

Introductions, etc.

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- The syllabus is at:
- <http://bev.berkeley.edu>
- Facebook Group: “Political Economy”
- Book: The Political Economy Reader
- Other readings online
- i>clicker
- Housekeeping
- Terms and Conditions



**PE 101: Contemporary Theories of
Political Economy Fall 2014**

A real world dilemma: The aftermath of Hurricane Sandy



“Price Gouging” or simply price that reflects supply and demand?



Political Economy



POWER, Purpose
AND
WEALTH

Looking more closely at Purpose.....

- Purpose is the foundation of Policy
- Based on a set of values and principles of Justice
 - values about what people deserve,
 - Principles determining what is Just.
- How can we KNOW?

Should health care be distributed through the market mechanism?

1) Yes

2) No: Government should provide health care

Reason as a guide to Purpose of Policy in Political Economy:

- Start with a real **problem** (usually in political economy, a problem that involves the production and distribution of power and wealth)
- Examine your **opinion** of how that problem should be solved
- What are your **reasons** behind those convictions? (I believe something is right or wrong because....)
- On what **principle** is that reason based?

Three Principles



Community



All debates in political economy are over these three principles

- Conflict among the three principles and the three ideas about justice that they represent.
- Examples:
 - Taxing the wealthy to help the poor
 - Affirmative Action

Plan of the Course: I. Theories

I. Theories of Political Economy

A . The Political Economy of Freedom: Economic Liberalism--classical and neo

B. The Political Economy of Equality

1. Liberal Equality

2. Radical Equality

C. The Political Economy of Community:

1. Community, Culture, and Nation 2.

Protectionism and Economic Nationalism

Plan of the Course : II. Theory and Reality

A. Freedom in Crisis: Depression, Fascism, and War

B. Limiting freedom in the wake of Depression and War

1. International Institutions

2. The Welfare State

C. The Political Economy of Development

1. Economic Liberal Explanations

2. Inequality and Underdevelopment

3. Institutional Arguments for Development:

D. Theories and Practice of Globalization: Does Globalization

1. Expand freedom?

2. Weaken the economic Community?

3. Cause Cultural Conflict?

4. Weaken Equality? Globalization's impact on Income and Work

5. Cause Resource Scarcity, Exploitation, and Environmental Degradation:

III. Summary and Conclusions: Toward new Theories of Political Economy

Terms and Conditions

- Required attendance at all class sessions
- Come to class on time
- Class participation (lecture and section, Facebook Group)
- Complete reading for each session before class
- No use of lap tops, iPads, other tablets in class...take notes with pen/pencil and paper
- Required subscription to the *Wall Street Journal* newspaper (digital edition is ok)
- Assignments: Short exam, Midterm, Final, and section assignments as part of your participation grade
- Short in class exam September 19
- In-Class Midterm is tentatively scheduled for October 10
- In-Class Final Exam is scheduled for TUESDAY, DECEMBER 17, 2013 8-11A
 - **PLEASE DO NOT BUY PLANE TICKETS OR MAKE OTHER PLANS. THERE WILL BE NO EARLY OR LATE EXAMS.**

Takeaways.....

- Political Economy is about Power, Wealth and Purpose
- This class is about exposing your (and others') unconscious rationalizations about purpose
- You will become experts in the three “schools” of thought, or principles, behind alternative policies
- You will see the ways that these have been applied in various issue areas of political economy.