

## Critical Political Economy 2

### Semester 2

Lecturers: Paul Dunne and Alvin Birdi

Time: Monday 2-5pm

February 2000

### Reading list and lecture plan.

This terms work will use the theoretical framework developed last term to understand real world problems. There will be no general text for the lectures but

Aaronovitch S and Smith RP (1981) "The Political Economy of British Capitalism: A Marxist Analysis", McGraw-Hill.

MC Howard and J King (1992) "a History of Marxian Economics", Volume II, Macmillan. provide particularly useful background reading.

### Topic 1. Empirical Marxism

Aaronovitch S and Smith RP (1981) "The Political Economy of British Capitalism: A Marxist Analysis", McGraw-Hill.

Dunne P (1991) "An Introduction to Quantitative Marxism", Chapter 1 in Dunne P (ed)(1991) "Quantitative Marxism", Polity Press.

Desai M (1991)"Methodological Problems in Quantitative Marxism", Chapter 2, in Dunne P (ed) (1991)

Devine JN (1986)"Empirical Studies in Marxian Crisis Theory: Introduction", Review of Radical Political Economics, Vol 18, no 1&2.

Freeman A (1991)"National Accounts in Value Terms: The social Wage and Profit rate in Britain 1950-86", Chapter 5 in Dunne (ed)(1991).

Shaikh A and EA Tonak (1994) "Measuring the Wealth of Nations", Cambridge University Press. Esp ch 6&7.

Cockshott, Cottrell and Michaelson (1995) "Testing Marx: Some New Results from UK Data" Capital and Class, Spring plus comment by T Maniatis "Testing Marx: A Note", Capital and Class 59 with response.

Danny Dorling and Ludi Simpson (eds) (1999) '*Statistics in Society*', Arnold, London, pp 376-383.

Essay: Marxist economics is inferior to orthodox economics as it is not empirically verifiable.

### Topics 2 & 3: Crisis and The Falling Rate of Profit

Aaronovitch S and Smith RP (1981) "The Political Economy of British Capitalism: A Marxist Analysis", McGraw-Hill.

Howard MC and King JE (1992) "A History of Marxian Economics: Volume II, 1929-90.

Weisskopf TE (1979) "Marxian Crisis Theory and the Rate of Profit in the Post War US Economy", Cambridge Journal of Economics, Vol 3, No 4.

Munley F (1981) "Wages Salaries and the Profit Share: A Reassessment of the Evidence", Cambridge Journal of Economics, Vol, No .

Weisskopf TE (1981) Wages Salaries and the Profit Share: A Rejoinder", Cambridge Journal of Economics, Vol, No .

Moseley F (1985)", Cambridge Journal of Economics, Vol 3, No 4.

Weisskopf TE (1985) " :A Response to Moseley's Critique", Cambridge Journal of Economics,

Moseley (1985) "The Profit Share and the Rate of Surplus Value in the US economy 1975-85", Cambridge Journal of Economics, Vol 11, Dec, pp 393-98  
 Henley A (1987) ""Cambridge Journal of Economics, Vol  
 Dumenil G, Glick M, and Rangel J (1987) ""Cambridge Journal of Economics, Vol  
 Glyn and Sutcliffe (1972)"British capitalism, workers and the profits squeeze". Harmondsworth, Penguin.  
 Dunne P (1991) "An Introduction to Quantitative Marxism", Chapter 1 in Dunne P (ed)(1991) "Quantitative Marxism", Polity Press.  
 Also Chapters by Desai, Glyn and Moreton.  
 Devine JN (1986)"Empirical Studies in Marxian Crisis Theory: Introduction", Review of Radical Political Economics, Vol 18, no 1&2. Also articles by Wolff, Bowles et al

Essay: The falling rate of profit in the advanced capitalist economy has been caused by the growing power of organised labour. Discuss.

Essay: Evidence suggests that the source of crisis in capitalist economies is the conflict between labour and capital over the shares of national income. Discuss.

