

Confidential
Not for publication

PROGRAM DESCRIPTION

pp. 4-6

[Paul Meadows
propaganda, A.C.]

1. Brief Summary.

The title of the expanded program is Economic Growth and Development in its Institutional Setting. Many universities have recently inaugurated programs in economic growth and development. We know of no university that has designed a program that comprehensively seeks to relate growth and development analysis to institutional factors. Specifically, the program will provide graduate students in economics with organized access to:

- a) current information with respect to the institutional aspects of industrialization through familiarization with literature which, while increasingly abundant, is still widely scattered;
- b) training in the institutional analysis of the industrialization process;
- c) experience with problems of policy formation.

Implementation of the program will require the equivalent of nine new year-courses, a corresponding increase in the instructional staff, substantial additions to the equipment of the statistical laboratory, modest additions to already excellent library resources.

2. Present Program and Facilities

- a) We are currently offering courses that enable candidates for the Ph.D. to become thoroughly familiar with the basic elements of economics -- micro and macro-theory, history of economic thought, economic history, statistical procedures. In addition the student has considerable choice in the selection of special areas in which to carry on concentrated study and research. With our present staff we are, in addition to the "basic" areas listed above particularly strong in labor-management relations, cycle theory, income and employment theory, monetary theory, international trade, and Latin-American economic problems. Courses currently available to graduate students are listed below. Those preceded by an asterisk are typically offered in alternate years.

Group I. Courses available to both graduates and undergraduates

- Money and Banking (3 credits)
- Monetary Policy (3 credits)
- Economics of Labor (6 credits)
- Collective Bargaining (3 credits)
- Personnel Administration and Human Relations in Business (3 credits)
- Statistical Methods (6 credits)
- International Economic Relations (6 credits)
- *Latin American Economic Problems (3 credits)
- *Economic Problems of the Far East (3 credits)
- Comparative Economic Systems (6 credits)
- Public Finance (6 credits)

Public Control of Business (6 credits)
 Economic Problems of New Jersey (3 credits)
 Economic Thought (3 credits)
 Value and Distribution Theory (3 credits)
 Income and Employment Theory (3 credits)

Group II. Courses available only to graduate students.

*Monetary Theory (3 credits)
 *Seminar in Monetary Theory (6 credits)
 *Topics in Collective Bargaining (3 credits)
 *Wages and Wage Theory (3 credits)
 *International Labor (3 credits)
 *Topics in Labor Relations (3 credits)
 Advanced Economic and Business Statistics (6 credits)
 Introduction to Econometrics (3 credits)
 *Seminar in International Economics (6 credits)
 *Seminar in Public Finance (6 credits)
 The Development of Economic Thought (6 credits)
 *Seminar in Economic Theory (6 credits)
 *Price Economics (3 credits)
 *Business Cycles (3 credits)
 *Advanced Economic Analysis (3 credits)
 *Economics of Income and Employment (3 credits)
 *Institutional Economics (3 credits)
 *Problems in Economic History (6 credits)
 *Economic History (3 credits)
 Special Readings in Economic Theory (6 credits)
 Selected Economic Problems (6 credits)

b) Present Instructional Staff

Robert J. Alexander, Assoc. Prof., B.A., M.A., Ph.D., Columbia. Latin-American problems, comparative systems, international labor.

William C. Bagley, Assoc. Prof., B.A. Yale; Ph.D., Columbia. Institutional economics, monetary theory, economic history.

Alexander S. Balinky, Assoc. Prof., B.A., California; M.A., Ph.D., Harvard. Economic history, comparative systems, Russian area.

Monroe Berkowitz, Professor, B.A., Ohio; M.A., Ph.D., Columbia. Labor-management relations, wage theory.

Max Gideonse, Professor, B.A., M.A. Rochester; Ph.D., Harvard. International economic relations, history.

C. Harry Kahn, Assoc. Prof., B.A., Vanderbilt; M.A., Ph.D., Wisconsin. Public finance.

Sidney Klein, Assist. Prof., B.S., California; Ph.D. Columbia. Statistics, economics of the Far East.

Kenneth K. Kurihara, Professor. B.A., Ohio Wesleyan; M.A., Oberlin; Ph.D., Iowa. Economic theory, monetary theory, mathematical economics.

