

**Economies in Transition  
ECON 380  
Summer 2020**

**Class Time and Location:**

**Tuesday, 4:30 – 7:00 P.M. (George Washington University Campus, Room TBD)**

**Friday, 9 – 11:30 A.M. (George Mason University Arlington Campus, Room TBD)**

**Professor Rosolino Candela**

**Email Address:** [rcandela@gmu.edu](mailto:rcandela@gmu.edu)

**Office Location:** Arlington Campus, Mercatus Center, 4th Floor of Metropolitan Building  
(across from Van Metre Hall)

**Office Hours:** Meetings to be scheduled by appointment

**COURSE OVERVIEW AND OBJECTIVES:**

This course investigates the foundations of comparative economic systems. Broadly defined, comparative economic systems refers to the study of human interaction under alternative institutional arrangements. The overall objective of this course, therefore, will be to use the basic foundations of economic and institutional analysis to understand, across time and place, how individuals have been able to transition from poverty to wealth. More specifically, however, the focus of study and the particular debates in the field of comparative economic systems has evolved over time across three phases. Before 1989, the core of comparative economics was an examination of the differences in economic, as well as political, performance between capitalism and socialism. During the 1990s and into the early 2000s, the main focus of interest of comparative economists has been the transition from socialism to capitalism. In recent years, mostly as a result of the transition experience of China and India, a new orientation of comparative economics has emerged that focuses on the comparison of the economic effects of the various institutions of capitalism. Both the lectures and assigned readings will reflect the overall scope of this field of study as well as the particular phases of emphasis.

**REQUIRED MATERIALS:**

**Books**

Boettke, Peter J. 2001. *Calculation and Coordination: Essays in Transitional Political Economy*. New York, NY: Routledge.

Powell, Benjamin, ed. 2007. *Making Poor Nations Rich: Entrepreneurship and the Process of Economic Development*. Stanford, CA: Stanford University Press.

Coase, Ronald, and Ning Wang. 2012. *How China Became Capitalist*. New York, NY: Palgrave Macmillan.

## **COURSE STRUCTURE & GRADING:**

Courses will be a mix of lecture and open discussion. Students are responsible for taking notes. I do not make my lecture notes available. If a student misses class, it is their responsibility to obtain the lecture notes from a classmate.

Your final grade is based on quizzes (20%), a midterm exam (35%), and a final exam (45%). No additional credit is available.

Quizzes: There will be 5 quizzes, which will be held every Tuesday at the beginning of class (NOT including the first day of class and exam days). Each quiz will be based on the readings and class lecture from the previous week. There are no makeup quizzes, and students must be on time to receive a quiz. Once collected, quizzes will not be distributed to latecomers.

Midterm exam: The midterm exam will be administered in class on Tuesday, July 7, 2020. The exam will include *all* material covered up until that point in time.

Final exam: The final exam will be administered on Tuesday, July 28, 2019 from 4:30-7 P.M. This exam date and time is set by the University and is non-negotiable. The final exam is comprehensive and will include *all* material covered throughout the semester.

Your letter grade will be assigned based on the weighted value of your quizzes and exams as follows:

A+ 96-100;	A 91-95;	A- 90-86
B+ 85-81;	B 80-76;	B- 75-71
C+ 70-68;	C 67-65;	C- 64-60

## **SPECIAL ACCOMODATIONS:**

If you require any special accommodations, please see me immediately following the first class so that we can work together to make sure that you have what you need to succeed in this course.

## **POLICY REGARDING AUDIO/VIDEO RECORDING & PICTURES:**

For the privacy and comfort of your fellow students, audio and video recordings, as well as photography, is strictly prohibited during class.

## **ACADEMIC DISHONESTY:**

Cheating will not be tolerated and can result in a failing grade, dismissal from class, and expulsion from the university. If I suspect you of cheating, I will seek the appropriate punishment under George Mason University guidelines. Please review the [George Mason University Honor System and Code](#).

## **Readings and Class Lecture Schedule**

Please be sure to read all materials before class every week. You are expected to complete all assigned readings before the class date in which we will discuss them. Your quizzes will reflect what we will discuss that day and you coming prepared.

## SCHEDULED OUTLINE OF COURSE EVENTS

### **1. Introduction into Comparative Institutional Analysis (Tuesday, June 9, NO QUIZ)**

Powell, Benjamin, ed. 2007. *Making Poor Nations Rich*, pp. 1–53.

### **2. Institutions and Entrepreneurship (Friday, June 12)**

Powell, Benjamin, ed. 2007. *Making Poor Nations Rich*, pp. 54–133.

### **3. The Socialist Calculation Debate (Tuesday, June 16)**

Boettke, Peter J. 2001. *Calculation and Coordination*, pp. 29–46.

### **4. The Soviet Experiment with Socialism (Friday, June 19)**

Boettke, Peter J. 2001. *Calculation and Coordination*, pp. 1–6.

Boettke, Peter J. 2001. *Calculation and Coordination*, pp. 77–104.

Boettke, Peter J. 2001. *Calculation and Coordination*, pp. 140–153.

### **5. Transitional Political Economy in Post-Soviet Russia (Tuesday, June 23)**

Boettke, Peter J. 2001. *Calculation and Coordination*, pp. 154–190.

### **6. The Chinese Experiment with Socialism (Friday, June 26)**

Coase, Ronald, and Ning Wang. 2012. *How China Became Capitalist*, pp. 1–40.

### **7. Transitional Political Economy in China (Tuesday, June 30)**

Powell, Benjamin, ed. 2007. *Making Poor Nations Rich*, pp. 283–308.

Coase, Ronald, and Ning Wang. 2012. *How China Became Capitalist*, pp. 41–152.

### **8. *No Class, University Closed* (Friday, July 3)**

### **9. Midterm Exam (Tuesday, July 7)**

### **10. Market Reform in India (Friday, July 10)**

Powell, Benjamin, ed. 2007. *Making Poor Nations Rich*, pp. 309–341.

### **11. The Case of Latin America (Tuesday, July 14)**

Faria, Hugo J. 2008. "[Hugo Chávez Against the Backdrop of Venezuelan Economic and Political History](#)." *The Independent Review* vol. 12, no. 4, pp. 519–535.

Powell, Benjamin, ed. 2007. *Making Poor Nations Rich*, pp. 189–222.

### **12. Transitional Political Economy in Africa (Friday, July 17)**

Powell, Benjamin, ed. 2007. *Making Poor Nations Rich*, pp. 137–188.

Powell, Benjamin, ed. 2007. *Making Poor Nations Rich*, pp. 396–428.

### **13. "Socialism" and Market Reform in Sweden (Tuesday, July 21)**

Powell, Benjamin, ed. 2007. *Making Poor Nations Rich*, pp. 250–280.

### **14. Conclusion: Why and How Institutional Change Matters for Economic Transition (Friday, July 24)**

Blewett, Robert A. "[Property Rights as a Cause of the Tragedy of the Commons: Institutional Change and the Pastoral Maasai of Kenya](#)." *Eastern Economic Journal* vol. 21, no. 4: 477–490.

Boettke, Peter J. 2001. *Calculation and Coordination*, pp. 234–268.

Candela, Rosolino A. 2020. "[The Political Economy of Insecure Property Rights: Insights from the Kingdom of Sicily](#)." *Journal of Institutional Economics* vol. 16, no. 2: 233–249.

### **15. Final Exam (Tuesday, July 28)**