

**AMERICAN UNIVERSITY IN CAIRO
POLITICAL SCIENCE DEPARTMENT**

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INTRODUCTION TO POLITICAL ECONOMY

Class Hours: WU, 3:35-4:55
Office Hours: By appointment

Political Economy studies the impact of power (Politics) especially the power of the state on the economy and/or vice-versa. The different theories of political economy examine this relationship by either restricting the role of the state; increasing it to balance the market or predicting the demise of the state. The course will also investigate some current important issues such as the role of the state in development, the use of religion in politics, the role of democracy in development and the role of gender in economic growth.

Background

Up to the advent of the marginal utility theories, economists were by definition political economists, relating the political to the economic. With the emergence of Neo-Classical economic theories the relationship between politics and the economy was severed. Economics focuses on markets while politics deals mostly with power. The two approaches seem incompatible. However, economics are usually affected by power and politics are strongly impacted by economic structures.

Important current issues such as democracy, the role of religion in politics, globalization and the role of gender in economic growth and development will be examined from a political economy approach. These issues are of great relevance to both advanced and developing nations and they shape the discourse of politics, economics and political economy in the 22nd century.

Accordingly, the course will focus on the interrelationships between economics and politics, the contending perspectives and the most important contemporary issues in Political Economy as follows:

Interrelationships between economics and politics

- What is political economy
- Deterministic Approaches: Economism vs. Politicism
- New perspectives of political economy

Major contending Theories:

- Introduction
- Relationships between Politics and Economics
- The Classical Approach (Adam Smith)
- Marxist Political Economy (Karl Marx)
- Neoclassical Political Economy
- Keynesian Political Economy (John Maynard Keynes)
- Dependency and World Systems Approaches.

Important Issues in Political Economy

- State and development
- Democracy and Development

Textbooks

- Martin Staniland: **What Is Political Economy?** New Haven & London 1985
- James Caparoso & David Levine : **Theories of Political Economy.** Cambridge University Press, 1992 and reprinted in 2002.
- Charles Sackrey, Geoffrey Schneider & Janet Knoedler: Introduction to Political Economy: Economic Affairs Bureau 2015,

Course Requirements

Participation	10%
2 In class Exams	50% (25% each)
Final Exam	40%

Class Policies

1. No one is to enter the classroom after the instructor
2. Cell phones are to be switched off
3. No taping of lectures
4. Cheating during written exams is heavily penalized. A student caught cheating will earn an F for the Whole course and will be referred to AUC Academic Integrity Committee.
5. 10% of the grade of every written assignment will be based on "Adequacy of English Usage."