ECONOMIC SYSTEMS
CAPITAL: THE ECONOMICS OF KARL MARX
ECON 164
FALL 2015; 11:00-12:30 TTH

Instructor: Joseph W.H. Lough

CNN: 22741

Units/Credits: 4

Course Location: 6 EVANS

email: joseph\_lough@berkeley.edu

Office phone: 510-219-6569

Office Hours: W 10-2 677 EVANS

**Course Description**

For much of the 20th century, the world was divided between two economic systems: the socialist system, associated with centrally planned economies located principally, but not exclusively, in Eastern Europe, the Soviet Union, and China; and the capitalist system, associated with the liberal, free market economies located principally, but not exclusively, in Western Europe, North America, and Japan. Then, in 1989, something completely unanticipated happened. Citizens in countries dominated by the socialist system elected to introduce free market capitalism. Today, twenty-five years after the fall of communism, economists are increasingly intrigued by elements in the mature economic theories of Karl Marx that may shed light on some of the most persistent challenges in global capitalism: development, innovation, economic and social stability, political institutions, and wealth inequality among them. This course invites economics students to explore and critically reflect on the unanticipated relevance of Karl Marx’s mature economic theory for understanding these challenges. The course will begin by briefly outlining the traditional Marxist system, adopted and adapted by state actors in the early and mid-20th centuries. We will then move into a careful, historically and socially, embedded reading of Marx’s Capital, less to validate the systems adopted by VI Lenin, J Stalin, or Mao Zedong, than to facilitate our own understanding of the evolving thought of K Marx and the changes he felt were taking place in society, economics, and politics. We will conclude by exploring how Marx’s mature economic categories and models might shed light on persistent challenges encountered within global capitalism today.

**Learning Goals**

As part of Berkeley's Undergraduate Student Learning Initiative (USLI), the Economics Department has developed learning goals for the Economics major. (See <http://econ.berkeley.edu/undergrad/home/learning-goals>.) The specific learning goals that this course aims to achieve are:

1. To facilitate critical thinking by showing students how to understand alternative economic systems; use economic theory to understand and evaluate alternative economic systems; compare arguments, and identify and understand the role of assumptions.
2. To cultivate problem-solving skills to recognize institutional, historical, and social differences among different political economies and theorize ways these economies can achieve outcomes.
3. To cultivate communication skills by helping students communicate clearly and effectively about transitional economics.
4. To help students develop lifelong learning skills working with primary data and narrative sources and understanding news about economies in transition.

**This Syllabus**

While students may rely upon this syllabus for all readings and assignments, they should also be aware that unforeseen contingencies may require that we alter the syllabus from time to time. Students are therefore encouraged to log onto and consult the syllabus on bCourses at regular intervals (at least three times weekly).

**Course Materials**

The following books are available for purchase at the usual outlets. Outside of these required texts, this is a paperless course.

**Required Texts**

Marx, K. Capital. Volumes 1. New York: Penguin. ISBN-13: 978-0140445688

**Course Requirements**

Under the conviction that scholarship is a collective venture (even when we think we are conducting it alone), students will be expected to actively participate in discussions and presentations (whether or not they are the presenters). For our purposes, emailing, on-line chatting, and texting do not constitute active participation. More than two unexcused absences may invite being dropped from the course. **Attendance** is not optional.

Students are expected to have read the **assigned readings** and to be ready to share questions, interpretations, challenges, alternatives, etc. to the positions presented by the authors.

**Electronic Media**: Unless a student submits a written, signed and dated permission slip from a medical or learning specialist, **students may not take notes on computing devices during lecture**. Students who receive permission to use a computing device must turn off the device’s WiFi and Bluetooth technology.

**Written assignments** (i.e., **mid-term,** **presentation summary, final paper**) must be type-written, appropriately formatted, with the course name, student name, date, and assignment clearly visible.

**Presentation:** Before September 3, students will select their presentations on bCourses. Presentation teams must meet with me during my office hours prior to their presentations. **All members must be present**. They will be responsible for collaborating together on a presentation, not to exceed fifteen minutes, during which they will (1) identify the problem the author(s) are addressing; (2) the position against which the author(s) is/are arguing; (3) the author(s) solution to the problem. **PRESENTERS MUST NOT SUMMARIZE THE AUTHOR(S) POSITION. PRESENTERS MUST PRESENT THEIR AUTHOR(S) “SOCRATICALLY,” I.E., BY IDENTIFYING THE QUESTION THE AUTHOR(S) ARE RAISING AND ENGAGING THEIR CLASSMATES OVER THIS PROBLEM**. Each student must then submit his/her own 3-5 page paper: (1) identify the problem the author(s) are addressing; (2) the position against which the author(s) is/are arguing; (3) the author(s) solution to the problem. The paper must not summarize.

