

Freie Universität Berlin
 Prof. Dr. Dr. Giacomo Corneo
 Prof. Dr. Theodor Grigoriadis
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 Department of Economics
 Summer Semester 2024

Economic Systems

Lecture: Tuesdays, 14-16, Giacomo Corneo (Giacomo.corneo@fu-berlin.de) & Theodor Grigoriadis (theodor.grigoriadis@fu-berlin.de) – Hs. 106

Exercise: Wednesdays, Markus Krecik (markus.krecik@fu-berlin.de)

Modul: *Komparative Ökonomie von Wirtschaftssystemen – Bachelor VWL, #102078*

This course provides students with an introduction to the study of alternative economic systems. After offering an overview of current fundamental criticisms against capitalism, the first part of the course (weeks 1-4) will focus on the normative underpinnings of the evaluation of economic systems: efficiency, distributive justice, autonomy. The second part of the course (weeks 5-14) will concentrate on several alternative economic systems, providing an analytical and critical view of their fundamental properties. The course grade is defined by a final exam at the end of the semester.

Required Bibliography

Selected parts of the following:

1. Abramitzky, Ran. *The Mystery of the Kibbutz: Egalitarian Principles in a Capitalist World*. United States. Princeton University Press, 2020.
2. Corneo, Giacomo. *Is Capitalism Obsolete? A Journey through Alternative Economic Systems*. Harvard University Press 2017.
3. Elster, Jon. *Sour Grapes*. Cambridge University Press 1983.
4. Kornai, Janos. *The Socialist System: The Political Economy of Communism*. Princeton University Press 1992.
5. Nozick, Robert. *Anarchy, State, and Utopia*, 1974.
6. Roemer, John. *Theories of Distributive Justice*. Harvard University Press 1996.
7. Roland, Gérard. *Transition and Economics: Politics, Markets and Firms*. MIT Press 2000.

Recommended Bibliography:

1. Carnevali, E. & A. P. Ystehede. "Is Socialism Back? A Review of Contemporary Economic Literature", *Journal of Economic Surveys* (2022), 1-32.
2. Corneo, Giacomo. "Progressive Sovereign Wealth Funds", *Journal of Government and Economics* 5 (2022): 100033.
3. Eibl, F., & Hertog, S. (2023). From Rents to Welfare: Why Are Some Oil-Rich States Generous to Their People? *American Political Science Review*, 1-20.
4. Fathollah-Nejad, Ali. "The Islamic Republic of Iran four decades on: The 2017/18 protests amid a triple crisis." *Doha, Qatar: Brookings Doha Center*, April 9 (2020).
5. Grigoriadis, Theodor. "Aristotle vs. Plato: The Classical Origins of Capitalist & Socialist Political Economies", *Scottish Journal of Political Economy*, Vol. 70, No. 4 (September 2023): 372-390.
6. Harrison, Mark. "Why did NEP fail?", *Economics of Planning*, Vol. 16, No. 2, 57-67, 1980.

7. Heal, Geoffrey. "Planning Without Prices", *Review of Economic Studies*, Vol. 36, No. 3 (July 1969): 53-71.
8. <https://plato.stanford.edu/entries/justice-distributive/>
9. Lange, Oskar. "On the Economic Theory of Socialism, Part One", *Review of Economic Studies*, Vol. 4, No. 1 (October 1936): 53-71.
10. Piketty Thomas, Li Yang and Gabriel Zucman. Capital Accumulation, Private Property and Rising Inequality in China, 1978-2015, CEPR DP 12410.
11. Robinson, J. A., Torvik, R., & Verdier, T. (2006). Political foundations of the resource curse. *Journal of Development Economics*, 79(2), 447-468.
12. Roemer, John. Equality: Its justification, nature, and domain. In: *The Oxford Handbook of Economic Inequality*. Oxford University Press 2009.
13. Weitzman, Martin L. "The New Soviet Incentive Model", *Bell Journal of Economics*, Vol. 7, No. 1 (Spring 1976): 251-257.
14. Wright, Erik Olin. *Envisioning Real Utopias*. Verso 2010.

Grade: Final Exam

Syllabus - Topic of the week:

1: Introduction: Critiques of Capitalism and Alternatives to Capitalism

16.04., Common Lecture

- Corneo, Prologue

2: Distributive Justice: Ancient Political Thought

23.04., Grigoriadis

- Grigoriadis, 2023.

3: Distributive Justice: Equality of Resources vs. Equality of Opportunity

30.04., Grigoriadis

- Nozick, Ch. 7
- Key concepts from Roemer, Ch. 1--8 (slides)

4: Autonomy

7.05., Corneo

- Elster, Part III

5: Common Ownership & Anarchy

14.05., Corneo

- Corneo, Ch. 2-4.

6: Central Planning

21.05., Corneo

- Corneo, Ch. 5.

7: Soviet-Type Economy

28.05., Grigoriadis

- Kornai, Ch. 1-6.

8: Workers' Self-Management

04.06., Grigoriadis

- Corneo, Ch. 6.

9: Judaism and Islam as Economic Systems

11.06., Grigoriadis

- Abramitzky, 2020.
- Fathollah-Nejad, 2020.

10: Market Socialism & Shareholder Socialism

18.06., Corneo

- Corneo, Ch. 7-8

11: Universal Basic Income

25.06., Corneo

- Corneo, Ch. 9

12: Rentier States

02.07., Grigoriadis

- Eibl & Hertog, 2023.
- Robinson, Torvik & Verdier, 2006.

13: Chinese Socialist Market Economy

9.07., Grigoriadis

- Roland, Ch. 6

14: Progressive SWF

16.07., Corneo

- Corneo, Appendix