

ECN. 385/535 section M1

## Comparative Economic Systems

Class Meets: Mondays 6:40-9:10 p.m., B349

Text: Gregory, Paul, R. and Robert C. Stuart. Comparative Economic Systems, Houghton Mifflin Company (6<sup>th</sup> or 7<sup>th</sup> edition)

Office Hour: Since most of the students in this class work during the day, there is no fixed hours for consultation. Students can make appointment(s) either before/after class or by phoning 993-1055 (faculty office) or 993-1000 (Lansing-Reilly Hall at the University). The Lansing-Reilly # has a long recorded message upon connection. It lasts nearly a minute. If you dial that number, once the recorded message goes on, press "0" and it gets connected to the operator promptly. Please leave a message with your name/phone number(s). I will then get back to you as soon as it is feasible.

An easier method for contacting me is by e-mail. My e-mail address is: [Shenrs@udmercy.edu](mailto:Shenrs@udmercy.edu)

Scope & Objective: To foster and enhance the students' analytical ability in examining and comparing the relative merits and demerits of the world's economies of divergent systemic structures. More specifically, the course studies the theories, models and the specifics of:

- the capitalist economic system (including economies of the U.S. & U. K.);
- the democratic/socialistic economic system (including economies of Norway/Sweden, Germany & France);
- the centrally planned economic system (the former USSR, Hungary, Romania, Poland & the former Czechoslovakia);
- systems which evolve/vary from the above (Japan & India); and,
- rationale and approaches to systemic changes (former Eastern European countries & China).

One of the course's emphases will be to examine each system's distinctive economic and theoretical orientation, economic goals, institutions, processes and the state of development and economic performance resulting therefrom. Also, due to the structural and functional differences in economic systems to be discussed in this course, we need to analyze the rationale behind the differences in economic performance of the nations being studied. Furthermore, in view of the background forces--including social, cultural, historical and political—which in varying degrees influence and impact a nation's chosen objectives as well as the mode of policy implementation, the students must strive to be more objective in understanding and interpreting respective developments and performances in each of the

economies studied. The end product of the course is so that the students may the better analyze the contributing factors leading to high performance and efficient resource allocation in a given economic/social/political/cultural setting.

Order of presentation (cf. text):

As students might have different editions of the text by the same authors, below is a tentative schedule of presentation according to topical matters:

	<u>Date</u>	<u>Chapter materials on</u>
Sept.	13	Introduction, Economic Systems, definition and classification of Economic Systems
	20	Systems and Performance Outcomes, theories of Systemic changes, Changes in Socialist and Capitalist economies
Oct.	27	!!! (inaugural concert)
	4	Theories of Capitalism and Planned Socialism
	11	Theory of Planned Socialism (cont'd) and the Theory of Market Socialism
	18	Economic Systems in Practice: Characteristics of the U.S. Capitalistic and the European Capitalistic Models
	25	The Asian Model (briefly, China/India etc.)
Nov.	1	The Soviet Command Economy
	8	China: Socialist/Communist system undergoing Systemic Changes
	15	Command Economics: Performance & Decline
	22	Systemic Transformation: Models, Policies and Approaches, Fiscal & Monetary Policies
	29	Transition in Practice: Eastern European Economies, Similarities and Differences, Policy Consequences & Lessons for Systemic Transformation
Dec.	6	A Critical Evaluation of the Structure, Functioning and Performance of Economic Systems
	13	exam week

## Course Requirements:

- i. Readings as assigned.
- ii. Examinations: one mid-term and one final.
- iii. Research Project for graduate students: Each graduate student will study the economy of one country. (Confer the following pages for details). It is not meant to be exhaustive or original. It is an exercise to use available reference/data-sources on an economy for analysis in a creative manner.
- iv. Time permitting, a class debate at the end of the course re. merits/demerits of a given system.

## Grading:

Midterm and class discussion/participation: 35% and 10%, respectively (This includes a possible class debate or class presentation as mentioned above)

Final Exam: 55%

Performance required to receive a given grade for the course will be explained in class.

## For Graduate Students:

### Research project Part 1.

Make a precis out of available articles/books on the political and economic system of the country you choose to study. Where historical background is relevant, brief mentions may be in order.

Some of the useful references:

Europa Year Books JN 1 E. 85

Worldmark Encyclopedia of Nations G 63 .W67

Stateman's Yearbook JS 51 .87

All three are available at the REFERENCE section of the main library on campus.

### Research Project Part II:

**Population:** Total and per square kilometer, birth/death rates and growth rate.

**National Product:** Total and per capita; rate of growth; percentage in agriculture, manufacturing and service. Investment and/or gross capital formation as percentage of GNP. Savings.

**Work Force:** Total and percentage in agriculture, manufacturing service; urban and rural distribution.

**Natural Resources:** List the principle ones.

**Exports and imports:** Total and major composition;

Principle trading partners

Balance of trade/payments

**Government:** Expenditure as percentage of GNP; taxation (kind and/or amount \_\_; expenditure (kind and/or amount).

**Brief bibliography:** List sources which you can locate on the country of your study which you consider to be appropriate. Include: Date of publication, author and publisher.

**The following sources in the library would give you the basic data listed above:**

**United Nations:        Statistical Yearbook (Annual) HA 12.5 U63  
                              Demographic Yearbook (Annual) HA 36 D4  
                              Yearbook of National Account Statistics (Annual) HC 79 .15  
                              067**

**OECD Country Yearbooks (might not be available at U of D library but might be secured through the interlibrary loan facility provided for you).**

**International Monetary Fund:    International Financial Statistics (Annual Supplement)**

**World Bank: World Development Report (annual)**

### **Research Project Part III**

**For each significant sector of the country you study, describe/analyze the economic system/structure, including details of production, distribution, motivation, problems and other relevant human factors. Also, describe how macro control or government intervention/influence is exercised in the system/economy.**

### **Research Project Part IV**

**For the economy of your project, describe the goals, norms, plans and modus operandi (execution of policies/plans etc.) for its producers and consumers. Discuss/analyze how leaders of the given economy articulate the above, how economists critique the same and how business leaders (if information is available) view the country's entire economic situation. Forward your recommendations so that the economy of your research project may experience improved performance(s).**