

Economics 536
Comparative Economics
Spring 2003
8:30-9:20 MWF

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Waters 350

Homepage: <http://www.ksu.edu/economics/nafwayne/>

Office hours: 9:30-10:00, 1:50-2:20, or by appointment--Waters 312 (I will notify you in advance about any day when there will be no office hours).

Analyzes capitalism in the United States, Japan, and Germany; transition by Russia, Poland, the Czech Republic, and Hungary to market economies; economic reform in China, India, Mexico, Brazil, Argentina, and East and Southeast Asia; African economic development; and the Marxian critique of capitalism. Pr.: Econ 110 or 120. The course is a university general education course and counts for the international studies secondary major and Arts and Sciences' international overlay.

Objectives: The major objectives of the course are for students to be able to: (1) analyze and compare the United States's and Japan's capitalist economic developments and compare them to other capitalist economies; (2) analyze the reasons for the collapse of state socialism and the problems of the transitions of socialist to market economies; (3) discuss and analyze the transitions to the market in Russia, the former Soviet Union, and Eastern and Central Europe; (4) discuss and analyze the problems of economic reform and liberalization in developing countries such as China, India, Mexico, Brazil, Argentina, and East and Southeast Asia; (5) sketch an analysis of the economic development of Africa, Asia, and other developing regions; (6) understand the basics of Marxian economics, how Marxist economists analyze the political economy, and the contrasts between the approaches of Marxism and Western standard economics, and (7) generally compare economic systems and ideas.

To attain the background essential to meet these objectives, you need to read the readings and attend lectures and class discussions.

Required text: Martin C. Schnitzer, *Comparative Economic Systems*, 8th ed. (Cincinnati: South-Western, 2000). The Schnitzer text is required and its reading is assumed in examination questions, but the lecture-discussion outline will not always parallel the reading. If any changes or deletions are made in readings during the course of the semester, they will be announced in class.

Internet Resources on Comparative Economics: Country information and country background notes are at <http://www.ksu.edu/economics/nafwayne/>. The European Banks for Reconstruction and Development (EBRD), at www.ebrd.com/english/opera/COUNTRY/, provides a menu of EBRD activities for Eastern Europe and the former Soviet Union, by country. Selecting Russia, for example, at www.ebrd.com/english/opera/COUNTRY/russfact.htm, gives you the EBRD's activities on Russia. Depending on the date, clicking "Russia Country Strategy" results in a paper, "Strategy for the Russian Federation," [russtrat.pdf] that, with a free Acrobat Reader, includes tables and annexes with macroeconomic, international trade and exchange, social indicators, population, banking, and industry data. Other menu options are Poland, the Czech Republic, Hungary, and other countries from Eastern Europe or the former Soviet Union. The Central Bank of Russia's statistics are at <http://www.cbr.ru/eng/>. The Stockholm School of Economics' page on transitional economies is at <http://www.hhs.se/site/2ndpage.htm>. For Soviet economic history and related links, <http://lcweb2.loc.gov/frd/cs/sutoc.html>. Links to 25 international agencies, including organizations, commissions, and development banks for most regions of the world, are at <http://altaplana.com/Gate.international.html>.

<http://newton.uor.edu/Departments&Programs/AsianStudiesDept/> includes general information, government institutions, directories, search engines, travel information, East Asian libraries, etc. for East and Southeast Asia (click Japan for that country); add the suffix [japan-pol.html#econ](#) for a wealth of

current materials on the economy. Links to Japan are also at www.ksu.edu/economics/nafwayne/japan.htm. The Organization for Economic Cooperation and Development (OECD) is at <http://www.oecd.org/>, with national-income statistics of OECD members, United States, Japan, Germany, France, Italy, the Euro zone, the EU, Britain, Sweden, Poland, Czech Republic, Hungary, South Korea, Mexico, at <http://www.oecd.org/std/nahome.htm>. Other information includes the European Union <http://www.europa.eu.int/>; the European Central Bank <http://www.ecb.int/>; and Germany <http://www.germany-info.org/relaunch/index.html>, <http://smith.diw.de/english/index.html>, and (statistics) http://www.destatis.de/e_home.htm.

Lexis-Nexis, on the KSU system, enables you to get information on a country by topic, at <http://web.lexis-nexis.com/universe>. News stories are archived for more than 20 years. EconLit, www.econlit.org/, is a database with a comprehensive indexed bibliography with abstracts of the world's economic literature, 1969 to the present, with over 300 major economic journals and collected volumes, compiled from the American Economic Association's *Journal of Economic Literature* and the *Index of Economic Articles*. For other search engines, similar to Lexis-Nexis and EconLit, you can fine-tune your search by specifying more than one keyword, or combining a keyword with additional term(s). Search engines, such as Google, at www.google.com/, facilitate finding sources and data on the web efficiently. For other comparative and international economic sites, see <http://www.ksu.edu/economics/nafwayne/edc.htm>.

<http://www.onlinenewspapers.com/> is for recent news from a country's newspapers. Click the country you are interested in on the world map, and you will receive a menu of newspaper options. www.state.gov/www/background_notes/ is for background notes on countries. At www.odci.gov/, under "Library and Reference, click the World Factbook and "Country Listing," for the economy, government, and maps on countries. Recent news on countries may be available in the *Wall Street Journal*, and at BBC www.bbc.co.uk/home/today/; CNN www.cnn.com/; the Economist www.economist.com/; (and if you have a fixed terminal) Financial Times www.ft.com/; New York Times www.nytimes.com/; and the International Herald Tribune www.iht.com/, based on the Times and the Post, with headline stories.