Paul Medow, Assist. Prof., B.A.S., Cornell; Ph.D. Columbia. Institutional economics, economic theory, history of economic thought.

Walter R. Peabody, Professor. B.A., Amherst. Labor-management relations.

James H. Street, Professor. B.A., M.A., Texas; Ph.D., Pennsylvania; Ec. Sc.D. National University of Asuncion. Latin-American economics, monetary theory.

We have just lost (without advance notice) a highly qualified man in the area of input-output analysis, linear programming and operations research. We are urgently seeking a replacement.

- c) Rutgers has an excellent library and the Economics Department has had no trouble in obtaining new books. In addition, inter-library agreements give us access to materials in near-by libraries.

Our statistical laboratory is presently equipped with 11 calculating machines. We could at present use at least 25 machines, but thus far funds for their purchase have not been made available.

Eighteen months ago Rutgers embarked on a \$39 million building program. Recent construction has eased the pressure on classroom and laboratory space. Construction planned for the immediate future should provide modern room space adequate to our need within 12 months.

- d) Graduate enrollment for the past 6 years:

	<u>Individuals</u>	<u>Course enrollments</u>
1959-60	38	90
1958-59	26	55
1957-58	18	50
1956-57	23	59
1955-56	23	43
1954-55	22	46

Graduate work in economics at Rutgers, The State University was begun in 1927, when the Bureau of Economic Research was established. Programs leading to the M.A. degree only were in effect prior to World War II. With the marked increase in enrollment following the war an enlargement of graduate offerings made possible expanded programs leading to the Ph.D.

e) Degrees conferred in the past 6 years:

	<u>M.A.</u>	<u>Ph.D.</u>
1959-60	5	1
1958-59	3	1
1957-58	3	2
1956-57	4	1
1955-56	4	2
1954-55	4	2

f) Financial aid, provided entirely by the University, includes: Three teaching and two research assistantships providing an annual stipend of \$2052 each. Several scholarships without stipend. (In recent years the number has not exceeded four.)

g) All of our past Ph.D. recipients have gone first into college level teaching. While our records have not been brought up to date, we know of only one who has since gone into business.

3. Expanded Program.

Courses in the field of economic growth and development, in universities that have developed them, generally center on the problems of capital formation and the development of entrepreneurial and managerial talent. Where underdeveloped countries are the main interest some attention is also given to the role that the government may have to play to accelerate industrialization. In the program envisioned in the present proposal, however, the analytical concepts associated with "entrepreneurial" approaches, such as those of Weber, Keynes, Schumpeter, and Woytinsky would provide only one element in a more general conceptual framework. The "entrepreneurial" approach would be complemented by analyses of institutional factors in the economic process, along lines adumbrated by such theorists as Veblen, J. M. Clark, and Karl Polanyi. The goals of the program are a deeper and more comprehensive understanding of:

- 1) The institutional adjustments that have been associated with past industrial development as it has culminated in modern industrial societies;
- 2) The institutional obstacles that confront the industrialization process in underdeveloped countries;
- 3) the positive role that certain pre-industrial institutions may play in the industrialization process under certain conditions;
- 4) modes of formulating growth and development policies appropriate to selected areas.

a) New Course Offerings. The new courses listed below are divided into four groups, each group being given a descriptive title. This grouping does not represent a rigid temporal progression from 1st to 2nd to 3rd year, for we regard the program as a coherent unit. However, insofar as progression is desirable the order would generally follow the groupings given.

✓ Group I. The nature of economic institutions in pre-industrial societies.
(All except #1 will be one-term courses.)

1. The Economy as Instituted Process. (Concepts and methods for identifying economic institutions in market and non-market economies.)
2. Economic Anthropology. (The neolithic revolution and the development of urban life.)
3. The Origins of Early Exchange Institutions. (The evolution of money, market structure, property, and contract.)
4. Economic History of Antiquity. (Economic organization from Ancient Mesopotamia and Egypt to the Roman Empire; economic law codes of antiquity.)

✓ Group II. The institutional aspects of industrialization and industrial enterprise. (All will be one-term courses.)

1. Institutional Evolution. (The theory of institutional change with the main emphasis on the interaction of technological and sociological factors.)
2. The Institutional Aspects of Industrial Enterprise in Transitional Economies. (The main emphasis will be on the appearance of the price system, the profit system, accounting principles, and the corporation.)
- 1-3. The Organization of Production in Market and Non-Market economies. (Analysis of economic organization based on comparative studies.)

