ECO 101 Introduction to Economics and Global Capitalism (Fall 2020)

Tu/Th 10:50 – 12:05pm ONLINE (ZOOM/BLACKBOARD)

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Office Hours: by appointment

**Course Description:** This course is a guide to economic literacy, capitalism and the global economy in the 21st century. Students will learn and use economic tools of analysis to explore a variety of social phenomena such as markets, consumer behavior, price determination, money creation and the banking system. Real world examples will be used to study microeconomics, macroeconomics and political economy issues from alternative theoretical perspectives including the relationships among labor, business, and government. Examples are drawn from the global economy and particularly the US economy.

**Course Objectives:** This course illustrates the way in which economic principles impact the world. You will learn about basic tools of micro-and macroeconomic analysis which are used to understand the behavior and choices of households, firms and government. Emphasis will be put on relating real world phenomena to the underlying economic theories with a focus on the United States and its relationship to the global economy.

**Learning Objectives**

Upon completion of this class, students should have a basic understanding of the way a modern capitalist economy operates, with a particular focus placed on a study of the economy of the United States. To this end, the following areas and concepts will be explored:

**Markets:** The role of markets as social institutions will be explored, as well as basic supply and demand dynamics. Students should understand the role markets play in shaping and supporting a modern capitalist economy. They should also have an idea about some of the factors determining quantities and prices on a market, as well as know some of the inherent limitations of markets, such as market failures.

**Effective demand:** Students should have an idea of what constitutes total demand and production in an economy, as well as the factors liable to influence aggregate supply and demand. Students should also gain a basic understanding of some of the factors behind business cycles and crisis episodes, such as the current recession.

**Monetary and Fiscal Policy:** Students should have a basic knowledge of the different economic policy options available to the government, as well as how they are currently being employed. Issues such as inflation and the distribution of the tax burden will be explored, and a particular emphasis will be put on current practices.

**Human Behavior:** Students should have a basic understanding of the ways people act and react in economic situations. In additions to the influence of class positions, strategic behavior (game theory), as well as the concept of rationality will also be explored.
**Globalization:** Issues of international trade, migration, and capital flows will be explored. Students should have an idea of how global markets operate and how national economies are linked together, as well as where the US economy stands in relation to the economy of other countries.

**Mode of production:** Students will be exposed to different modes of organization of social relations of production and should understand basic differences between systems such as capitalism, feudalism, central planning, communism, etc.

**Alienation:** The nature of work in a capitalist economy will be explored. Students should understand some of the social and individual consequences stemming from a regime whereby the means of production are privately owned by a small subset of the population, giving them control over the production process, while the rest of the members of society have to sell their labor power to survive.

**Class:** Students should understand the importance of the position people occupy within the production process, both for themselves and society in general.

**Surplus:** Ways whereby the social product is divided will be explored, with an emphasis on the issue of exploitation in different modes of production. Students should understand the respective roles of surplus and necessary products for the reproduction and expansion of the production process, as well as the conflicts surrounding the division of the social product and the degree of exploitation.

**Circuits of Capital:** Different sectors of a capitalist economy, such as financial markets, manufacturing, etc. will be defined and analyzed. Students should have a basic understanding of the functioning of these sectors as well as the ways in which they are linked to each other.

**Sustainability:** The economy will be considered in a global social and environmental context. Students should have an idea of the natural boundaries to growth and development, as well as the need means to elaborate an economic system that may be sustainable over the long haul.

**Class Participation and Preparation:** The learning objectives of this class can be met if everyone comes to class prepared and ready to participate in discussions. The readings for each session will establish the basic framework and content for our discussions. Class sessions and readings are not substitutes for each other. This means that you need to complete the reading assignments for each class session and be prepared to offer your thoughts and analyses in the discussions.

**Reasonable Accommodation:** Qualified students with disabilities will be provided reasonable academic accommodations if determined eligible by the Office of Accessibility Services (OAS). Prior to granting disability accommodations in this course, the instructor must receive written verification of a student's eligibility from the OAS which is located at L66 in the new building (212-237-8031). It is the student's responsibility to initiate contact with the office and to follow the established procedures for having the accommodation notice sent to the instructor.
Academic Support Services: The Writing Center (http://jjcweb.jjay.cuny.edu/writing/homepage.htm) is a service that provides free tutoring to students of John Jay College. The Writing Center has a staff of trained tutors who work with you to help you become a more effective writer, from planning and organizing a paper, to writing and then proofreading it as well as applying APA. The Writing Center is a valuable resource, and I encourage you to use it.

Academic Honesty: Plagiarism is the presentation of someone else’s ideas, words, or artistic, scientific, or technical work as one’s own creation. Using the ideas or work of another is permissible only when the original author is identified. Paraphrasing and summarizing, as well as direct quotations require citations to the original source. It is the student’s responsibility to recognize the difference between statements that are common knowledge (which do not require documentation) and restatements of the ideas of others. Paraphrase, summary and direct quotations are acceptable forms of restatement, as long as the sources are cited. Students, who are unsure how and when to provide documentation, are advised to consult with me. The Library has free guides designed to help students with problems of documentation (John Jay College of Criminal Justice Undergraduate Bulletin, see Chapter IV Academic Standards at: http://www.jjjay.cuny.edu/academics/654.php).