The selected and collected works of Karl Marx are at <http://csf.colorado.edu/mirrors/marxists.org/archive/marx/works/>. Adam Smith's *Wealth of Nations* is at www.duke.edu/~atm2/SMITH/.

Grades: I plan four one-hour examinations, each worth 100 points (total 400 points); three 36-point multiple-choice exams (108 points total); an occasional internet exercise (each worth 10 points); and an occasional minute paper (5 points each). I have indicated tentatively the coverage of each one-hour examination (the readings and corresponding lectures just before the listing of the examination). Each one-hour exam is roughly half multiple choice and half essay/problem. See <http://www.ksu.edu/economics/nafwayne/class.htm>, especially the 2001 exams). Minute papers ask the student, in 2-3 minutes, to respond to questions such as: "What was the most important thing you learned during this class?" and "What important question remains unanswered for you?"

Students who make an excellent contribution to class can raise their semester numerical grade.

Students should feel free to volunteer discussion of news items or other items of interest that have implications for the topic at hand.

Graduate students are required to write a paper or to present a twenty-minute talk to the class. This paper or talk is worth 150 points for graduate students.

Alternative to the Second or Third One-hour Exams: For either or both the second and third hour exams, the student may write a paper instead of taking the exam (the paper must be a topic related to the readings and material to be covered on the exam), provided the student notifies the instructor by e-mail or in writing (e.g., on a 3" by 5" card) what topic he or she is presenting a paper on by the second class after the

previous exam; notifies the instructor in writing of any changes in the topic; attends class regularly; and hands in the paper before or at the time of the exam. (In the past, one student both took the exam and wrote the paper, enabling that student to get the better of the two grades!). The average length of the paper is about 7-12 pages. You are expected to use standard bibliographical and citation procedures (if in doubt, use the procedures of a recent *American Economic Review*). For material on the web, the bibliographical citation must be complete, for example, Stanley Fischer, "The Asian Crisis: the Return of Growth," International Monetary Fund, Washington, D.C., paper presented to the Asia Society, Hong Kong, June 17, 1999. <http://www.imf.org/external/np/speeches/1999/061799.HTM>. Feel free to hand in an earlier draft so that I can give you comments that will allow you to improve your paper (but give me a few days to respond), or ask questions about your progress at earlier stages of work on your paper.

For either or both the second and third hour exams, the student may present a 20-minute or so talk instead of taking the exam or writing a paper, as long as the student notifies the instructor as indicated in the previous paragraph. In addition, the student must arrange with the instructor ten days in advance to present the talk, which should be given near the time the subject is discussed in class.

No alternative is possible for the first exam or for the final exam, Friday, May 17, 11:50-1:40, Waters 350. All students are required to take these exams.

Plagiarism: University policy is: "Plagiarism and cheating are serious offenses and may be punished by failure on the exam, paper, or project; failure in the course; and/or expulsion from the university." For more information refer to "Academic Dishonesty," <http://www.ksu.edu/uau/fhbook/fhxf.html>.

Honor system: The university has an honor system based on personal integrity, which is presumed to be sufficient assurance that in academic matters one's work is performed honestly and without unauthorized assistance. Undergraduate students, by registration, acknowledge the jurisdiction of the Undergraduate Honor System. The policies and procedures of the Undergraduate Honor System apply to all full and part-time students enrolled in undergraduate courses on-campus, off-campus, and via distance learning. A prominent part of the Honor System is the inclusion of the Honor Pledge, which applies to all assignments, examinations, or other course work undertaken by undergraduate students. The Honor Pledge is implied, whether or not it is stated: "On my honor, as a student, I have neither given nor received unauthorized aid on this academic work." This statement means that the student understands and has complied with the requirements of the assignment as set forth by the instructor. A grade of XF can result from a breach of academic honesty. An XF would be failure of the course with the X on the transcript indicating failure as a result of a breach of academic honesty. For more information, refer to <http://www.ksu.edu/honor>.

Academic Accommodations for Students with Disabilities: If you have any condition, such as a physical or learning disability, which will make it difficult for you to carry out the work as I have outlined it or which will require academic accommodations, please notify me in the first two weeks of the course.

Tentative Outline of the Course (numbers correspond to Schnitzer chapters):

1. The 20th Century: The American Century (Wed., Jan. 23)
2. What is Capitalism?
3. The United States
4. Japan

MULTIPLE-CHOICE EXAMINATION

5. Germany
6. Marxism & Socialism

ONE-HOUR EXAMINATION

7. The Rise and Fall of Communism
8. Russia
9. Poland, the Czech Republic, and Hungary
MULTIPLE-CHOICE EXAMINATION

10. Problems of Less Developed Countries
11. China
ONE-HOUR EXAMINATION

12. India
13. Argentina, Brazil, and Mexico
MULTIPLE-CHOICE EXAMINATION

14. Nigeria and South Africa
15. Regional Economic Integration (EU, NAFTA, MERCOSUR, APEC, & others)
ONE-HOUR EXAMINATION, FRIDAY, MAY 2

16. The Twenty-first Century

ONE-HOUR (100-POINT) EXAMINATION (ALTHOUGH OFFERED DURING THE FINAL EXAMINATION PERIOD), MONDAY, MAY 12, 11:50-1:40, WATERS 350