✓ Group III. The history of institutional thought and of normative doctrines.
(Both will be one-term courses.)

1. The History of Institutional Doctrines. (The main contributions of Maine, Meyer, Bucher, Weber, Veblen, Schumpeter, Thunwald, Polanyi and others.)
2. The History of Normative Social Doctrines. (The implications of normative factors for economic organization.)

✓ Group IV. The non-institutional analysis of economic growth and development.
(All one-term courses.)

1. Theory of Economic Growth. (Analysis of the measurable variables affecting the rate of growth of per capita real income.)
2. Input-Output Analysis.
3. Operations Research.
4. Linear Programming.

- b) We estimate the enrollment for the expanded program for 1961-62 at 30 students. This figure is derived as follows: We normally gain 12-15 new enrollments per year. Of these eight could well be attracted to the expanded program. We are asking for a minimum of 15 Title IV scholarships. In addition it is reasonable to estimate that seven students already in residence might transfer to the program.

An estimate for 1962-3 is much more difficult. We would expect at least 50. As our program is publicized its unique character in a field of growing interest and importance could easily attract a much larger number.

- c) We accept three courses as the maximum work-load of graduate instructors. However, the new courses listed in Groups I, II, and III above will require extensive research and organization of material. Therefore, a work load of two courses would be desirable for the estimated four staff members who would concentrate on them. The above listed additional courses require three new staff members with the rank of at least associate professor. Eight present members of our staff are fully qualified to participate in one or more phases of the expanded program. The three additions to the staff, however, would need to be chosen primarily on the basis of the contributions they could make to the expanded program. Additional abilities are particularly needed in the economic history of antiquity, the history of institutional doctrine, and the history of normative doctrine.
- d) Library resources can be expanded within our present budget. Added laboratory equipment would far exceed our regular budget. Additional space will result from the current building program.
- e) The proposed program will be passed on by a University committee before being forwarded to the Department of Health, Education and Welfare.
- f) In the past several members of the Economics Department have been interested in the type of program herein requested. Lack of funds has precluded any success in inaugurating a coordinated program. However, several instructors have developed individual courses that stress institutional factors in the economic process.
- g) While funds to expand programs are extremely difficult for us to obtain, programs once established by the Economics Department have never been curtailed for lack of funds--reflecting the inertial qualities of budgets. We are therefore reasonably sure that once the program requested herein has been established the University will sustain it on a permanent basis.
- h) Since all of our Ph.D. degree recipients have gone into college teaching in the past, we would expect the great majority of future recipients to do the same.
- i) We know of no program in the country, let alone the area, that takes a similar approach to the problems of economic growth and development.

PROGRAM DESCRIPTION

1. Brief Summary

The title of the expanded program is Economic Growth and Development in its Institutional Setting. Many universities have recently inaugurated programs in economic growth and development. We know of no university that has designed a program that comprehensively seeks to relate growth and development ~~through~~ analysis to institutional factors. Specifically, the program will provide graduate students in economics with organized access to:

- a) current information with respect to the institutional aspects of industrialization through familiarization with literature which, while increasingly abundant, is still widely scattered;
- b) training in the institutional analysis of the industrialization process;
- c) experience with problems of policy formation.

Implementation of the program will require the equivalent of nine new year-courses, a corresponding increase in the instructional staff, substantial additions to the equipment of the statistical laboratory, modest additions to already excellent library resources.

.
3. Expanded Program

Courses in the field of economic growth and development, in universities that have developed them, generally center on the problems of capital formation and the development of entrepreneurial and managerial talent. Where underdeveloped countries are the main interest, some attention is also given to the role that the government may have to play to accelerate industrialization. In the program envisioned in the present proposal, however, the analytical concepts associated with "entrepreneurial" approaches, such as those of Weber, Keynes, Schumpeter and Woytinsky would provide only one element in a more general conceptual framework. The "entrepreneurial" approach would be complemented by analyses of institutional factors in the economic process, along lines adumbrated by such theorists as Veblen, J.M. Clark and Karl Polanyi. The goals of the program are a deeper and more comprehensive understanding of:

- 1) The institutional adjustments that have been associated with past industrial development as it has culminated in modern industrial societies;
- 2) The institutional obstacles that confront the industrialization process in underdeveloped countries;
- 3) The positive role that certain pre-industrial institutions may play in the industrialization process under certain conditions;
- 4) modes of formulating growth and development policies appropriate to selected areas.

