

# Dillard College of Business Administration

## ECON 4723: Comparative Economic Systems

Tuesday and Thursday at 11:00 am to 12:20 pm

Room DB 175

Spring Semester 2024

### Contact Information

Instructor: Dr. Andrew Holt  
Email: [Andrew.holt@msutexas.edu](mailto:Andrew.holt@msutexas.edu)  
Office: Dillard Building 217  
Office Hours: Tuesday: 9:30-10:30  
Wednesday: 9:00-12:00  
Thursday: 9:30-10:30

The subject line of any email you send to me must be **“CES: First Name, Last Name”**. If the subject line is wrong, then I will ignore your email and maybe tell you to resend your email with the correct subject line.

### Course Description:

This course is concerned with a comparative analysis of market and socialist economies.

The first section of the course is focused on getting introduced to the general idea of economic systems and economic institutions as well as looking into the origins of the field by digging into the “Great Systems Debate”. The second section dive into some important papers in the New Institutional Economics field. Finally, we will focus on analyzing key aspects of the Soviet Economy.

### Objectives:

General Learning Goals: Upon successful completion of this course, the student should: Demonstrate problem-solving and decision-making abilities through the critical analysis, evaluation, and interpretation of business information.

Course Specific Learning Goals: A firm understanding of capitalism, socialism, and the difference between the two systems. An understanding of key concepts in institutional economics: transaction costs, property rights, political constraints. An understanding of key characteristics of the Soviet economy.

### Assessments:

1. Writing Prompts: Assigned readings are generally excerpts from books/papers. Each assignment must be less than one page typed and have more than 250 words typed. **All writing assignments must be printed out and turned in before the beginning of class.** Do not email me your assignments. There are 20 writing

prompts. Each prompt is worth 5 points. Even though there are 20 prompts, only 8 prompts will be graded for a total of 40 points possible.

2. Midterm Exams: We will have three midterm exams during the semester. The midterm exams will not be cumulative. Each midterm will be worth 30 points.
3. Final Exam: The final exam will be cumulative. The final exam will be worth 30 points.
4. Extra Credit: If you need extra credit, then you can write extra writing prompts. Each extra writing prompt over 8 will be worth 1 point each.

### Missed Exam Policy:

If you miss one of the midterm exams, then 90% of your grade on the final will replace the missing grade. So, if you miss the first exam and make a 100% on the final, then you get 30 points for your final exam grade and only 27 points for the midterm that you missed.

### Grading:

| Assignment      | Points |               |
|-----------------|--------|---------------|
| Writing Prompts | 40     | A= 89.5-100%  |
| Midterm Exams   | 90     | B= 79.5-89.5% |
| Final Exam      | 30     | C =69.5-79.5% |
|                 |        | D= 59.5-69.5% |
|                 |        | F= <59.5%     |

### How to Succeed in the Course:

Read the assigned readings. Make notes when reading the assigned readings. Takes notes during lectures. Ask questions during class and participate. Start turning in writing prompts early.

### Class Participation:

Students are expected to participate in all class discussions. Sleeping in class, using electronic devices, tardiness, and any class disruption will result in a lower grade. **The instructor reserves the right to lower any student's final grade by a letter grade if the student failed to actively participate in class discussions.**

### Plagiarism Statement:

“By enrolling in this course, the student expressly grants MSU a “limited right” in all intellectual property created by the student for the purpose of this course. The “limited right” shall include by not be limited to the right to reproduce the student's work product to verify the originality and authenticity.”

## **Tape Recordings:**

Students are not allowed to record lectures.

## **Americans with Disabilities Act**

This course follows the university policies and guidelines suggested by the Disability Support Services Office for qualified students. Students are referred to the Midwestern State University Undergraduate Catalog for details.

## **Campus Carry Policy**

Senate Bill 11 passed by the 84th Texas Legislature allows licensed handgun holders to carry concealed handguns on campus, effective August 1, 2016. Areas excluded from concealed carry are appropriately marked, in accordance with state law. For more information regarding campus carry, please refer to the University's webpage at [link to MSU campus carry rules and policies](#).

## **Syllabus Change Policy**

This syllabus is a guide for this course and is subject to change with advanced notice.

References

Midwestern State University Student Handbook

Midwestern State University Undergraduate Catalog

## **Bookshelf Recommendations**

- *Economic Behavior and Institutions* by Thrainn Eggertsson
- *Capitalism, Alone* by Branko Milanovic
- *The Socialist System: The Political Economy of Communism* by Janos Kornai
- *Whither Socialism?* by Joseph Stiglitz
- *The Great Reversal: How America Gave Up on Free Markets* by Thomas Philippon
- *Why Nations Fail: The Origins of Power, Prosperity, and Poverty* by Daron Acemoglu and James Robinson