Plagiarism and other forms of academic dishonesty will result in a grade of ’F’ for the course, and a formal report of the incident to your department chair and the dean.

Below are some examples of Academic Dishonesty:

– Submitting as one’s own an author’s published or unpublished work (e.g. material from a journal, Internet site, newspaper, encyclopedia), in whole, in part, or paraphrased, without fully and properly crediting the author.

– Submitting as one’s own work or materials obtained from another student, individual, or agency without full and proper attribution.

– Submitting substantially the same work to more than one course without prior approval from all instructors involved: i.e., dual or multiple submission.

– Using any unauthorized material during an examination, such as notes, tests, calculators, cell phones, or other electronic devices. Use of cellular phones and similar devices for photographing test questions or other notes and materials are also prohibited.

A more extensive list of violations of the University’s Academic Integrity Policy can be found at: http://www.cuny.edu/about/administration/offices/la/Academic Integrity Policy.pdf

Course Resources

Course Website: This course will use Blackboard as the main communication system. Additional readings, assignments and announcements will be posted on Blackboard throughout the semester.

Course Work Plan
25% In-class and Take-home Assignments
25% Midterm Exam
25% Final Exam
10% Newspaper Article Analysis
15% Participation and Attendance

Grading Scale
The grading scale will be the following (grades rounded to the nearest whole number):

A = 100 - 93%  A- = 92 - 90%
B+ = 89 - 87%  B = 86 - 83%  B- = 82 - 80%
C+ = 79 - 77%  C = 76 - 73%  C- = 72 - 70%
D+ = 69 - 67%  D = 66 - 63%  D- = 63 - 60%

Assignments
Students will be assigned short homework assignments to be submitted on Tuesdays or quizzes to be performed on the same day. The total assigned will be six. These will be based on material covered or assigned in class and films assigned. Only the top 5 grades will be considered which means you can a) do the 6 and only the top 5 will count or b) do only 5. The Homeworks and quizzes will account for 25% of the grade.

Exams
There will be two exams, one midterm and one final, each worth 25% of the total grade. Dates will be announced in class.

Newspaper Article Analysis
Each student will have to submit two newspaper article summaries and a short analysis of some economic issues. These articles should be focused on economic phenomena, one dealing with domestic issues and the other with international issues. Each article will be 5% of the final grade. Dates for submission will be given in class.

Domestic issues include anything that concerns the United States of America, be it in a local manner (e.g. something happening in New York), or which has a more national impact (e.g. a new economic policy from the federal government). The other article should have a topic that is
international in scope focusing on nations and/or issues outside of the USA (e.g. an analysis of foreign investment in China).

**Participation**

Students are expected to read and actively engage with the course materials with either questions, comments, or responses to questions by the instructor. Reading the assigned materials beforehand usually leads to a livelier dynamic between students and professors, which in turn usually facilitates the learning experience. Given that this course is focused on developing critical thinking and analysis, active participation is of utmost importance. Class attendance online and participation will account for 15% of the final grade.

**Course Topics and Readings Outline**

The following may be changed as the semester progresses. Any changes will be announced in class and on the Blackboard site. It is your responsibility to keep informed of them. The chapters listed refer to the Understanding Capitalism textbook.

Lesson 1: **Introduction**
Reading: *Understanding Capitalism* (UC from hereafter), Ch. 1

Lesson 2: **History, Thought and Human Nature**
Reading: UC, Chapter 2

Lesson 3: **History, Thought and Human Nature**
Reading: UC, Chapter 3

Lesson 4: **Economic Surplus and Economic Systems**
Reading: UC, Chapter 4

Lesson 5: **Economic Surplus and Economic Systems**
Reading: UC, Chapter 5

Paper #1

Lesson 6: **Government, the Economy and U.S. Capitalism**
Reading: UC, Chapter 6

Lesson 7: **Government, the Economy and U.S. Capitalism**
Reading: UC, Chapter 7

Lesson 8: **The Market and Coordination**
Reading: UC, Chapter 8

Lesson 9: **Mid-Term**
Review on Tuesday Exam on Thursday

Lesson 10: **Capitalist Production, Competition and Concentration**
Reading: UC, Chapters 10-11

Lesson 11: **Capitalist Production, Competition and Concentration**
Readings: UC, Chapters 12-13

Lesson 12: **Progress, Inequality, and Poverty on a World Scale**
Reading: UC, Chapter 14
Lesson 13: **Progress, Inequality, and Poverty on a World Scale**
Reading: *UC*, Chapter 15
Paper #2

Lesson 14: **Aggregate Demand, Unemployment and Inflation.**
Readings: *UC*, Chapters 16 and 17

Lesson 15: **Financial and Economic Crisis** Reading: *UC*, Chapter 18
Lesson 16: **Class Review for Final**
Lesson 17: **Final Exam**