Economics 330-01
Comparative Economic Systems
Spring 2018

Class Time: TR 12:15-1:30 Tate 132
Professor: Dr. Peter Calcagno
Office: 433 Beatty Center
Office Hours: T 9:00-11:00 and W 10:30-12:00, 1:00-2:30 and by appointment
Office Phone: 953-4279
Email: calcagnop@cofc.edu

Text:
Selected readings available on line see outline on OAKS
Atlas Shrugged by Ayn Rand

Prerequisites:
The courses ECON 200, ECON 201, MATH 105 or 120, or permission of the instructor.

Course Description:
An analysis and appraisal of the theories and practices underlying economic systems. Consideration is given to capitalist, socialist, and communist models and economies.

Course Learning Objectives:
Comparative economic systems cover the fundamentals theories of how to organize society. What is the means by which resources are produced, allocated, and consumed? Students will be exposed to the various economic systems both in theory, practice, and historical context. Therefore, both positive and normative aspects of these economic systems will be evaluated.

School of Business Learning Goals:
Communication Skills: Students demonstrate the ability, via both written and spoken word, to effectively present, critique, and defend ideas in a cogent, persuasive manner.
Global and Civic Responsibility: Students identify and define social, ethical, environmental and economic challenges at local, national and international levels. Students integrate knowledge and skills in addressing these issues.
Synthesis: Students demonstrate the ability to integrate knowledge from multiple disciplines incorporating learning from both classroom and non-classroom settings in the completion of complex and comprehensive tasks.

Course material:
The organization of the lectures will follow the course outline provided in the content section of OAKS. This outline will be updated throughout the semester. There is a lot of reading and writing to be done in this course. Be prepared to spend significant amounts of time reading and writing outside of class. The reading will be available in the content section of OAKS. Students should check the OAKS website on a regular basis for announcements, exam information, and assignments. Students should read before coming to class to be able to participate in class discussion. Your participation often benefits both the professor and other students. Do not hesitate to ask questions or offer comments.

Examinations and Grading:
Exams: Two mid-term exams and a final exam will be given over the semester. The final exam is comprehensive drawing on material from throughout the semester. The exams will consist of essay questions. Anyone who misses an exam with an absence memo, which must be acquired from the Associate Dean of Students Office at 67 George Street or online at http://studentaffairs.cofc.edu/general_info/absence/, will have the weight from that exam re-allocated evenly across the rest of the assignments. A missed exam without a legitimate written excuse will be scored as a zero. You must take all the exams at the dates and times listed. No make-up exams will be given! I ask that you take 24 hours to review your exams on their return. Try to understand your mistakes and look for any grading errors. I will not answer any questions immediately following the return of the exam. If you have any questions about anything you missed or you discover a grading error, please bring it to my attention within three business days of when the exam is returned. No grade changes will be made after that time. Please do not wait until the end of the semester to talk to me about concern for your exam performance. I am always willing to help outside class when possible.
Writing Assignments:
Students will read two short books: *The Law* by Frederic Bastiat and *Why Not Socialism* by G.A. Cohen. You will write a short compare and contrast book review between 1000-1500 words (3-5 pages) on the book. This is to be an academic review and should be a summary and critical review of the books. These books and samples of book reviews from academic economic journals are available online and you can find the links in the content section of OAKS under the heading Books.

Students will also write a short paper (5-7 pages) examining the role of the “Public Good”. How does this issue relate to the novel's theme? Explain and show how various economic systems view the “public good”. Then using the characters and events in the novel demonstrate two to three views of the “public good”. For instance, the character Hank Reardon declares "The public good be damned, I will have no part of it!". What economic system does his view best represent and why? Thus, the paper should include two to three characters that represent differing views and economic systems examining the “public good”. You must use references besides Atlas Shrugged and must have at least two references besides the novel.

The papers must be double spaced, typewritten, with one inch margins and, and must include a separate title and references page, which will follow the *Chicago Manual of Style*. Both writing assignments must be turned in through dropbox on OAKS. Assignments are scored out of 100 points. Late papers will be marked down 10 points for every day they are late. *Papers are considered late if turned in after 5:00 pm on the due date.* Papers will be graded on the following criteria:

- **Content and quality of the argument** - 80%
  - Is the argument being proposed clear and concise?
  - How well did you provide evidence to support your argument?
  - How well did you develop your argument pairing the theory with points in *Atlas Shrugged*?
  - How well did you address possible concerns?

- **Spelling, grammar, and style are important** - 10%
  - Additional tips:
  - There is a difference between writing concisely without technical jargon and writing in a casual or **colloquial** style.
  - Avoid using contractions.
  - Avoid starting sentences with “and” or “but”.
  - Use positive (e.g. think, argue, will) rather than normative language (e.g. believe, feel, should)
  - Avoid using passive voice
  - Points off for spelling and grammar errors
    - 1-3 errors – 2 points off
    - 4-6 errors – 3 points off
    - 7-10 errors – 5 points off
    - Greater than 10 errors – 8 points off

- **Format** - 10%
  - The formatting should follow the guidelines noted above.

