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## TOPICS: THE COMMONS AND THE MARKET in Fall 2019 (EC2091B)

<b>Course Code</b>	EC2091B	<b>Professor(s)</b>	Julian Culp, Peter Haegel
<b>Prerequisites</b>	None	<b>Office Number</b>	JC: G-L19 , PH: G-L1
<b>Class Schedule</b>	MR: 10:35-11:55 in Q-A101	<b>Office Hours</b>	JC: Tue + Fri 11h00-12h00 , PH: Mon + Thu 15h15-16h15
<b>Credits</b>	4	<b>Email</b>	jculp@aup.edu, phaegel@aup.edu
<b>Semester</b>	Fall 2019	<b>Office Tel. Ext.</b>	

## Course Description

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Over the past decades under the neoliberal *zeitgeist*, the reliance on markets has expanded to a host of new spheres, such as CO2 emissions or education, often in tandem with the privatization of public services and goods. At the same time, the idea of “the commons” has reappeared in relation to values such as biodiversity, the Earth’s climate, or human knowledge (Wikipedia, *open access*). What are the justifications and implications of using markets, and what kind of arrangements are necessary to establish and protect the commons?

In this course, students will study some of the major contributions to this debate: foundational texts of neoliberal economics that aim to legitimize market mechanisms; philosophical treatments and critiques of key concepts such as rationality and motivation, property and common goods; political analyses of how allocative institutions – markets, governments, and cooperative alternatives – produce distributional outcomes.

The theoretical discussions will be applied to a variety of contemporary issues, and students will develop a research paper on one “markets or commons?” issue of their choice.

The course also serves to fulfil the “writing in the discipline” requirement of AUP’s Global Liberal Arts Core Curriculum for Philosophy, Politics, and Economics: students will train their ability to distinguish and develop economic, philosophical and political arguments, and to build convincing political economy analyses.

## Course Learning Outcomes

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# General Education

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## Course Outline

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### Schedule:

#### I. INTRODUCTION: THE COMMONS, MARKETS, AND RATIONALITY

##### Sept. 2: Millennial Socialism

Required reading in class:

The Economist. 2019. "Millennial Socialism." *The Economist* (Feb. 16th-22nd), pp. 9-10.

##### Sept. 5: Rational Individuals, Collective Disaster?

Required reading:

Hardin, Garrett. 1968. "The Tragedy of the Commons." *Science* 162, pp. 1243-8.

##### Sept. 9: The Economic Approach to Human Behavior

Required reading:

Becker, Gary. 1993. "The Economic Way of Looking at Behavior." *The Journal of Political Economy* 101(3), 385-408, pp. 385-403.

##### Sept. 12: The Social Construction of Scarcity and Affluence

Required reading:

Sahlins, Marshall. 1972. *Stone Age Economics*. Chicago & New York: Aldine Atherton, ch, 1. "The Original Affluent Society", 1-39, pp. 1-23 and 28("The hunter's attitude...")-39.

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## **II. THE MARKET AND ITS JUSTIFICATIONS**

### **Sept. 16: Markets and Efficient Allocation**

Required reading:

Smith, Adam. 1991 [1776]. *The Wealth of Nations*. Amherst: Prometheus Books, Bk 1, ch. 1, pp. 9-11; Bk 1, ch. 2 pp. 19-23; Bk 4, ch. 4 pp. 349-52.

### **Sept. 19: Markets and Private Property**

Required readings:

Locke, John. 1698. *Two Treatises of Government*. Second Treaty, ch. 5, excerpts.

Nozick, Robert. 1974. *Anarchy State Utopia*. New York: Basic Books, ch. 7, pp. 149-153, 160-4, 174-8.

### **Sept. 23: Markets and Information**

Required reading:

Hayek, Friedrich August. 1945. "The Use of Knowledge in Society." *The American Economic Review* 35, 519-30.