## Course Content

|  |   |
|--|---|
| January 16   | January 18 <ul style="list-style-type: none"> <li>Capitalism and Socialism in the 21<sup>st</sup> Century</li> <li><b>Option 1 Due</b></li> </ul>   |
| January 23: Intro to Microeconomics <ul style="list-style-type: none"> <li>Supply and Demand Model Lecture</li> </ul>  | January 25: Intro to Microeconomics <ul style="list-style-type: none"> <li>Perfect Competition Model Lecture</li> </ul>   |
| January 30: Socialist Calculation Debate <ul style="list-style-type: none"> <li>Economic Calculation in the Socialist Commonwealth by Mises</li> <li><b>Option 2 Due</b></li> </ul>                                    | February 1: Socialist Calculation Debate <ul style="list-style-type: none"> <li>On the Economic Theory of Socialism by Lange – Pages 57-121</li> <li><b>Option 3 Due</b></li> </ul>   |
| February 6: Socialist Calculation Debate <ul style="list-style-type: none"> <li>“The End of Socialism and the Calculation Debate Revisited” – Murray Rothbard</li> <li><b>Option 4 Due</b></li> </ul>                  | February 8: Mixed Economies – Overview <ul style="list-style-type: none"> <li>“The Complex Economic Organization of Capitalist Economies” by Nelson</li> <li><b>Option 5 Due</b></li> </ul>                                       |
| February 13: Mixed Economies – Market Power <ul style="list-style-type: none"> <li>Natural Monopoly Model Lecture</li> </ul>   | February 15: Mixed Economies – Externalities <ul style="list-style-type: none"> <li>Externality Model Lecture</li> </ul>  |
| February 20: Mixed Economies - Regulation <ul style="list-style-type: none"> <li>“Theories of Economic Regulation” by Richard Posner</li> <li><b>Option 6 Due</b></li> </ul>   | February 22: <ul style="list-style-type: none"> <li><b>Exam 1</b></li> </ul>  |
| February 27: Institutions – Transaction Costs <ul style="list-style-type: none"> <li>“The Problem of Social Cost” by Coase</li> <li><b>Option 7 Due</b></li> </ul>   | February 29: Institutions – Property <ul style="list-style-type: none"> <li>“Toward a Theory of Property Rights” by Demsetz</li> <li><b>Option 8 Due</b></li> </ul>   |
| March 5: Institutions – Firms <ul style="list-style-type: none"> <li>“Transaction-Cost Economics: The Governance of Contractual Relations” by Williamson</li> <li><b>Option 9 Due</b></li> </ul>                       | March 7: Institutions – Countries <ul style="list-style-type: none"> <li>“Transaction Costs, Institutions, and Economic Performance” by North</li> <li><b>Option 10 Due</b></li> </ul>  |
| March 12 <ul style="list-style-type: none"> <li><b>Spring Break</b></li> </ul>   | March 14 <ul style="list-style-type: none"> <li><b>Spring Break</b></li> </ul>  |
| March 19: Institutions - Politics <ul style="list-style-type: none"> <li>“The Economic Role of Political Institutions” by Weingast</li> <li><b>Option 11 Due</b></li> </ul>  | March 21: Institutions – Corruption <ul style="list-style-type: none"> <li>“Corruption and Growth” by Mauro</li> <li><b>Option 12 Due</b></li> </ul>  |
| March 26: Institutions - Finance <ul style="list-style-type: none"> <li>“Law and Finance” by Shleifer et al</li> <li><b>Option 13 Due</b></li> </ul>   | March 28 <ul style="list-style-type: none"> <li><b>Easter Break</b></li> </ul>  |
| April 2: Institutions - History <ul style="list-style-type: none"> <li>“The Colonial Origins of Comparative Development.” By Acemoglu et al</li> <li><b>Option 14 Due</b></li> </ul>                                   | April 4: <ul style="list-style-type: none"> <li><b>Exam 2</b></li> </ul>  |
| April 9: Communism <ul style="list-style-type: none"> <li>Communist Manifesto by Marx</li> <li><b>Option 15 Due</b></li> </ul>   | April 11: History of the Soviet Union <ul style="list-style-type: none"> <li>“Great War, Civil War, and Recovery” by Markevich and Harrison</li> <li><b>Option 16 Due</b></li> </ul>  |
| April 16: History of the Soviet Union <ul style="list-style-type: none"> <li>War Communism to NEP: The Road from Serfdom by Sheldon Richman</li> <li>War Communism by Roberts</li> <li><b>Option 17 Due</b></li> </ul> | April 18: History of the Soviet Union <ul style="list-style-type: none"> <li>“The Soviet Model: Collectivization and Planning” in <i>The Economic Government of the World</i> by Daunton</li> <li><b>Option 18 Due</b></li> </ul> |
| April 23: Communism <ul style="list-style-type: none"> <li>“The Tinpot and the Totalitarian” by Wintrobe</li> <li><b>Option 19 Due</b></li> </ul>  | April 25: Communism <ul style="list-style-type: none"> <li>“In the Shadow of the Gulag” by Miller and Smith</li> <li><b>Option 20 Due</b></li> </ul>  |
| April 30 <ul style="list-style-type: none"> <li><b>Exam 3</b></li> </ul>   | May 2 <ul style="list-style-type: none"> <li>Review Day</li> </ul>  |
| May 7 <ul style="list-style-type: none"> <li><b>Final Exam Tuesday May 7 at 1pm.</b></li> </ul>  | May 9   |