Writing Lab:
I encourage you to take advantage of the Writing Lab in the Center for Student Learning (Addlestone Library, first floor). Trained writing consultants can help with writing for all courses; they offer one-to-one consultations that address everything from brainstorming and developing ideas to crafting strong sentences and documenting sources. For more information, please call 843.953.5635 or visit [http://csl.cofc.edu/labs/writing-lab/](http://csl.cofc.edu/labs/writing-lab/).

Quizzes:
We will watch the PBS special Commanding Heights: The Battle for the World Economy. After we watch each episode you will be given a short quiz. In addition, given the length of *Atlas Shrugged* students are encouraged to begin reading the book at the beginning of the semester. Short quizzes will be given periodically (see outline) to insure students are keeping up with the reading.
Discussion Participation:
Each class we will discuss academic articles and other materials in class. Each student will be responsible for leading our discussion on those discussion days. Your task, detailed below, will be to come to class prepared and ready to pose questions we might discuss, or point us to passages in the readings that you found particularly interesting or challenging. You should also frame your questions or the passages of interest in terms of any connections you see to earlier readings or other issues.

Format and Rules for Structured Discussions

General Information:
Discussions will begin promptly at the start of class and run 75 minutes. Please come on time and prepared to sit for that length of time. If you do need to step out, try to do so quietly. Please sit around the table and not in the chairs along the wall. Students will be assigned specific seats with the placement of nameplates. Nameplates are used to encourage mutual reference between discussion participants, e.g., “I want to respond to something John said earlier…”

Discussion Rules:
The discussion will begin with the instructor outlining some major themes, drawing connections to earlier lessons, or placing the work into context. The day’s Discussion Leader (DL) will highlight some points within the reading and posing questions to which discussion participants might wish to respond. Those introductory remarks should take no more than 10 minutes, leaving the balance of the discussion time for participants to respond to those queries, present your own questions, and respond to other discussion participants. This means that you are duty-bound to come prepared, with the text read very carefully, with notes and/or questions written down so that you can contribute to a lively and engaged discussion.

After the DL finishes introductory remarks, the “queue” is then opened for participants to respond and/or pose their own questions. I will keep the queue and acknowledge whose turn it is to speak. You may indicate your interest in making a comment by raising your hand upward. If, while another discussion participant is speaking you decide that you would like to make your own points, you should “catch my eye” by raising your hand quietly, and wait for a silent nod indicating that you have been placed on the queue. I will periodically remind everyone who is in line to speak.

If discussion participants wish to make a very brief comment that pertains to something that was just said, you can be put on the “brief comment” queue which allows you to get your short point in right away before the conversation moves too far beyond the specific issue being raised. Participants wishing to be put on the short comment queue indicate this by putting their finger and thumb together (as if to say, “this will be short, I promise.”) A position within the brief comment queue does not eliminate a position in the main queue. This helps to assure that brief comments remain brief and that participants will have time to articulate their longer points when their turn in the long comment queue comes around.

I may participate in both queues, but I will have to abide by the same rules as everyone else (i.e., I have to wait my turn just like everyone else). I also reserve the right to change the order of the queue to make sure that everyone who wants to speak gets the chance. This may include moving people up the queue who have not spoken yet before someone else speaks for a second or third time. I also reserve the right to cut short comments that go on too long and to take other appropriate measures necessary to maintaining order and decorum.

Mutual respect is an absolute in these discussions. That said, one can be respectful while still engaging in lively argument. Striking this balance is the key to a successful discussion and is the responsibility of everyone at the table.

Grading Policy:
Your participation in the conversation will be graded as follows:
Outstanding contribution to conversation (present, prepared, contributing substantively and creatively - rarely awarded) – 4 points
Contributions meet expectations (present, prepared, and contributing substantively) – 3 points
Contributions are lacking some preparation and thought (present, somewhat prepared, talking) – 2 points
Contributions are below expectations (present but not prepared or talking) – 1 point
Absent – 0 points
What does it mean to be prepared? Prepared students must have read and digested (thought about) all of the assigned material (additional readings, podcasts, or videos posted).

To prepare for each class discussion you will be required to submit at least three (3) questions to propose to the group from the day's reading(s). The questions can be about clarification, about content, about connections to other readings, a question that further probes the author's ideas, among others. Be prepared to pose your questions to the group and to conduct the discussion of your question.

Questions sets must be posted to OAKS by 11:30 p.m. the night prior to the class. OAKS submissions are organized by Class Meeting. These questions are required for the day's readings. If we cover more than one reading in a day indicate at the question level to which reading the question pertains.

