

Business and Politics
POSC 4321
Dr. McGee Young
Spring 2010
Tue/Thurs 2-3:15
Physics 122

Office Hours: Tues/Thurs 1-2; Wed 12-3
Contact: mcgee.young@mu.edu; 288-3296; @profyoung
Office: Physics 407

This is the core course for the Business and Politics track in political science, as well as a relevant elective for business, economics, and history majors. As such it wears many hats. It is designed to introduce basic concepts and theoretical traditions relevant to the study of business, economic policy, and political economy. It is designed to offer a substantive introduction to the ways that firms and political institutions intersect. More broadly, and more importantly, this course is meant to teach critical evaluative and analytical skills.

We will build the course around the idea that although the relationship between business and government is evolving, there are consistent themes that reach across generations. From the industrial revolution to the era of globalization businesses and firms have come to rely upon each other for support and nourishment. The most important characteristic of the industrial-globalization era is economic growth. Unlike in the past when economists were pessimistic about the potential for growth the modern age is optimistic that increasing rates of growth can be sustained in the long term.

Upon completing this class, students will possess the analytical skills necessary to examine the multifaceted relationship between business and government, will have an appreciation for the historical development of American political economy, and will have reflected on the various theoretical understandings of the development of capitalism in modern society.

Grade Breakdown:

Midterm Exam 20% + Final Exam 40% + Research Paper 20% + Attendance and Class Participation 20% = 100%

Rules and Regulations:

Attendance and participation are mandatory. Exceptions will be granted only upon prior written approval. I expect you to complete course readings before class and be able to discuss their import. Cheating and plagiarism are violations of university policy and will be dealt with severely. There is often a gray area when completing academic work when it comes to attributing your ideas. Please err on the side of over-attribution. If you have a conversation with your friends that sparks an idea, make a note to that effect. More importantly, if you get an idea or information from

a published source, you must acknowledge it. As a rule, you should refrain from quoting directly unless you are quoting a person's spoken words or a couple of written words that precisely capture a particular meaning (for example, Stephen Skowronek described nineteenth-century American government as, "a state of courts and parties").

Note well that when you are conducting research for a paper or an assignment, you should keep in mind that you will need to cite what you refer to or draw from. Write down the page numbers from which you get your information so you don't have to go back later and look it up.

Texts: (Available for purchase at Bookmarq and Sweeneys)

Wyatt Wells, American Capitalism, 1945-2000 (Ivan R. Dee, 2003).

Price Fishback, ed., Government and the American Economy: A New History (Chicago, 2007).

Thomas Friedman, Hot, Flat, and Crowded (Farrar 2008)

Part I – Philosophical Origins of Political Economy

Week 1

January 19 – Introductions and course overview; Peter Singer, "Why We Must Ration Health Care", *New York Times Magazine*, July 19, 2009.

January 21 - Adam Smith, The Wealth of Nations, Book 1, Chapter 1 (Of the Division of Labor); Adam Smith, The Wealth of Nations, Book 1, Chapter 2 (Of the Principle which gives Occasion to the Division of Labour)

Week 2

January 26 - Adam Smith, The Wealth of Nations, Book 1, Chapter 3 (That the Division of Labor is Limited by the Extent of the Market); Adam Smith, The Wealth of Nations, Book 1, Chapter 11 (Conclusion)

January 28 – Adam Smith, The Wealth of Nations, Book 5, Part III (Of the Expense of public Works and public Institutions); Adam Smith, The Wealth of Nations, Book 5, Part III, Article III (Of the Expense of the Institutions for the Instruction of People of All Ages).

Part II – American Business, Government, and the Economy

Week 3

February 2- Fishback – Chapter 1, Government and the American Economy

February 4 – Fishback – Chapter 3, The Founding Era, 1774-1791; William Novak, The People's Welfare, Chapter 3.

Week 4

February 9 – Fishback – Chapter 5, Reversing Financial Reversals; Matt Taibbi, “The Great American Bubble Machine” *Rolling Stone*, July 13, 2009.

February 11 – Fishback – Chapter 7 – The Civil War and Reconstruction; Naomi Klein, The Shock Doctrine, Chapter 16, 17.

Week 5

February 16 – Fishback – Chapter 9 – The Gilded Age; Michael Moore, “Bernie Madoff”, *Time*, April 30, 2009.

February 18 – Fishback – Chapter 10 – The Progressive Era; Ron Paul and Jim Demint, “Americans Deserve a Transparent Fed” *Wall Street Journal*, November 19, 2009

Week 6

February 23 – Fishback – Chapter 12 – The Federal Bureaucracy; Scott Shane and Ron Nixon, “In Washington, Contractors take on Biggest Role Ever” *New York Times*, Feb 4, 2007; Jeremy Scahill, “Blackwater Down” *The Nation*, Oct. 10, 2005.

February 25 – Movie, TBA – Maybe Commanding Heights: The Battle for the World Economy

Week 7

March 2 – Fishback – Chapter 13 – The New Deal; Sam Stein, “Glass-Steagall Act: The Senators and Economists Who Got it Right”, *Huffington Post*, May 11, 2009.

March 4 – Fishback – Chapter 14 – The World Wars; Bruce Bartlett, “The Cost of War” *Forbes*, November 26, 2009.

Week 8

March 9 – Fishback – Chapter 17 – Seeking Security in the Post-war Era (skim, this will be covered by Wells in more detail).

March 11 – Midterm Exam

Spring Break

Week 9

March 23 – Wells, American Capitalism, Chapter 1

March 25 - Wells, American Capitalism, Chapter 2,3

Week 10

March 30 - Wells, American Capitalism, Chapters 4,5

Part III – The Challenge of Energy and Climate Change

Week 11

April 6 – MOVIE – “Who Killed the Electric Car?”

April 8 – MOVIE – “Energy Crossroads”

Week 12

April 13 - Thomas Friedman, Hot, Flat, and Crowded: Why We Need a Green Revolution – And How it can Renew America, Part I

April 15 - Thomas Friedman, Hot, Flat, and Crowded, Part II; Michael Kraft and Sheldon Kamienicki, “Analyzing the Role of Business in Environmental Policy”

Week 13

April 20 - Thomas Friedman, Hot, Flat, and Crowded, Part III; Press and Mazmanian, “Understanding the Transition to a Sustainable Economy”

April 22 – Thomas Friedman, Hot, Flat, and Crowded, Part V

Part IV: The Power of Business

Week 14

April 27 - Joseph Schumpeter, Capitalism, Socialism, and Democracy, “Creative Destruction”

April 29 - Charles Lindblom, Politics and Markets, Chapters 1 & 13; David Vogel, Fluctuating Fortunes, Chapters 1, 8, 10

Week 15

May 4 – Mark Smith, “Public Opinion, Elections, and Representation within a Market Economy” (1999)

May 6 – Wrap-up

Final Exam May 13, 8-10 AM