### **Topics 4 & 5. Long Waves and Capitalism**

Brenner, Robert (1998)"The Economics of Global Turbulence", New Left Review, 229.  
 Historical Materialism No. 4, Summer 1999. "Symposium: Robert Brenner and the World Crisis (Part 1).  
 Kotz, D, T McDonough and Michael Reich (eds)(1994) "Social Structure of Accumulation", Cambridge University Press.  
 Howard MC and King JE (1992) "A History of Marxian Economics: Volume II, 1929-90.  
 Mandel E (1987) "Late Capitalism", Verso  
 Rowthorn R (1976) "Late Capitalism" [a review of Mandel] Chapter 4 in Rowthorn (1979) "Capitalism, Conflict and Inflation" Lawrence and Wishart.  
 Mattick P (1981) "Economic Crisis and Crisis Theory", Merlin Press.  
 Norton B (1988) "Epochs and Essences: A Review of Marxist Long Wave and Stagnationist Theories", Cambridge Journal of Economics, 12, pp203-24.  
 Maddison A (1991) "Dynamic Forces in Capitalist Development", Angus Maddison.  
 Weisskopf T, Bowles S and Gordon D (1983) "Hearts and Minds: A Social Model of US Productivity Growth", Brookings papers on Economic activity.  
 Bowles, Gordon and Weisskopf (1984) "Beyond the Wasteland: A Democratic Alternative to Economic Decline", Verso. Or new edition "After the Wasteland".  
 O'Connor J (1987)"The meaning of Crisis: A Theoretical Introduction", Basil Blackwell.

Essay: Can the theoretical arguments of long waves in capitalist development be empirically sustained?

Essay: Critically evaluate the Regulation School's perspective on capitalist development.

Essay: Critically evaluate the SSA School's perspective on capitalist development

### **Topic 6. Accumulation and the Golden Age**

Howard MC and King JE (1992) "A History of Marxian Economics: Volume II, 1929-90. Ch 16  
 Marglin S and Schor J (1990) "The Golden Age of capitalism" OUP  
 Glyn A, Hughes A, Lipietz A and Singh A (1990) "The Rise and Fall of the Golden Age", Chapter 2 in Marglin and Schor (1990).  
 Aglietta M (1987) "A Theory of Capitalist Regulation: The US Experience", Verso.

Driver C (1981) Review article on Aglietta. *Capital and Class*. pp150-168

Lipietz A (1986) "Behind the Crisis: The Exhaustion of a Regime of Accumulation". Review of *Radical Political economics*, Vol 18, pp13-32.

Clarke S (1988) 'Overaccumulation, Class Struggle and the Regulation Approach', *Capital and Class*, 36, Winter, pp59-92.

Essay: The end of the Golden Age in the early 1970's was not simply the result of exogenous shocks to the advanced economies, but the end of a regime of accumulation. Discuss.

## **Lecture 7: Military Expenditure and Capitalism**

Kaldor, Mary (1999) "New and Old Wars: Organised Violence in a Global Era", Polity Press.

Loversing, John (1998) "Labour and the Defence Industry: An Alliance for Globalisation", *Capital and Class*,

Lovering, John (1998) "The Defence Industry as a paradigmatic Case of 'Actually Existing Globalisation'" Paper presented to Workshop on "The Place of the Defense industry in National Systems of Innovation", Cornell University, October

"The Changing Military Industrial Complex in the UK", *Defence Economics*, Vol. 4, No. 2, March, 1993, pp 91-112.

Smith, Ron and Paul Dunne (1994) "Is Military Spending a Burden?: A Marxo-marginalist Response to Pivetti", *Cambridge Journal of Economics*, Vol 18, pp 515-21.

Dunne, Paul (1996) "Economic Effects of Military Spending in LDCs: A Survey", Chapter 23 in Nils Petter Gleditsch, Adne Cappelen, Olav Bjerkholt, Ron Smith and Paul Dunne (eds) (1996) "*The Peace Dividend*", Contributions to Economic Analysis Series (Series editors: Dale Jorgenson and J.-J Laffont), North Holland, pp 439-464.