**Final:** Students must visit me during office hours prior to the Thanksgiving break to discuss problem they intend to focus on in their final paper. Students will present to their assigned Reader a bibliography of works they intend to use writing their final paper no later than end of week 12. In their final paper: (1) students will identify a problem they are addressing; (2) identify how this problem arises in the context of historical changes; (3) critically reflect on how well (or poorly) other economists grasp and respond to these changes; and (4) identify the solutions that economic thinkers have settled upon; and (5) state how they would revise these solutions to make them more adequate.

**Plagiarism**

The University of California, Berkeley, its faculty and its students pride themselves on the standards of excellence we have set for ourselves and attempt daily to match up to. Among these standards of excellence are originality of scholarship and **academic integrity**. To help maintain these standards the students, administration, and faculty have established and continue to enforce severe penalties for students and faculty who represent someone else’s statements, research, or ideas as their own. If you are discovered to have **plagiarized**, you will receive a summary “F” for the assignment and will be referred for further investigation to Student Judicial Affairs. If you are unsure what constitutes plagiarism, please consult document “Tips for Avoiding Plagiarism” posted on the following address: <http://students.berkeley.edu/files/osl/Student_Judicial_Affairs/TipsForAvoidingPlagiarism.pdf>. The University of California, Berkeley, students, faculty, and administration also prohibit cheating, conveying false information, fabricating or altering information, alteration of University documents, and rude conduct toward other students, faculty, or administrators.

**Evaluation Criteria**

Attendance 20%

Participation 10%

Presentation 10%

Presentation Paper 10%

Bibliography 10%

Take-Home Midterm 20%

Final Paper 20%

 **Course Calendar**

**PART ONE: THE PROBLEM**

|  |
| --- |
| **WEEK ONE: THE WORLD OF THE 19TH CENTURY** |
| **Date** | **Title** | **Assignment (completed by date)** |
| August 27 | Globalization 1.0 | Required Reading: E Hobsbawm Age of Capital, Introduction and Chapter 1 (on bCourses) |
|  |  | STUDENTS MUST SIGN UP FOR PRESENTATIONS ON bCOURSES NO LATER THAN SEPTEMBER 3 |

|  |
| --- |
| **WEEK TWO: TRADITIONS** |
| **Date** | **Title** | **Assignment (completed by date)** |
| September 1 | Gymnasium “on a Stick” | Recommended Reading: Aristotle, Politics (bCourses); Plato, Gorgias (bCourses); Plato, Republic (bCourses); D Landes, Revolution in Time (bCourses); EP Thompson, Time, Work-Discipline, and Industrial Capitalism (bCourses); I Kant, Prolegomena (bCourses) |
| September 3 | Traditional Marxism | Required Reading: M Dobb, Political Economy, Chapters 3-4 (bCourses); **PRESENTATION 1** |

**PART II: FOUNDATIONS**

|  |
| --- |
| **WEEK THREE: CLASSICAL ECONOMICS** |
| **Date** | **Title** | **Assignment (completed by date)** |
| September 8 | The Propensity to Truck, Barter, and Exchange | Required Reading: A Smith, Wealth of Nations, Book I, Chapters 1-4 (bCourses); **PRESENTATION 2** |
| September 10 | Labor: The Source of all Value | Required Reading: A Smith, Wealth of Nations, Book I, Chapters 5-8 (bCourses); **PRESENTATION 3** |

|  |
| --- |
| **WEEK FOUR: GWF HEGEL’S SYSTEM** |
| **Date** | **Title** | **Assignment (completed by date)** |
| September 15 | The Family | Required Reading: GWF Hegel, Elements of the Philosophy of Right, The Family §§142-181 (bCourses); **PRESENTATION 4** |
| September 17 | Civil Society | Required Reading: GWF Hegel, Elements of the Philosophy of Right, Civil Society, §§182-256 (bCourses); **PRESENTATION 5** |

|  |
| --- |
| **WEEK FIVE: GWF HEGEL’S SYSTEM (CONT.)** |
| **Date** | **Title** | **Assignment (completed by date)** |
| September 22 | The Substance of Freedom | Required Reading GWF Hegel, Phenomenology of Spirit, Preface, §§18-19 (bCourses); **PRESENTATION 6** |
| September 24 | Lordship and Bondage | Required Reading: GWF Hegel, Phenomenology of Spirit, Preface, §§178-193 (bCourses); **PRESENTATION 7** |

**PART III: CAPITAL**

|  |
| --- |
| **WEEK SIX: THE COMMODITY** |
| September 29 | The two-fold character of the Commodity | Required Reading: K Marx, Capital, Volume 1, Part I, Chapter 1, Parts 1-2; **PRESENTATION 8** |
| October 1 | The Value-Form | Required Reading: K Marx, Capital, Volume I, Part I, Chapter 1, Part 3; **PRESENTATION 9** |

|  |
| --- |
| **WEEK SEVEN: THE COMMODITY AND MONEY** |
| **Date** | **Title** | **Assignment (completed by date)** |
| October 6 | The Social Character of the Commodity | Required Reading: K Marx, Capital, Volume I, Part I, Chapter 1, Part 4, and Chapter 5; **PRESENTATION 10** |
| October 8 | Money | Required Reading: K Marx, Capital, Volume I, Part I, Chapter 3; **PRESENTATION 11** |

