

Syllabus: ECON 313

Spring 2019

Uses of Economics: The Curious Economics of the Very Rich

Instructor: Jason Brent

Meeting Times: MW (10:05-11:20, Social Sciences 111)

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Office Hours: By appointment, but I am almost always available Friday mornings.

Office: 07F Social Sciences Building (Downstairs from the EcoTeach office)

1. Overview of the Course

This course was created by Craufurd Goodwin, one of the founders of the History of Economic thought at Duke and one of the major figures in the field from the 1960's until his death in 2017. The Uses of Economics was intended as a forum for examining how movements and ideas in economic thought could be applied to major contemporary issues and this semester, I intend to continue that tradition with this topic – how economists and economics have thought about the roles and behaviors of the wealthy throughout history and today. Issues covered will include consumption patterns, investment and capital allocation as well as signals of status and social position in a variety of contexts.

The very wealthy have long been an object of cultural fascination and economic interest. We will begin with some of the earliest economic analysis of the distinctive role of the wealthy in economic life, including differences in types of consumption, their role in economic growth, and how the industrial revolution transformed the accumulation and distribution of wealth, particularly in the United States and Western Europe.

As we move toward more contemporary analyses of wealth and the wealthy, we will look at a range of economic and social issues, including: growing inequality in both wealth and income; economic mobility; conspicuous consumption and luxury goods; investments and capital accumulation; and many others. In addition to key historic and contemporary texts in economics, we will also look at popular debates, cultural representations and policy proposals directed at and for the wealthy.

2. Course Objectives

In addition to developing specific critical tools of economic and cultural analysis useful for this subject matter, this course aims to develop several broadly applicable skills, including:

- i) The ability to write effectively and provide analysis in a variety of formats, from brief blog entries, through brief critical pieces and, finally, a more formal academic essay.
- ii) An understanding of key economic concepts concerning consumption, investment, economic growth and determinants of wealth and income, as well as the ability to apply these concepts to circumstances both past and present.
- iii) The capacity to critically read and analyze a range of sources, including a novel, films, historic and contemporary economic analysis, contemporary opinion pieces, along with other depictions and arguments in the media.
- iv) A broader intellectual concept of both the insights and limitations of economic analysis in understanding one of the key political, cultural and economic phenomena of our time.

3. Written Assignments/Grading

1. **Blog Responses (10 Percent):** Each student will be required to post a blog response to a specific question based on the required reading each week. Response are **due by noon** each Monday for which the reading response is assigned. An effective blog response should be at least 2 to 3 paragraphs. **Blog Questions will be posted by 5 pm each Friday on my blog on Sakai.**

Grades will be awarded on the basis of 0 for no response, 0.5 for a late response (within one week) or one with obviously inadequate effort, and 1 for any reasonable effort with a

clearly expressed idea. Blog posts will **not** be graded for correctness or accuracy, but I reserve the right to dock points for repeatedly mediocre entries.

- 2. Movie Analysis (20 Percent):** Each student will be assigned to provide a critical analysis of one of the three films (Wall Street, Metropolitan, or Crazy Rich Asians) based on the tools of economic and social analysis that we will develop in the course. A detailed rubric will be provided for the exact specifications of the assignment.
- 3. “Defense of Wealth” Analysis, Part I (20 Percent):** Each student will be responsible for identifying a document (magazine article, tv show, video, music album, fiction, opinion pieces, etc.) which celebrates, defends or justifies large disparities in wealth or income, or the value of large concentrations of wealth. The first stage of the assignment will be approval (by me) of an appropriate document, so start thinking about sources sooner rather than later. Greater details will be provided at the time of the assignment, but your first submission will involve analyzing the arguments and presentation of your document as we are just beginning to study this course’s critical tools/.
- 4. “Defense of Wealth” Analysis, Part II (20 Percent):** Near the end of the semester you will be responsible for revisiting the document you analyzed in Part I above. In this follow-up analysis you will be asked to re-evaluate both the document and your original analysis in light of the readings and ideas we have explored over the semester. Again, a more detailed rubric will be provided as we progress.
- 5. Final Essay (30 Percent):** Your final paper will be an 8-10-page paper on a single theme examined during the course and applied to a modern economic issue or cultural analysis. As the semester progresses, we will identify themes and critical tools and I will work with you to match these to appropriate contemporary phenomena. Again, look for a more specific rubric as we proceed.

4. Attendance/Classroom Rules

This class is designed to be a collaborative exercise. Every student should come to class prepared to participate in the day's discussion. Unless you have a documented learning need for the use of a laptop, **the use of laptops, phones, or any other electronic device is prohibited during class.**

4.1 Disabilities

If any student requires assistance or appropriate academic accommodations for a disability, please contact me after class, by email, during office hours or by individual appointment. You must have established your eligibility for disability support services through the Division of Student Affairs, Disability Services.

4.2 Regrade Requests

1. All regrade requests must be made within one calendar week (7 days) of the assignment being returned.
2. All regrade requests must be made at least 24 hours *after* the assignment has been returned. I want you to take time to think about the feedback rather than reflexively asking for a higher grade. The time to come and talk to me is *while you are working on the assignment* in order to get working feedback on your ideas.
3. In all cases, I reserve the right to regrade your entire assignment, so there is always a possibility that regrading will lower your grade.

4.3 Attendance and Technology Policy

As stated below in section 8, 30% of your grade will be based on class participation. In order to participate, you must attend class. To that end, each student is allowed five (5) unexcused absences. For each absence beyond that, your class participation grade will be docked a full letter grade. This means that any student with nine or more unexcused absences will receive an F (0 grade points) for class participation and, despite any calculations to the contrary based on the other requirements of the course, a grade no higher than a B for the final grade.

