



Political Economy

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Code: **12ΥΔ04**

ECTS: **5**

Type of Course: **Compulsory**

Teaching Hours per week: **4**

Aim of the Course:

The aim of the course is to expose the students to alternative economic theories-approaches that can be found in the writings of the classical economists, Marx, Sraffa, *etc.* These theories deal with economic issues related to the reproduction of the modern economic system in a totally different way in which students are usually exposed during their undergraduate studies. In other words the course is concerned with the analysis of advanced capitalism. The turbulent dynamics of the system, which express themselves as order generated in-and-through disorder, will be shown to give rise to patterns of recurrence over a wide variety of domains. In this course we will examine the empirical evidence and the theoretical claims of classical, neoclassical, and postkeynesian theories concerning the determination of prices, profits, production, interest rates, stock market prices, exchange rates and international trade.

Contents:

Theory of value

- The labour theory of value
- Productive non productive labour
- Schemes of reproduction
- Labour theory of value vs marginal theory of value
- Transformation problem

Competition theory

- Classical competition
- Intraindustry and interindustry competition
- The concept of regulating capital and dominant technique
- Classical competition vs perfect competition
- Sraffa' critique

Political economy of Development

- Theories of economic development
- Theories of convergence and underdevelopment

- The political economy of sustainable economy

Economic fluctuations and crises

A: Economic Fluctuations

- i. Keynesian and post-Keynesian arguments (multiplier/accelerator)
- ii. Non linear models of Hicks, Goodwin, Kaldor
- iii. The Ricardian tradition
- iv. Long Waves
 - Schumpeter
 - Theories of Social Structure
 - Marx's argument

B: Economic crisis

- Capitalism as self regulated system
- The law of the falling tendency of profit rate.
 - Under-consumption theories
 - The rise in the organic composition of capital
 - Profit squeeze theories

Topics in economic theory and policy

- Theory of money
- International trade and transfers of value

Reading List

- Tsaliki P. and L. Tsoulfidis, *Essays in Political Economy*, Tziolas Publishing, Thessaloniki, 2013 (in Greek).
- Maniatis Th., Tsaliki P. and L. Tsoulfidis, *Issues in Political Economy: The Greek Case* Sakis Karagiorgas Foundation, Athens, 1999 (in Greek).