Dunne P (1990) The Political Economy of Military Expenditure: an introduction, *Cambridge Journal of Economics*, Vol 14, no 4, pp 395-404. See also the articles by Abell, John Lovering and Sue Willet in the same issue.

Georgiou G (1983) The Political Economy of Military Expenditure, *Capital and Class*, No 19.

Howard and King (1992) op cit. Ch 8

Kennedy P (1987) *The Rise and Fall of the Great Powers*, Unwin.

Mandel (1887) *Late Capitalism*, Verso.

Smith D and R Smith (1983) *The Economics of Militarism*. Pluto Press, London.

Smith R (1977) Military Expenditure and Capitalism. *Cambridge Journal of Economics*, Vol 1, pp 61-76. Also a reply to comments in *CJE* (1978), no 2.

Smith R (1983) Aspects of Militarism, *Capital and Class*, Vol 19.

Gotthiel FM (1986) "Marx Versus Marxists on the Role of Military Production in Capitalism", *Journal of Post Keynesian Economics*, Vol 8, No. 4. Plus responses by Riddell (1986) Vol 8 no.4,

Miller (1987) and Cypher (1987) Vol 10 no 2.

Essay: Is military spending a burden on capitalist economies?

## **Lecture 8. The Productivity Slowdown**

Bowles S, Gordon D and Weisskopf T (1984) "Beyond the Wasteland: A Democratic Alternative to Economic Decline", Verso. Or new edition "After the Wasteland".

Crafts N (1992) "Productivity Growth reconsidered", *Economic Policy*, October, CEPR.

Fine B and Harris L (1985) "The Peculiarities of the British Economy", Lawrence and Wishart.

Glyn A (1991) "Productivity and the Crisis of Fordism", International Review of Applied Economics.  
Glyn A (1992) "The 'Productivity Miracle', Profits and Investment". Plus comment by C Driver. Ch 4 in Michie (ed) (1992) "1979-92 The Economic Legacy", Academic Press.  
Hodgson G (1982) "Theoretical and Policy Implications of Variable Productivity". Cambridge Journal of Economics, 6, pp213-226.  
Muellbauer J (1987) "The Assessment: Productivity and Competitiveness in British Manufacturing" Oxford Review of Economic Policy, 2.  
Nolan P (1989) "The Productivity Miracle", chapter 5 in Green F (ed)(1989) "The Restructuring of the UK Economy", Harvester Wheatsheaf.  
Weisskopf T, Bowles S and Gordon D (1983) "Hearts and Minds: A Social Model of Productivity Growth", Brookings Papers on Economic Activity.  
Weisskopf (1991) The Effect of Unemployment on Labour Productivity: An International Comparative Analysis", International Review of Applied Economics.  
Harvie (1999) CJE

Essay: Productivity growth is determined by social factors. Discuss.

### **Lecture 9: Globalisation and Capitalist Development**

A number of previously referenced studies of international crisis are also relevant here.

Hirst P and G Thompson (1996) "Globalisation in Question", Polity Press.

Held, David, Anthony McGrew, David Goldblatt and Jonathan Perraton (1999) "Global Transformations", Polity Press.

Archibugi and Michie (1997) "Technology, Globalisation and Economic Performance", Cambridge University Press.

Castells, Manuel (1996) "The Rise of the Network Society", Blackwell

CSE (1999) "Global Capitalism: Riding the Storm". Special Issue, Capital and Class, 67, Spring 1999.

Alfred Kleinknecht and Jan ter Wengel (1998) "The myth of economic globalisation", Cambridge Journal of Economics, 22, pp 637-647.

Leo Panitch and Colin Leys (1999) "Global Capitalism versus Democracy", Socialist Register, Merlin Press.

Essay: Globalisation is a clear and inevitable characteristic of the capitalist system. Discuss.