

UNIVERSITY OF TORONTO  
Department of Economics

SII 199 H1F  
CONTEMPORARY ECONOMIC SYSTEMS  
Fall - 2012

Professor Abraham Rotstein

Section A Tuesday 10-12

This seminar looks at some very diverse economies in a comparative framework. These include market, non-market, and hybrid economic systems, both historical and contemporary. Following a general introduction, students will begin with the examination of primitive and archaic economies; these will be contrasted with the classical market economy and finally the modern process of globalization.

**TERM WORK**

A preliminary assignment will consist of a **SHORT ESSAY** due October 2. Details for this assignment will be supplied in class.

Students are expected to write a fully-documented **TERM PAPER** on a topic related to one of the seminar themes (see below). A two-page outline of the essay, including the title, main theme, sub-sections, and a bibliography of about six key books is due on Tuesday October 16. The completed essay is due on November 6. Essays should be about 3000 to 4000 words in length (12 to 16 double-spaced pages).

A **TERM TEST** covering the full term's work will take place on Tuesday November 27 (in class)

**PARTICIPATION** in seminar discussions and class presentations will also form part of the total mark.

The final mark will be comprised of the following:

|               |     |
|---------------|-----|
| Short Essay   | 10% |
| Term Test     | 30% |
| Term Essay    | 50% |
| Participation | 10% |

Total      100%

## OFFICE HOURS

Professor Rotstein will be available to answer questions about the course, about the essay and about personal matters on Mondays from 8:45-9:45am in Room G 40 in the basement of the Economics Building 150 St. George St. He may also be reached by email at <[abraham.rotstein@utoronto.ca](mailto:abraham.rotstein@utoronto.ca)>.

## READINGS

The first-term readings for each topic are shown below, and are available in a reading package from **Print City, at 180 Bloor St. W.**, just west of Bloor and Avenue Rd. Their telephone number is 416-920-3040. The kit costs \$12 plus taxes. Note that these articles are to be read prior to the corresponding lecture.

## OUTLINE

### **1. Introduction, September 11**

- How can economies be compared when their systems may diverge widely? Key features of all economic systems will be discussed.
- How many different patterns of economic exchange exist? How do they operate?
- What is the “classic” market economy?

### ***Readings***

Polanyi, Karl. “Societies and Economic Systems.” Ch.4 in The Great Transformation. Beacon Press, 1944, pp.43-55.

Diamond, Jared. “From Egalitarianism to Kleptocracy.” Ch.14 from Guns, Germs, and Steel. New York: W. W. Norton & Company, 1999, pp.265-292.

### **2. Primitive economies, September 18 – October 2 (3 Sessions).**

- Primitive economies
- Canadian Indians
- West Africa
- New Guinea

### ***Readings***

Forde, Daryll and Mary Douglas. "Primitive Economics." in Man, Culture and Society, Harry L. Shapiro, ed. Oxford: Oxford University Press, 1956, pp.330-344.

Malinowski, B. "Kula: The Circulating Exchange of Valuables in the Archipelagoes of Eastern New Guinea." Man (1920), No.51, pp.97-105.

Rich, E.E. "Trade Habits and Economic Motivation Among the Indians of North America." Canadian Journal of Economics and Political Science, Vol.26, No.1, Feb. 1960, pp.35-53.

Polanyi, Karl, (in collaboration with A. Rotstein). "Reciprocity: Mutual Aid and Cooperation." Ch.4 from Dahomey and the Slave Trade. University of Washington Press, 1966, pp.60-69.

### **October 2 - Short Essay Due**

### **3. The Classical Market Economy, October 11 – October 25th (3 Sessions)** Theory, History, Social structure

### ***Readings***

Fusfeld, Daniel R. "Adam Smith." Ch.3 from The Age of the Economist. Boston: Addison Wesley, 2002, pp.23-36.

Angresano, James. "England's Laissez-Faire Market Economy 1830-1870." Ch.6 from Comparative Economics, 2<sup>nd</sup> edition. New Jersey: Prentice-Hall, 1996, pp. 111-130.

Friedman, Milton. "Introduction." Capitalism and Freedom. Chicago: University of Chicago Press, 1962, pp.1-6.

Fusfeld, Daniel R. "The Chicago School." Excerpt from Ch.14 of The Age of the Economist. Boston: Addison Wesley, 2002, pp.207-210.

Polanyi, Karl. "The Self-Regulating Market and the Fictitious Commodities: Labor, Land, and Money." Ch.6 from The Great Transformation. Beacon Press, 1944, pp.68-76.

### **October 16 Outline of Essay Due**

4. **The Great Depression and Keynes' Solution, October 30 – Nov.6** (2 Sessions)

***Readings***

Fusfeld, Daniel R. "The Keynesian Revolution." Ch.10 from The Age of the Economist. Boston: Addison Wesley, 2002, pp.128-138.

**Nov. 6 – Essay Due**

**November 13: Fall Break – No Class**

5. **Globalization, November 20**

***Readings***

Rosenberg, Tina. "Globalization." The New York Times Magazine, 18 August, 2002.

Stiglitz, Joseph E. "The Promise of Global Institutions." Ch.1 from Globalization and Its Discontents. New York: W.W. Norton, 2002, pp.3-22.

**Nov. 27 Class Test** (in class 10:10 – 11:00)

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