Formatting Guidelines At the top of each page format as follows:

First Name Last Name
Date
Reading(s)
ECON 330 – Semester YEAR

Example:
5, John Doe
January 11, 2018
Bastiat – A Petition, The Negative Railroad, What is Seen and What is Not Seen
ECON 330 – Spring 2018

What comprises good student comments?

- **Relevance**: Your comments should pertain directly to the materials at hand. If you have to start off your comment with "this may not relate" you are probably quite correct. Does your comment clarify the issues or does it take us off the track?
- **Advancement**: Your comments should deepen the analysis. They should also incorporate the economic tools which we are trying to develop. Do your comments move us forward or do they require us to backtrack or detour?
- **Rationality/Logic**: Are your comments rational and logical? Are they consistent? Do they relate and connect to that which other comments have revealed? Are you drawing upon your previous knowledge or new knowledge you have gained from the readings?
- **Originality**: Are you being creative? Do you point out relationships to other readings or subjects which we have discussed in the past? Are your comments mundane or repetitive or are they new, offering fresh insight to the subject matter?
- **Factuality**: Your comments must be factually based. Until we agree on the facts of the case, analysis is spurious. This does not mean that there is only one interpretation of the facts, it simply means that will want to constantly clarify the facts as we progress.

**Extra Credit:**
On occasion there may be lectures or events for which your participation can earn you extra credit. If one or more should arise, I will be sure to announce it in class and post the relevant information on OAKS. Extra credit assignments are worth 2 points and will be averaged into your participation grade. To receive the extra credit points students must attend the event and complete a survey on OAKS. Surveys will either be in the content section, or under surveys under the Grades tab of OAKS. The OAKS surveys will only be available for **48 hours after the event** and once that time has passed the extra credit opportunity will no longer be available.

Your overall grade will be determined as follows:
**Participation** – 25%
**Exams** - 20%
- Thursday February 22
Quizzes - 15%
- February 20, April 5, April 19 (Atlas Shrugged)
- February 8, April 3, April 17 (Commanding Heights)

Writing assignments: - 20%
- Tuesday February 6 Why Not Socialism Book Review
- Thursday March 29 The Law Book Review
- Thursday April 23 Atlas Shrugged Paper

Final exam - 20%
- Thursday April 26 12:00 pm

Other Important Dates:
January 16 Drop/Add Ends
Last day for students to withdraw with a grade of "W" Tuesday March 13
Spring Break March 19-23

Grade Appeals:
If you believe an assignment may have been graded erroneously, you must explain your concern to me in person within one class day after the assignment is returned to the class. After that time, no grade changes will be made. If you are not in class when an exam is returned, it is your responsibility to come get your graded exam in time.

Negotiating Grades:
Your class grade depends on the total amount of points you earn. Again, I do not rule out a curve at the end of the semester, but I promise that I never curve down, only up. My grading policy is simple and transparent. I am simply a “scorekeeper” when it comes to assigning course grades. Please do not ask me to arbitrarily raise your grade, to offer you additional “extra credit,” or other special treatment. You are an adult in college; please take responsibility for your performance.

Classroom policies and Attendance:
Students are expected to arrive to class on time prepared, remain for the entire class period and behave appropriately while in the classroom. When in class students should turn cell phones off or to vibrate. Do not answer your cell phone during class. Students should not be texting during class. If it is an emergency, please excuse yourself from class.

Attendance is not mandatory, but is strongly encouraged, as the material is cumulative in nature. Test questions will be drawn from class notes, text, and readings, so no one should rely entirely upon a single source. If you miss class, it is your responsibility to get the notes from another student; I do not give out my notes. Students may obtain an absence memo from the Associate Dean of Students Office at 67 George Street or online at http://www.cofc.edu/studentaffairs/general_info/absence.

College of Charleston Honor Code and Academic Integrity
Lying, cheating, attempted cheating, and plagiarism are violations of our Honor Code that, when identified, are investigated. Each incident will be examined to determine the degree of deception involved.

Cases of suspected academic dishonesty will be reported directly by the instructor and/or others having knowledge of the incident to the Dean of Students. A student found responsible by the Honor Board for academic dishonesty will receive a XF in the course, indicating failure of the course due to academic dishonesty. This grade will appear on the student’s transcript for two years after which the student may petition for the X to be expunged. The student may also be placed on disciplinary probation, suspended (temporary removal) or expelled (permanent removal) from the College by the Honor Board.

Students should be aware that unauthorized collaboration—working together without permission— is a form of cheating. Unless the instructor specifies that students can work together on an assignment, quiz and/or test, no collaboration during the completion of the assignment is permitted. Other forms of cheating include possessing or using an unauthorized study aid (which could include accessing information via a cell phone or computer), copying from others’ exams, fabricating data, and giving unauthorized assistance.