### **Sept. 26: Markets and Innovation**

Required reading:

Schumpeter, Joseph A. 1975 [1942]. *Capitalism, Socialism and Democracy*. New York: Harper Perennial, pp. 72-86.

## **III. THE MARKET LOGIC APPLIED - CASE STUDIES**

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**Sept. 30: Education**

Required reading:

Friedman, Milton. 2007 [1962]. "The Role of Government in Education." In Curren, Randall (ed.). *The Philosophy of Education. An Anthology*. Malden et al.: Blackwell, 194-9.

**Oct. 3: Health**

Required reading:

Pogge, Thomas. 2005. "Human Rights and Global Health: A Research Program." *Metaphilosophy* 36, 182-209, pp. 182-194.

**Oct. 7: Pollution**

Required reading:

Coase, Ronald H. 1960. "The Problem of Social Cost." *Journal of Law and Economics* 3(1), 1-44.

**Oct. 10: Climate Change**

Required reading:

Caney, Simon. 2010. "Markets, morality and climate change: What, if anything, is wrong with emissions trading?." *New Political Economy* 15(2), 197-224.

**IV. THE COMMONS AND THEIR JUSTIFICATIONS**

**Oct. 14: Socialism and Solidarity**

Required reading:

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Honneth, Axel. 2017. "The Original Idea." In *ibid. The Idea of Socialism*, Cambridge: Polity, ch. 1, pp. 6-20.

**Oct. 17: The Commons Beyond States and Markets**

Required reading:

Ostrom, Elinor. 1990. "Reflections on the Commons." In *ibid. Governing the Commons*. Cambridge University Press, ch. 1, pp. 1-28.

**Oct. 21: The Commons as Collective Self-Determination**

Required reading:

Bollier, David. 2014. "The Tyranny of the 'Tragedy' Myth." In *ibid. Think Like a Commoner*, ch. 2, pp. 21-35.

**Oct. 24: Global Public Goods**

Required reading:

Kaul, Inge. 2012. "Global Public Goods: Explaining their Underprovision." *Journal of International Economic Law* 15 (3), 729-50, pp. 729-46.

**Oct. 28: MIDTERM EXAM IN CLASS**

**Oct. 31: FALL BREAK – NO CLASS!**

**V. THE COMMONS APPLIED: CASE STUDIES**

**Nov. 4: Digital Commons**

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**Last day to withdraw from a course, or to choose CR/NC grading option!**

Required reading:

Benkler, Yochai. 2006. "Peer Production and Sharing." In *ibid. The Wealth of Networks. How Social Production Transforms Markets and Freedom*. New Haven and London: Yale University Press, ch. 3, pp. 59-75.

**Nov. 7: Biodiversity**

Required reading:

Vandana Shiva. 2001. "Biodiversity and People's Knowledge." In *Biopiracy – Protect or Plunder? Understanding Intellectual Property Rights*. London: Zed Books: 2001, ch. 4, pp. 65-81.

**Nov. 11: ARMISTICE BREAK – NO CLASS!**

***Comprehensive outline due!***

**Nov. 14: Universal Basic Income**

Required reading:

Van Parijs, Philippe. 2000. "A Basic Income for All. If you Really Care about Freedom, Give People an Unconditional Income." *Boston Review* Oct. 1, online version.

**Nov. 18: Student presentations of their research project**

**Nov. 21: Student presentations of their research project**

**VI. FRESH IDEAS ABOUT MARKETS AND COMMONS**

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**Nov. 25: Real Utopias**

Required reading:

Wright, Erik Olin. 2012. "Transforming Capitalism through Real Utopias". *American Sociological Review* 78, pp. 1-25.

**Nov. 28: Markets without Property**

Required reading:

Posner, Eric, and E. Glen Weyl. 2018. *Radical Markets: Uprooting Capitalism and Democracy for a Just Society*. Princeton University Press, ch. 1, pp. 30-79.

