

Department of Economics
University of Toronto
Winter 2011

SII 199Y – Winter Term Contemporary Economic Systems

Section L0181 – T 10-12

INSTRUCTOR

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OFFICE HOURS

Wednesdays 4:30 – 5:30 PM

COURSE DESCRIPTION

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. In the first term, students examined primitive and tribal economies and contrasted them with the classical market economy and the modern process of globalization. In this second term, the seminar will contrast the functioning of market-oriented economies with that of government-led economies. The emphasis will be on the latter examining the experiences of South Korea, China, and Venezuela.

REQUIRED READINGS

You must purchase John Rapley's *Understanding Development*, third edition (Boulder: Lynne Rienner Publishers, 2007). We will use chapters from this book in four of the sessions of the seminar. This book is available at the university bookstore.

Other required and supplementary readings are available in a reading package from Print City, at 180 Bloor St. W., just west of Avenue Rd. Their telephone number is 416-920-3040.

SEMINARS

Seminars will be held on Tuesdays from 10:00 to 12:00 AM in room UC 257.

COURSE REQUIREMENTS

- A **term paper** on a topic related to the seminar themes. This essay will be due at the beginning of class on **March 15**. The paper should be about 3000 to 3500 words in length (12 to 15 double-spaced pages). ***Please note that, without exception, late submissions will not be accepted.***
 - A two-page tentative **outline** of the term paper, including the title, main theme, sub-sections, and a bibliography of at least six key readings will be due at the beginning of class on **February 8**. ***There will be a penalty for late submission of 5 percentage points (of the term paper grade) per day, excluding weekends.***
- A **class test** covering the second term's work will be written from 10:00 to 12:00 AM on **Tuesday, April 5**. Students will be asked to answer two questions from a list of about eight questions to be given in class on **March 29**.
- **Participation** in seminar discussions will also form part of the total mark. Students must read the required readings in order to have a stimulating seminar. A weekly set of questions about the required readings will be provided in advance to facilitate your preparation.

COURSE EVALUATION

The total grade for the second term will be 50% of the course grade. The breakdown of the term grade will be as follows: 1) term paper will count for 20% of the final mark; 2) class test will count for 20% of the final mark; and 3) seminar participation will count for the other 10% of the final mark.

GUIDELINES FOR WRITING THE TERM PAPER

There are several Writing Centres at the University of Toronto where you can receive helpful information to guide you in writing an academic essay. A list of these Writing Centres can be accessed at www.utoronto.ca/writing/centres.html. More general advice on academic essay writing can also be electronically accessed at www.utoronto.ca/writing/essay.html.

ACADEMIC INTEGRITY

Academic integrity is one of the cornerstones of the University of Toronto. It is critically important both to maintain our community which honours the values of honesty, trust, respect, fairness and responsibility and to protect you, the students within this community, and the value of the degree towards which you are all working so diligently.

According to Section B of the University of Toronto's *Code of Behaviour on Academic Matters* (www.utoronto.ca/govcncl/pap/policies/behaveac.html) which all students are expected to know and respect, it is an offence for students:

- To use someone else's ideas or words in their own work without acknowledging

that those ideas/words are not their own with a citation and quotation marks, i.e. to commit plagiarism.

- To include false, misleading or concocted citations in their work.
- To obtain unauthorized assistance on any assignment.
- To provide unauthorized assistance to another student. This includes, for instance, showing another student an answer in a test.
- To submit their own work for credit in more than one course without the permission of the instructor.
- To falsify or alter any documentation required by the University. This, includes, but is not limited to, doctor's notes.
- To use or possess an unauthorized aid in any test or exam (e.g., a cell phone).
- To continue writing when the time is up in any test or exam.

There are other offences covered under the Code, but these are by far the most common. Please respect these rules and the values which they protect.

COURSE OUTLINE AND READING ASSIGNMENTS

1. Introduction: States or Markets? (January 11)

J. Rapley, "The Progress of Development," in his *Understanding Development*, 3rd Edition, Chapter 1, pp. 1-12. Boulder: Lynne Rienner, 2007.

J. Rapley, "Development Theory in the Postwar Period," in his *Understanding Development*, 3rd Edition, Chapter 2, pp. 13-34. Boulder: Lynne Rienner, 2007.

2. The Role of the Government in the Economy (January 18)

J. Rapley, "State-Led Development in Practice," in his *Understanding Development*, 3rd Edition, Chapter 3, pp. 35-62. Boulder: Lynne Rienner, 2007.