Students are expected to arrive on time for class. Arriving late twice will constitute an absence; arriving late four times will constitute two absences; etc. If looking ahead you think that *for any reason* you will not be able to attend class regularly and on time, this is *not* a class for you.

All absences are considered unexcused except for medical emergencies (a physician's or counselor's note is required) and extracurricular commitments (e.g., sports competitions) that are cleared with me at the beginning of the course.

Students are not permitted to use computers, cellphones or any other electronic devices in the classroom without specific permission. The classroom should be a place of focused discussion and electronic distractions make such an environment impossible.

5. Readings, and other Resources

5.1 The Novel

Shteyngart, G. (2018). *Lake Success: A novel*. New York: Random House.

(Optional, but well worth owning; the definitive book on how to write with clarity and style.)

William Strunk and E. B. White, *The Elements of Style*. 4th Ed. New York: Longman, 2000.

5.2 Other Readings and Original Sources

Most of the readings will be accessible through these sources. When posting readings, I will indicate the best means by which they may be accessed. In some cases, I will simply post a PDF of the reading on Sakai under Resources.

The McMaster University Archive: <http://socserv2.mcmaster.ca/econ/ugcm/3ll3/>.

(Note: Last four characters are 3 ell ell 3.) Other online resources are available from the History of Economics Society web page: <http://www.eh.net/HE/>. *Please remember that not all on-line transcriptions are accurate and you should use original sources (which may be available*

online as pdf files) whenever possible. Many of the most important periodicals in economics (as well as in other disciplines) are now available electronically as e-journals; these are available through Perkins Library, which has subscriptions to them.

Perkins Library:

Almost all contemporary journal articles will be available via Perkins Library resources.

Because faculty and students at Duke have for many years had a deep interest in the history of economics the Library has an excellent collection of materials related to the subject. You are urged to become acquainted with this treasure trove. In particular, you should consider using the Goldsmith-Kress Library of Economic Literature (printed books through 1800, on microfilm), which is available in Bostock. A printed user's guide tells you how to take advantage of this collection. The Rubenstein Special Collections Library in Perkins has built up a collection of prominent economists' manuscripts and other documents that could be used for your essays. A list of these papers is available at <http://library.duke.edu/specialcollections/collections/economists/>. It is a unique experience to use manuscript resources first-hand, and the Duke Library is the best place to do that in this field.

5.3 Film/Video Resources

Documentary:

Inequality – How Wealth Becomes Power (D.W. Documentaries: Germany). 2018.

(2018, September 17). Inequality - how wealth becomes power | (Poverty Richness Documentary) DW Documentary. Retrieved from

<http://www.wealthandsociety.com/updates-and-articles/inequality-how-wealth-becomes-power-poverty-richness-dw-documentary>

(The link is to Part 1, but there are 2 Parts and you are responsible for watching both.)

Feature Films:

Chu, Jon M., *Crazy Rich Asians*. Warner Bros. (2018).

Stillman, Whit, *Metropolitan*. New Line Cinema (1990).

Stone, Oliver, *Wall Street*. 20th Century Fox (1987).

6. Course Outline and Reading Assignments (Developing)

Be sure to consult the following list of topics and assigned readings in order to be prepared for each lecture. I will update this assignment list as we progress through the semester and will notify you when to check back for new versions.

<u>Date</u>	<u>Lecture/Discussion Topic (Assigned Media)</u>
W. Jan. 9	Introductory Discussion and Some Economic Context Read: “How the 0.001% invest.” The Economist, December 15, 2018. https://www.economist.com/leaders/2018/12/15/how-the-0001-invest
M. Jan. 14	Some Historical Content and Context St. Thomas Aquinas, <i>Summa Theologica</i> First Part of the Second Part:

Questions: 1-7; 66; 95-96.

https://en.wikisource.org/wiki/Summa_Theologiae/First_Part_of_the_Second_Part

(To a modern reader, this may seem a little unusual in style and structure, but it is a foundational document in arguments about law, morality and ethics. It is in the public domain, so I've attached a link to a respectable online translation. You can also use any other good translation using the questions as reference points.)

Shteyngart, Chapters 1-2.

W. Jan. 16

Early Economic Thinking I

Adam Smith

The Wealth of Nations (1776) [McMaster or any other reasonable edition.]

Book I: Chapters 1-5

Book II: Chapters 1 & 3

Shteyngart, Chapters 3-4.

M. Jan. 21

Martin Luther King, Jr. Day – NO CLASSES

W. Jan. 22

Early Economic Thinking II

Thomas Robert Malthus

An Essay on the Principle of Population (1798) [McMaster]

Preface, Chapters I-VI.

Shteyngart, 5-8

M. Jan. 28

A Critique by Marx I

Karl Marx

Engels, F. & Marx K., The Communist Manifesto

<https://www.marxists.org/archive/marx/works/1848/communist-manifesto/index.htm>

(The definitive rhetorical objection of Marx & Engels to mid-19th Century European capitalism.)

Marx, K., *Das Kapital* [McMaster]

Chapters 1-3.

Shteyngart, 9-10.

W. Jan. 30

A Critique by Marx II

Karl Marx

Marx, K., *Das Kapital* [McMaster]

Chapters 4-12.

Shteyngart, 11-12.

W. Jan. 30

Lake Success

Shteyngart, 13.

Watch: <https://www.youtube.com/watch?v=uPwrEPvSjm0>

(A promo video for the novel.)

M. Feb. 4

Thorstein Veblen I

Theory of the Leisure Class [McMaster]

Introduction, Chapters 2 & 3

W. Feb. 6

Thorstein Veblen II

Theory of the Leisure Class [McMaster]

Chapters 4-6