**Dec. 2: Basic Public Services**

Required reading:

Foundational Economy Collective. 2018. "(Re-)discovering the Foundational Economy." *Foundational Economy. The Infrastructure of Everyday Life*. Manchester: Manchester University Press, ch. 2., pp. 6-20.

**Dec. 5: Feminism and the Market**

Required reading:

Fraser, Nancy. 2009. "Feminism, Capitalism and the Cunning of History." *The New Left Review* 56, 97-117, pp. 97-113.

**Dec 12., 8h30-11h00      Final paper presentations**

***Final paper due!***

**Textbooks**

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This course doesn't have any textbook.

## Attendance Policy

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Students are expected to arrive on time and to attend all classes. *Punctuality* is essential for uninterrupted and efficient coursework. It is a sign of respect not only for the instructor, but also for your fellow students. If you are more than 10 minutes late, you will be marked absent.

*Attendance* will be taken every class. You may miss up to three sessions without excuse. More than three unexcused absences will be reported to the *Student Development Team* and can result in a failing participation grade (0.00 score points). In such a case you might also be asked to withdraw from the course. Absences may only be considered excused if they are officially excused, e.g. because of (medically documented) student illness, participation in AUP study trips, family emergency or an appointment with the immigration office. Attendance at all exams is mandatory. Students must be mindful of this policy when making their travel arrangements, and *especially during the Drop/Add and Exam Periods*.

## Grading Policy

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### Requirements and Grading

- a. Class participation (10% of final grade)
- b. One pop quiz in class (unannounced, 10% of final grade)
- c. Mid-term exam in class on 28 Oct. (20% of final grade)
- d. Comprehensive outline of final paper, incl. an annotated bibliography, due on Nov. 11 (10% of final grade)
- e. Oral presentation of individual research project on Nov. 18 or Nov. 21 (10% of final grade)
- f. Final paper, due on 12 Dec (30% of final grade)
- g. Final paper presentation during final exam period on 12 Dec. (10%)



It is the students' responsibility to meet the administrative and academic requirements of this course. Make sure that you familiarize yourself with these requirements and that you plan your time and your work reasonably. Remember that the readings and assignments are meant as springboards for your own independent and hopefully rewarding exploration of the topic.

In general, we reserve **A** for outstanding work, demonstrating superior effort, mastery of information and understanding of concepts. A grade of **B** indicates a solid effort, a good grasp of information, and above-average comprehension of concepts. A grade of **C** reflects a minimally acceptable effort and comprehension, while a grade of **C-** or below indicates results that are less than satisfactory.

The grading follows this 4.00 system:

Letter Grade	4.0 Scale	Score Points	Meaning
A	4.0	94.00-100.00	Excellent
A-	3.7	90.00-93.99	Excellent
B+	3.3	87.00-89.99	Good
B	3.0	84.00-86.99	Good
B-	2.7	80.00-83.99	Good
C+	2.3	77.00-79.99	Satisfactory
C	2.0	74.00-76.99	Satisfactory
C-	1.7	70.00-73.99	Satisfactory
D+	1.3	67.00-69.99	Unsatisfactory
D	1.0	64.00-66.99	Unsatisfactory
D-	0.7	60.00-63.99	Unsatisfactory
F	0	0.00-59.00	Failure

### ***Class Participation***

<b>A</b>	A student will receive an <b>A</b> if (s)he: comes to class prepared; contributes readily to the conversation but doesn't dominate it; makes thoughtful contributions that advance the conversation; and shows interest in and respect for others' contributions and views.
<b>B</b>	A student will receive a <b>B</b> if (s)he: comes to class prepared; makes thoughtful comments when called upon; contributes occasionally without prompting; and shows interest in and respect for others' contributions and views. This grade may also be appropriate for an active participant whose contributions are less developed or cogent than those of students who deserve an <b>A</b> .
<b>C</b>	A student will receive a <b>C</b> if (s)he: comes to class prepared and listens attentively, but