|  |
| --- |
| **WEEK EIGHT: CONTRADICTION** |
| **Date** | **Title** | **Assignment (completed by date)** |
| October 13 | Money into Capital | Required Reading: K Marx, Capital, Volume I, and Part II, Chapters 4; **PRESENTATION 12** |
| October 15 | Capital and Labor | Required Reading: K Marx, Capital, Volume I, Part II, Chapters 5 and 6; **PRESENTATION 13** |
|  |  | POST MIDTERM QUESTIONS ON B-SPACE |

|  |
| --- |
| **WEEK NINE: SURPLUS VALUE** |
| **Date** | **Title** | **Assignment (completed by date)** |
| October 20 | From Labor to Capital | Required Reading: K Marx, Capital, Volume I, Part III, Chapters 7 and 8; **PRESENTATION 14** |
| October 22 | Constant and Variable Capital | Required Reading: K Marx, Capital, Volume I, Part III, Chapter 9; **PRESENTATION 15** |
|  |  | MIDTERM ANSWERS DUE, SENT TO HEAD READER VIA BCOURSES BY MARCH 20, 11:59 PM |

|  |
| --- |
| **WEEK TEN: THE WORKING DAY AND SURPLUS VALUE** |
| **Date** | **Title** | **Assignment (completed by date)** |
| October 27 | Legislating Freedom | Required Reading: K Marx, Capital, Volume I, Part III, Chapter 10; **PRESENTATION 16** |
| October 29 | Surplus Value | Required Reading: K Marx, Capital, Volume I, Part III, Chapter 11 and Part IV, Chapters 12-13; **PRESENTATION 17** |
|  |  | POST MID-TERM GRADES ON BCOURSES; APRIL 1 IS FIRST DAY STUDENTS CAN DISCUSS THEIR FINAL PAPERS WITH ME DURING OFFICE HOURS |

|  |
| --- |
| **WEEK ELEVEN: CREATING EFFICIENCIES** |
| **Date** | **Title** | **Assignment (completed by date)** |
| November 3 | The Division of Labor and Efficiency | Required Reading: K Marx, Capital, Volume I, Part IV, Chapter 14; **PRESENTATION 18** |
| November 5 | Mechanization and Efficiency | Required Reading: K Marx, Capital, Volume I, Part IV, Chapter 15, Parts 1-3; **PRESENTATION 19** |

|  |
| --- |
| **WEEK TWELVE: CREATING AND APPROPRIATING EFFICIENCIES** |
| **Date** | **Title** | **Assignment (completed by date)** |
| November 10 | Large-scale industry and efficiency | Required Reading: K Marx, Capital, Volume I, Part IV, Chapter 15, Parts 4-8; **PRESENTATION 20** |
| November 12 | Capital Accumulation | Required Reading: K Marx, Capital, Volume I, Part VII, Chapter 25, Part 5; **PRESENTATION 21** |
|  |  | **LAST DAY** STUDENTS CAN PRESENT THEIR PAPER TOPICS TO ME DURING OFFICE HOURS APRIL 15 |

|  |
| --- |
| **WEEK THIRTEEN: HISTORICAL AND SOCIAL DYNAMISM** |
| **Date** | **Title** | **Assignment (completed by date)** |
| November 17 | Take-off | Required Reading: K Marx, Capital, Volume I, Part VIII, Chapter 27-29; **PRESENTATION 22** |
| November 19 | Mechanisms of Capitalist Dynamism | Required Reading: K Marx, Capital, Volume I, Part VIII, Chapter 30-33; **PRESENTATION 23** |
|  |  | STUDENT FINAL PAPER BIBLIOGRAPHIES DUE (AT LEAST FIVE SOURCES) |

|  |
| --- |
| **WEEK FOURTEEN: LABOR AND FREEDOM** |
| **Date** | **Title** | **Assignment (completed by date)** |
| November 24 | The True Realm of Freedom | Required Reading: K Marx, Capital, Volume III, Part VII, Chapter 47-48; **PRESENTATION 24** |
| November 26 |  | **THANKSGIVING** |

|  |
| --- |
| **WEEK FIFTEEN: THE POLITICS OF MARXISM** |
| December 1 | The Problem with Class | Required Reading: K Marx, Capital, Volume III, Part VII, Chapters 49-51; **PRESENTATION 25** |
| December 3 | Contemporary Capitalism | Required Reading: M Postone, “Theorizing the Contemporary World” (bCourses); **PRESENTATION 26** |

|  |
| --- |
| **WEEK FOURTEEN: READING WEEK** |
| December 7-11 |  | I WILL HOLD OFFICE HOURS THIS WEEK |

|  |
| --- |
| **WEEK FIFTEEN: EXAMINATION WEEK** |
| December 14-18 |  | FINAL PAPERS MUST BE SENT TO THE HEAD READER NO LATER THAN 10:59 AM, WEDNESDAY, DECEMBER 16 |