This course focuses on capitalism and its critics in the context of the historical evolution of advanced industrial society. It will consider two major issues: the relative roles of markets and the state and the balance between individual rights and social responsibilities in the organization of economic activity. The structuring theme of the course is Thomas Kuhn's notion of a scientific paradigm. The course examines several different paradigms which have been used to analyze and understand capitalism in the context of the historical period in which those paradigms initially emerged and the specific political and economic problems with which they were designed to deal.

The material is organized under five broad headings: Liberalism and Capitalism; Marxism and Corporatism; Views of Industrialization; Pathologies of Capitalism, and Implications for Today.

The course will use fictional and ethnographic accounts of individual economic achievement to highlight and sharpen the alternative ways of thinking about the social and political dimensions of economic activity. The issue of individualism and its relationship to capitalist growth and development is first introduced through *The Fountainhead* by Ayn Rand. We return to examine these questions again at the end of the course in the context of Watson’s autobiographical account of the discovery of DNA, *The Double Helix*, and Lester and Piore’s new book, *Innovation: The Missing Dimension*, both of which raise questions about the role of individuals relative to social groups and broader intellectual communities in modern economic development. We relate this issues to current policy concerns through a consideration of *Saving Social Security* by Diamond and Oszag. Students should purchase these books.

**Course Requirements**

The course will require three types of written exercises: exams, formal papers, and weekly reactions to the reading.

**Exams**

There will be two exams: a quiz on March 16 and a three-hour final examination at the end of the term.

**Papers**

This course is a HASS-D subject and requires 20 pages of coherent essay. This requirement will normally be met through three essays, the first due on February 28, the second on April 11, and the third on May 2. Two of the essays should focus on the relationship between the economic
system and the values and work relationships which emerge in *The Fountainhead* (the first paper) and either *The Double Helix* or *Innovation: The Missing Dimension* (the third paper). The middle paper should focus on the development of our current economic system. More detailed instructions will be provided in class. Alternatively, students may select a related topic of their own.

**Reflections on the readings**

Students are required to keep a written journal consisting of one or two pages informal reflections on the readings each week. These should identify the most important issues which the readings pose and attempt to characterize the perspective which the authors take upon the relationship between the economy and the state and/or the relative roles of individual and social forces in economic growth and development.

**Reading Assignments**

The Readings will be on reserve at Dewey. A packet of the shorter reading assignments may be purchased at Graphic Arts, E52-045. The classic books on the reading list and/or those containing relatively long assignments have been ordered at the Coop and should be available there for purchase. Students are urged to purchase *The Fountainhead, The Double Helix,* and *The Soul of the New Machine.*

**I. Introduction**

(2/2-9)


**II. Liberalism and Capitalism**

(2/14-23)


Peter A. Diamond and Peter R. Orszag, *Saving Social Security: A Balanced Approach*
III. Marxism and Corporatism (2/28-3/14)

[http://www.marxists.org/archive/marx/works/1848/communist-manifesto/](http://www.marxists.org/archive/marx/works/1848/communist-manifesto/)


Midterm Exam (3/16) Followed by SPRING VACATION

IV. Views of Industrialization (3/28-4/6)


Alfred D. Chandler, Jr. *Scale and Scope: The Dynamics of Industrial Capitalism*,


VI. Pathologies of Capitalism (4/11-25)


VII. Implications for Today (4/27-5/11)


Final Exam

4