	<p>does not voluntarily contribute to discussions and gives only minimal answers when called upon.</p> <p>A student will also receive a <b>C</b> if (s)he participates in discussion, but in a problematic way. Such students may talk too much, make rambling or tangential contributions, continually interrupt with digressive questions, bluff their way when unprepared, or otherwise dominate discussions, not acknowledging cues of annoyance from instructors or other students.</p>
<b>D– F</b>	<p>A student will receive a <b>D</b> or <b>F</b> if they often seem on the margins of the class and may have a negative effect on the participation of others. Such students often don't participate because they haven't come to class prepared. Students receiving an <b>F</b> may be actually disruptive, radiating negative energy via hostile or bored body language, or be overtly rude.</p>

### **Pop Quiz**

During one class session, a pop quiz will ask *knowledge questions* about the required reading assigned for this session. The questions will be in the multiple choice format, and they will concern key concepts, ideas, and arguments, not details such as numbers or historical dates.

Date:            *surprise!*

### **Mid-term Exam**

After the first half of the course you will be expected to review the material and attend a written exam. The mid-term exam will consist of a set of questions on the course material. These questions will contain *knowledge questions* regarding key terms and intellectual positions, as well as short *essay questions* that ask you to *discuss* issues and arguments that this course addresses. More information will be provided along the semester.

Date:            *Oct. 28, 2019, 10h35*

### **Comprehensive Outline (incl. annotated bibliography) and Final Paper**

Your final paper should address a “markets or commons?” issue of your choice, applying the theoretical discussion to a concrete field, such as Internet search engines, human organs, the Earth’s climate, etc.

You will be expected to write a comprehensive outline of about 1000 words and a final paper of about 4000 words. Both documents should be submitted via Blackboard as *Word* (.doc or .docx) or *PDF* file. The font should be Times New Roman, the font size should be 12 pt. and the spacing should be 1.5.

The comprehensive outline should include a clear statement of your research question; a

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paragraph on why this question is relevant; a paragraph on the current *status quo* and its problems; an outline of your paper that indicates the paper structure (sections) and bullet points on what you plan to write about in the different sections; and an annotated bibliography with at least 5 academic sources and your comments on these sources.

The aim of the final paper is to provide an answer to a “markets or commons?” question (1) by *analyzing* rival conceptions and arguments, and (2) by critically assessing the adequacy, effectiveness, and applicability of the arguments and the intellectual position under consideration.

More information will be provided along the way.

*For your written work, please keep in mind:*

- You are expected to analyze – rather than summarize – your topic, and to develop your argument(s) convincingly.
- Your writing should be coherent. Help the reader to follow your line of reasoning by making it explicit: An introduction should outline what you will present and why it is interesting. The main body should develop your argument(s) step by step, and a conclusion should sum them up, with a final evaluation of your findings.
- Imagine that the reader is *unfamiliar* with both the topic/question and the sources you are discussing.

*Dates:*

*Comprehensive Outline*      *Nov. 11, 2019*

*Final Paper*                      *Dec. 12, 2019*

*Late* final papers will be marked down 2.00 score points per day (24 hours) of lateness. For example, if you submit a 94.00/A/4.0 paper 10 hours late, it will be marked as 92.00/A-/3.7. If you submit the same paper 50 hours late, it will be marked as 88.00/B+/3.3. Extensions of the deadline are only possible for serious reasons. In general, an extension can only be granted if you apply for it *before* the deadline expires.

### ***Final Paper Presentation***

We will have presentations during our last session on Dec. 12. These will give you the opportunity to prepare presentations of 5-7 minutes. You should use either handouts (which may include bullet points) or (Powerpoint/Prezi) slides for your presentations.

The presentations will be graded according to the following and equally important criteria: adherence to time limit, clarity, originality of the argument(s); convincing examples; ability to respond adequately to objections and engagement with the audience.

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More information will be provided along the way.

## **Other**

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