

Izmir University of Economics
ECON 409
Fall 2007
Office Hours: Mon 14:00-16:00
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POLITICAL ECONOMY

Course Objectives: What is capitalism? How does it work? What are the fundamental institutions of capitalism? Are there different forms of capitalism? How does a typical capitalist firm work? Can capitalism survive without accumulation? How do the capitalist institutions influence individual and collective action?

The aim of the course is to discuss these and other broad but significant questions in order to allow you to reflect upon and understand how capitalism can succeed in increasing wealth of nations.

Required Textbook: Ernesto Screpanti (2001), *The Fundamental Institutions of Capitalism*, London and New York: Routledge, (FIC)

You may purchase the book from any of the online bookstores. I will also put a copy at the Trio copy center. *It is essential that you read the relevant material before the class* and come to class prepared.

Course Requirements: Students are expected to attend all the lectures and participate in the discussions. Attendance and especially participation will be graded and will worth 40 % of the final grade. Every week some study questions will be posted on the web and you will be randomly chosen to answer the study questions during the lectures. Each fault in answering or lack of attendance will cost you -2 points. Lectures will be based on the discussions around those questions. There will be a midterm exam (20 %) and a comprehensive final exam (40 %) based on the textbook and the additional material covered during lectures.

The additional readings and the assignments will be posted on the webpage of the course.

WEEKS	TOPICS	READINGS (from FIC)
1	General Introduction to Political Economy. How has Capitalism changed the world?	
2	The Employment Contract, Transaction Institutions and Capitalism	pp 6-23
3	Transaction Institutions and Social Reproduction	pp 23-43
4	Individuals, Culture and Behavioral Institutions	pp. 44-64
5	Multiple Self and Ideological Conditions of Reproduction	pp. 64-111
6	MIDTERM EXAM	
7	The State and Normative Institutions	pp. 112-145
8	Forms of Cooperation and Power	pp. 145-157
9	Power	pp. 157-184
10	A Taxonomy of Governance Structures and the Capitalist Firm	pp. 185-214
11	The Market	pp. 215-230
12	The Governance of Knowledge Production	pp.230-254
13	Institutional Systems	pp. 255-269
14	Forms of Capitalism	pp. 269-287