W. Baer, "Industrialization in Latin America: Successes and Failures," *Journal of Economic Education*, Vol. 15, No. 2 (Spring), 1984, pp. 124-35.

3. Neoliberalism: The Power and Limitations of the Market (January 25)

J. Rapley, "The Neoclassical Answer to Failure," in his *Understanding Development*, 3rd Edition, Chapter 4, pp. 63-86. Boulder: Lynne Rienner, 2007.

W. Baer, "Neo-Liberalism in Latin America: A Return to the Past?" *Financial Markets and Portfolio Management*, Vol. 16, No. 3, 2002, pp. 309-15.

4. The Social and Economic Record of Neoliberalism (February 1)

J. Rapley, "Neoclassical Reform in Practice," in his *Understanding Development*, 3rd Edition, Chapter 5, pp. 87-134. Boulder: Lynne Rienner, 2002.

D. Green, "Latin America: Neoliberal Failure and the Search for Alternatives," *Third World Quarterly*, Vol.17, No. 1, 1996, pp. 109-22.

5. Globalization and Developing Countries (February 8)

[Note: Essay outline is due.]

D. Green and L. Luehrmann, "Globalization: Cause or Cure for Development," in their *Comparative Politics of the Third World*, Chapter 6, pp. 107-38. Boulder: Lynne Rienner Publishers, 2003.

J.E. Stiglitz, "Another World Is Possible," in his *Making Globalization Work*, Chapter 1, pp. 3-24. New York: W.W. Norton, 2006.

6. East Asian NICs: Export-Oriented, Government-Led Development (February 15)

Y. Chu, "The East Asian NICs: A State-Led Path to the Developed World," in B. Stallings (ed.), *Global Change, Regional Response*, Chapter 7, pp. 199-237. Cambridge: Cambridge University Press, 1995.

J.E. Stiglitz, "Some Lessons from the East Asian Miracle." *The World Bank Research Observer*, Vol. 11, No. 2 (August), 1996, pp. 151-177.

7. East Asian NICs: Video and discussion (March 1)

F.C. Deyo, "Labor and Development Policy in East Asia," *The Annals of the American Academy of Political and Social Science*, Vol. 505, No. 1 (September), 1989, pp. 152-61.

Note: This session of the seminar will take place in the Media Commons Audiovisual Library on the third floor of Robarts Library.

8. China: The Power of Market Socialism (March 8)

A.Y. So, "The Chinese Developmental Miracle: Origins, Characteristics, and Challenges." *Asian Perspectives*, Vol. 25, No. 4, 2001, pp. 5-31. Reprinted as "Guest Editor's Introduction" in *The Chinese Economy*, Vol. 35, No. 3 (May-June), 2002, pp. 3-25.

M. Hart- Landsberg and P. Burkett, "China's Economic Transformation," *Monthly Review*, Vol. 56, No. 3 (July-August), 2004, pp. 26-54.

9. China: Video and discussion (March 15)

[Note: Term paper is due.]

J. Kahn and J. Yardley, "As China Roars, Pollution Reaches Deadly Extremes," *The New York Times*, August 26, 2007.

B. Schiller, "Chongqing: A Tale of Two Cities," *The Toronto Star*, April 19, 2008.

A. Jacobs, "China's Army of Graduates Struggles for Jobs," *The New York Times*, December 11, 2010.

Note: This session of the seminar will take place in the Media Commons Audiovisual Library on the third floor of Robarts Library.

10. Venezuela: Independent Development in a Unipolar System? (March 22)

S. Ellner, "Hugo Chavez's First Decade in Office: Breakthroughs and Shortcomings," *Latin American Perspectives*, Vol. 37, No. 1 (January), 2010, pp. 77-96.

M. Weisbrot and L. Sandoval, "Update: The Venezuelan Economy in the Chávez Years," Center for Economic and Policy Research, Washington, D.C., February 2008.

11. Venezuela: Video and discussion (March 29)

[Note: A list of possible test questions will be provided.]

S. Sharm, S. Tracy and S. Kumar, "Venezuela: Ripe for US Intervention?" *Race and Class*, Vol. 45, No. 4 (April), 2004, pp. 61-74.

Note: This session of the seminar will take place in the Media Commons Audiovisual Library on the third floor of Roberts Library.

12. In-class test (April 5)

Note: The test will be written from 10:00 to 12:00 AM on Tuesday, April 5, at a location to be announced.