

Econ 197: Special Topic Course

What's the economy for anyway?

The case for a solidarity economy and social wealth

A 3-credit **Online Course** offered by the **Center for Popular Economics**
www.populareconomics.org/WTEF_Online_Course.html

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Prerequisites: None

Overview: “The Economy” is often portrayed in the media and by politicians as a force of nature that we must adapt to or perish. But we, the ordinary people make our economy tick. Shouldn't we have a say in how it is run and to what purpose? This online course raises the questions: what purpose do we want our economy to fulfill? Is it fulfilling this purpose today? If not, what can we do about it? What resources do we have available in order to effect our changes?

The course is comprised of three main parts. **Part One** takes a look at the performance of the current economic model, known to economists as “Neoliberalism.” Although our economic model has allowed unprecedented accumulation of wealth by a few, for the majority of us it has meant falling or stagnant wages, longer work hours, rising healthcare costs, and deterioration of our natural and social environment. We start with a look at the historical roots of neoliberalism and then try to understand the economics behind it.

In **Part Two**, we start talking about how some of the things that we saw going wrong in Part One can be set right. In the midst of growing inequality and corporate power, many grassroots economic alternatives have been springing up throughout the U.S. as well as the rest of the world. This is the new “Solidarity Economy.” Grounded in principles of economic democracy, social solidarity, cooperation, egalitarianism, and sustainability, this is an alternative to the Neoliberal vision of the economy. In this part of the course we will look at some examples of such alternatives as well as understand the economics behind them.

Building alternatives requires resources. But part of the neoliberal agenda is the diverting of economic resources into fewer and fewer hands. Where will the resources for alternatives come from? In **Part Three** we talk about a vast store of assets that communities everywhere possess and on which they can draw for constructing alternatives. This store, which we call “social wealth” consists of our cultural and ecological commons and our capacity to work for those we care about. We will also look at how the economics of the care economy or the cultural commons differs from the economics of corporations.

Readings and other material: All the readings, slides and other viewing material will be available online to registered students. Each lecture will typically have associated with it:

1. A Power Point presentation which will be the core of the lecture: This presentation will take you through a summary of the readings and other material and also inform you about upcoming assignments.
2. A set of readings which will include academic papers and more popular articles and essays.
3. Occasionally a short video clip, a videotaped lecture or a documentary.

Course Schedule: This is a 6 weeks long course consisting of 18 lectures (three “meetings” of 2.0 hours each week). **NOTE: Schedule and topics are subject to change.**

Topic 1: Course Overview, Economic Tools and Techniques

Topics covered-

- Course overview
- What do economists do?
- Reading charts and graphs
- What would a well-functioning economy achieve?
- How should we measure economic-well being? GDP and alternative measures

Part One: What’s the Economy For, Anyway? (5 lectures)

Topic 2: There’s capitalism and then there’s capitalism

Topics covered-

- Neoliberalism versus Keynesianism
- U.S economic history in the 20th century
 - The 1970s and origins of neoliberal policy

Topic 3: Privatization

Topics covered-

- The private and the public economy
- Privatize it! Economics of privatizing schools, hospitals, prisons and everything else
- Cutbacks in spending on social welfare and services
- Neoliberal ideology of the “non-interventionist” State
- **Case Study:** Economics of providing healthcare for all

Topic 4: Deregulation

Topics covered-

- Why should markets be regulated?
- Role of the State in regulating the private economy
- Neoliberalism and deregulation in the financial sector
- **Case Study:** Housing mortgage crisis of 2007

Topic 5: Race and Class

Topics covered-

- Growing income and wealth disparities under neoliberalism
- Race and earning, employment, educational and incarceration disparities
- Casualization of labor under the new “Service Economy”
- Decline of leisure and community life
- **Case Study:** Race, Class and Katrina

Topic 6: Growth, inequality and the Environment

Topics covered-

- Inequality and the environment: shifting the burden onto the poor
- Ecological consequences of a growth-based model of the economy
- The politics of consumption
- **Case Study:** The Environmental Justice Movement in Southern California

Part Two: The Solidarity Economy (6 lectures)

Topic 7: Introduction to the solidarity economy

Topics covered-

- The capitalist economy versus the solidarity economy
- Organizing principles of a Solidarity Economy

Topic 8: Economic democracy

Topics covered-

- What is economic democracy?
- What is undemocratic about capitalism? Class and exploitation
- Participatory economies: Theory and Practice

Topic 9: Cooperatives and micro, small and medium enterprises (MSMEs)

Topics covered-

- Why is a co-op different from a regular workplace?
- Co-op statistics and history
- **Case Studies:** Mondragón Cooperative Corporation and Third Italy (Emilia Romagna)
- Micro, small and medium enterprises (MSMEs) and capitalism

Topic 10: Social investment and finance

Topics covered-

- Social currency and social credit
- **Case Studies:** Bank of the South, Local currency in Japan and Switzerland
- The promises and pitfalls of Microcredit

Topic 11: Midterm Exam

Topic 12: Sustainability and Local economy

Topics covered-

- Significance of local production and consumption
- Global Trade and the hidden costs of distancing and externalities
- Ecological models of production
- **Case Studies:** Community Supported Agriculture, Community Development Councils

Topic 13: The State and the solidarity economy

Topics covered-

- Planning versus the Market: Is the debate still relevant?
- Participatory budgeting and governance
- Solidarity trade and aid
- Public policy to support the solidarity economy
- **Case Study:** Brazil's solidarity economy policies

Part Three: Social Wealth (6 lectures)

Topic 14: Private versus public goods

Topics covered-

- Types of property rights regimes (private, public, common, open-access)
- What are property rights?
- Public Ownership

- **Case Studies:** Land Trusts, squatters' movements (Brazil's MST)

Topic 15: Care as a public good

Topics covered-

- Family and community work
- Measuring and valuing non-market work
- Who benefits from family and community work?
- Making the market care about care work

Topic 16: Caring for our Ecological commons

Topics covered-

- Economics of Global Climate Change
- Poverty Reduction and Environmental Protection: Community resource management as an alternative to corporate resource use
- Environmental wealth and Gender justice
- Environmental justice and social wealth

Topic 17: The intellectual and cultural commons

Topics covered-

- What are the intellectual commons?
- Intellectual commons and property rights
- **Case Study:** Free and Open Source Software
- Digital media and the Cultural Commons
- Are ideas gifts or property?

Topic 18: Wrap-up and Final Exam

Topics covered-

- Challenging neoliberalism by using social wealth to build a Solidarity Economy
- Course wrap-up
- Final Exam