, "What Spending Boom?" (RWMacro, p. 50)

John Miller, "\$262 Billion: Case Closed?" (RWMacro, p. 53)

David Johnston, "Big Gain for Rich Seen in Tax Cuts for Investments" (handout)

John Irons and Robert Gordon, "Tax reform the GOP can't suggest" (handout)

Week 4: Monetary policy

Doug Orr, "What Is Money?" (RWMacro, p. 74)

James Galbraith, "The Decline of the Dollar System" (RWMacro, p. 76)

Doug Orr and Ellen Frank, "Focus on the FED" (RWMacro, p. 77)

Arthur MacEwan, "How Do Fiscal and Monetary Policy Compare?" (RWMacro, p. 80)

Ellen Frank, "The Discount Rate" (RWMacro, p. 82)

Robert Pollin, "Transforming the Fed" (RWMacro, p. 84)

Robert Pollin, "The 'Natural Rate' of Unemployment" (RWMacro, p. 88)

Bryan Snyder, "What Are the Real Costs of Inflation--and to Whom?" (RWMacro, p. 100)

Arthur MacEwan, "Understanding the Trade Deficit" (RWMacro, p. 135)

John Miller, "Dollar Anxiety" (RWMacro, p. 138)

Week 5: Markets -- invisible hand or invisible fist?

Charles Lindblom, "The Market As Prison" (handout)

Ellen Frank, "The Ideology of the Free Market" (RWMicro, p. 8)

Ellen Frank, "Should Developing Nations Embrace Protectionism?" (RWMicro, p. 13)

Marc Breslow, "Price Gouging" (RWMicro, p. 16)

Marc Breslow, "Want a Cool Planet? Raise Gas Prices!" (RWMicro, p. 17)

Chris Tilly, "Is Small Beautiful? Is Bigger Better?" (RWMicro, p. 52)

Dean Baker, "Drug Prices in Crisis" (RWMicro, p. 56)

Edward Herman, "A Brief History of Mergers and Antitrust Policy" (RWMicro, p. 59)

Chris Tilly, "Shaking the Invisible Hand" (RWMicro, p. 90)

Peter Barns, "Sharing the Wealth of the Commons" (RWMicro, p. 93)

Arthur MacEwan, "What Is Globalization?" (RWMacro, p. 125)

Arthur MacEwan, "The Gospel of Free Trade" (RWMicro, p. 129)

***** First midterm examination *****

Weeks 6-7: The political economy of inequality

Chuck Collins and Felice Yeskel, *Economic Apartheid in America*

Arthur MacEwan, "Why CEO Salaries Skyrocket" (RWMicro, p. 63)

Phineas Baxandall, "How Rich Is Bill?" (RWMicro, p. 81)

Chris Tilly, "Geese, Golden Eggs, and Traps" (RWMicro, p. 82)

Alejandro Reuss, "Cause of Death: Inequality" (RWMicro, p. 85)

Peter Barns, "Sharing the Wealth of the Commons" (RWMicro, p. 93)

Dollars & Sense and UFE, "Wealth Inequality by the Numbers" (RWMacro, p. 21)

John Miller, "Slow Wage Growth But Soaring Profits..." (RWMacro, p. 23)

Ellen Frank, "Measures of Poverty" (RWMacro, p. 24)

Paul Krugman, "The Death of Horatio Alger" (RWMacro, p. 25)

William Greider, "Transforming the Engines of Inequality" (RWMacro, p. 30)

Ellen Frank, "No More Savings!" (RWMacro, p. 40)

Weeks 8-9: Social and corporate welfare

Mark Mattern, "Public Assistance Welfare vs. Corporate Welfare" (handout)

Randy Albelda, "What's Wrong With Welfare-To-Work" (RWMicro, p. 75)

Elaine McCrate, "Supports for Low-Wage Workers or Subsidies for Wal-Mart?" (RWMicro, p. 79)

Doug Orr, "Social Security Isn't Broken" (RWMacro, p. 59)

John Miller, "The SSA's Cracked Crystal Ball" (RWMacro, p. 62)

William Spriggs, "African Americans and Social Security" (RWMacro, p. 64)

Week 10: The political economy of food and hunger

FoodFirst, "12 Myths About Hunger" (handout)
Derrick Jensen, "Anuradha Mittal, On the True Cause of World Hunger" (handout)
Michael Pollan, "Power Steer" (handout)
Adam Sacks, "Corporate Rights Fight" (RWMicro, p. 108)

***** Second midterm examination *****

Weeks 11-12: Politics of (un)employment and the workplace

Barbara Ehrenreich, *Nickel and Dimed* (all)
Annette Bernhardt, "The Wal-Mart Trap" (RWMicro, p. 36)
Amy Gluckman, "Quality In, Workers Out?" (RWMicro, p. 38)
Siobh n McGrath and Nina Martin, "Unregulated Work" (RWMicro, p. 41)
Amy Gluckman, "Comparable Worth" (RWMicro, p. 66)
Betsy Leondar-Wright, "Black Job Loss D j  vu" (RWMicro, p. 68)
Elaine McCrate, "Supports for Low-Wage Workers or Subsidies for Wal-Mart?" (RWMicro, p. 79)
Elaine Bernard, "Workplace Democracy Through Labor Law" (RWMicro, p. 112)
Eoghan Stafford, "Unemployment Rate Deception" (RWMacro, p. 16)
Robert Pollin, "The 'Natural Rate' of Unemployment" (RWMacro, p. 88)
Chris Tilly, "Raw Deal for Workers" (RWMacro, p. 91)
Angel Chen and Adria Scharf, "Offshoring by the Numbers" (RWMacro, p. 96)
William Rodgers, "Black Workers Need More than an Economic Boom" (RWMacro, p. 97)
Elizabeth Auster, "Experts disagree on benefits of minimum-wage hike" (handout)

Week 13: Consumption, the environment, and sustainability

Marc Breslow, "Want a Cool Planet? Raise Gas Prices!" (RWMicro, p. 17)
Joel Bakan, "The Corporation" (RWMicro, p. 22)
Alan Durning, "Enough Is Enough" (RWMicro, p. 30)
Alejandro Reuss, "Car Trouble" (RWMicro, p. 101)
Paul Cummings and Adria Scharf, "After Kyoto" (RWMicro, p. 104)
Jonathan Rowe, "The Growth Consensus Unravels" (RWMacro, p. 10)
Charles Sackrey and Geoffrey Schneider, "John Kenneth Galbraith and the Theory of Social Balance" (handout)
Bill McKibben, "A Deeper Shade of Green" (handout)
Michael Pollan, "Power Steer" (handout; reread)

Weeks 14-15: Alternative Approaches to Political Economy

John Miller and Gina Neff, "The Revenge of the Classics" (RWMacro, p. 103)
Robert Pollin, "What's Wrong with NeoLiberalism?" (RWMacro, p. 106)
Ellen Frank, "Life After Keynes" (RWMacro, p. 109)

Alejandro Reuss, "Opening Pandora's Box: The Basics of Marxist Economics" (RWMacro, p. 112)

Randy Albelda, "Under the Margins: Feminist Economists..." (RWMacro, p. 115)

Richard Wolff, "Marxian Class Analysis and Economics" (RWMacro, p. 120)

Charles Sackrey and Geoffrey Schneider, "John Kenneth Galbraith and the Theory of Social Balance" (handout; reread)

Important dates to remember:

November 22 & 24, 2006: Thanksgiving break -- no classes.

December 4, 2006: Course paper due.

December 12, 2006 (Monday), 1:00-3:00 pm: Final examination.