Students can find the complete Honor Code and all related processes in the Student Handbook at http://studentaffairs.cofc.edu/honor-system/studenthandbook/index.php
**Disability Accommodations Statement:**
Any individual who qualifies for reasonable accommodation under The American with Disabilities Act or Section 504 of the Rehabilitation Act of 1973 should contact the instructor immediately. The College will make reasonable accommodations for persons with documented disabilities. Students should apply at the Center for Disability Services / SNAP, located on the first floor of the Lightsey Center, Suite 104. Students approved for accommodations are responsible for contacting me one week before accommodation is needed.

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<th>Tentative Course Outline</th>
<th>Week</th>
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<td>Conflict of Visions Chapter 2 Constrained and Unconstrained Visions by Thomas Sowell</td>
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<td>&quot;Reality is not Optional: Thomas Sowell’s Vision of Man and Society&quot; By Edward Younkins</td>
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<td><strong>Mercantilism</strong></td>
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<td>&quot;Mercantilism&quot; by Laura LaHaye.</td>
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<td>Mercantilism as a Rent Seeking Society by Robert Ekelund and Robert Tollison</td>
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<td>Revisions in Economic History V. Mercantilism by Eli Heckscher</td>
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<td><strong>Capitalism</strong></td>
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<td>&quot;Capitalism&quot; by Robert Hessen.</td>
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<td>&quot;Free Market&quot; by Murray Rothbard.</td>
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<td>&quot;Property Rights&quot; by Armen Alchian.</td>
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<td>&quot;What is Capitalism?&quot; by Ayn Rand</td>
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<td>Capitalism and Freedom Introduction by Milton Friedman</td>
<td>Week 3</td>
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<td>Capitalism and Freedom Chapter 1 by Milton Friedman</td>
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<td>Capitalism and Freedom Chapter 2 by Milton Friedman</td>
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<td>Law, Legislation, and Liberty The Market Order or Catallaxy by F. A. Hayek</td>
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<td><strong>Marxism and Socialism</strong></td>
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<td>&quot;Marxism&quot; by David Prychitko.</td>
<td>Week 4</td>
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<td>Capital Vol 1 Chapter 7 The Labor Process and the Process of Producing Surplus Value by Karl Marx</td>
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<td>The Communist Manifesto by Karl Marx and Frederic Engles</td>
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<td><strong>Why Not Socialism by G. A. Cohen</strong></td>
<td>Week 5</td>
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<td><strong>Commanding Heights – The Battle of ideas</strong></td>
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<td>Marxism Philosophy and Economics by Thomas Sowell Chapter 1 “Economics and Philosophy”</td>
<td>Week 6</td>
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<tr>
<td>Marxism Philosophy and Economics by Thomas Sowell Chapter 2 “The Dialectical Approach”</td>
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<td>Marxism Philosophy and Economics by Thomas Sowell Chapter 6 “Marxian Economic Crises”</td>
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<td>&quot;Socialism&quot; by Robert Heilbroner.</td>
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<td>The Stalinist Command Economy by Paul Gregory</td>
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<td>“Socialism” Chapter 2 of Socialism by Ludwig von Mises</td>
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**Atlas Shrugged Part 1 Chapter 1-10**

**Mid Term Exam**

Week 7
Fascism

“The Doctrine of Fascism” by Benito Mussolini  
“Fascism” by Sheldon Richman.

The Vampire Economy: Doing Business Under Fascism by Gunter Reiman Chapter 1 “What Happened to the Business Man”

Guest Lecture Christian Bjornskov

The Vampire Economy: Doing Business Under Fascism by Gunter Reiman Chapter 4 “The Contact Man”

The Vampire Economy: Doing Business Under Fascism by Gunter Reiman Chapter 6 “Price Dictatorship and Private Initiative”

The Vampire Economy: Doing Business Under Fascism by Gunter Reiman Chapter 7 “Industrial Group Leaders”

The Road to Serfdom by F.A. Hayek Chapter 10 “Why the Worst Get on Top”

The Case Against Socialism

“The Tragedy of the Commons” by Garrett Hardin.  

“The Impracticability of Socialism” Chapter 11 in Socialism by Ludwig von Mises.

“I, Pencil” by Leonard Read.


“A Marvel of Cooperation: How Order Emerges without a Conscious Planner” by Russell Roberts

Spring Break


The Law By Frederic Bastiat

Commanding Heights – The Agony of Reform

Atlas Shrugged Part 2

Modern Welfare State

“Keynesian Economics” by Alan Blinder.

New Ideas from Dead Economists by Todd Bucholz “Keynes Bon Vivant as Savior”

“Price Controls” by Hugh Rockoff.
“Minimum Wages” by Linda Gorman.
“Redistribution” by Dwight Lee.

Commanding Heights The New Rules of the Game

Atlas Shrugged Part 3