- a) New Course Offerings. The new courses listed below are divided into four groups, each group being given a descriptive title. This grouping does not represent a rigid temporal progression from 1st to 2nd to

3rd year, for we regard the program as a coherent unit. However, insofar as progression is desirable the order would generally follow the groupings given.

Group I. ~~The nature of economic institutions in pre-industrial societies.~~
(All except No. 1 will be one-term courses.)

1. The Economy as ^{an} Instituted Process. (Concepts and methods for identifying economic institutions in market and non-market economies.)
2. Economic Anthropology. ^{The economic process in primitive and archaic type} ~~(The neolithic revolution and the development of urban life.)~~
3. The Origins of Early Exchange Institutions. (The evolution ^{Societies of trade} of money, market structure, ~~property~~, and contracts.)
4. Economic History and Antiquity. ^{land tenure} (Economic organization from ancient Mesopotamia and Egypt to the Roman Empire; economic law codes of antiquity.)

Group II. The institutional aspects of industrialization ~~and industrial~~
~~enterprises.~~ (All will be one-term courses.)

1. Institutional Evolution. (The theory of institutional change with the ~~main~~ emphasis on the interaction of technological and sociological factors.)
2. The Institutional Aspects of Industrial Enterprise in Transitional Economies (The ~~main~~ emphasis will be on the appearance of the price system, the profit system, accounting principles, and the corporation.)
3. The Organization of Production in Market and Non-Market Economies. (Analysis of economic organizations based on comparative studies.)

Group III. The history of institutional thought and of normative doctrines
(Both will be one-term courses.)

1. The History of Institutional Doctrines. (The ~~main~~ contributions of Maine, Meyer, Bücher, Weber, Veblen, Schumpeter, ^{Myrdal} Thurnwald, Polanyi and others.)
2. The History of Normative Social Doctrines. (The implications of normative factors for economic organization.)

Group IV. The non-institutional analysis of economic growth and development
(All one-term courses.)

1. Theory of Economic Growth. (Analysis of the measurable variables affecting the rate of growth of per capita real income.)
2. Input-Output Analysis
3. Operations Research

4. Linear Programming

.

We know of no program in the country, let alone the area, that takes a similar approach to the problems of economic growth and development.

Prof. Polanyi

GRADUATE PROGRAM ON THE INSTITUTIONAL ASPECTS
OF INDUSTRIALIZATION

I. The purpose of this program is to provide graduate students in economics with an opportunity to obtain: a) the existing conceptual knowledge with regard to the institutional aspects of industrialization in underdeveloped countries, and especially a rigorous presentation of the relevant theories of J. Schumpeter and of Professor K. Polanyi; b) a familiarization with the relevant literature, which is now abundant and increasingly significant, but widely scattered; c) training in the serious institutional analysis of selected aspects of the industrialization process in particular areas from the point of view of policy problems.

Existing courses in this field have generally tended to center on the problems of developing native entrepreneurial and managerial talent and also on the role that the government may have to play during the transitional period to accelerate the process of institutional transformation. In the program envisaged in this proposal, however, the analytical concepts associated with the entrepreneurial approach and the relevant theories of Max Weber and of Schumpeter would provide only one element in the more general conceptual framework on which the courses would be oriented. It would be complemented in an important way by the concepts relevant to the institutional analysis of economic processes in pre-industrial economies that have been developed by Professor K. Polanyi and elaborated and applied over a number of years under his direction by members of the Columbia University Interdisciplinary Project on Institutional Growth and elsewhere. This would result, in part, in a deeper understanding of both the nature of the obstacles that confront the industrialization process in underdeveloped countries during the early phases of transition and of the positive role that many pre-industrial economic institutions may come to play in this process under certain conditions.

II. Among the general areas of institutional study that the courses would provide there would be:

- A. The nature of the economic institutions of pre-industrial societies
- B. The institutional aspects of industrialization and of industrial enterprise
- C. The history of institutional thought and of normative social doctrines (in pre-industrial as well as in industrial societies)

Courses in these field would be offered mostly in the second year of graduate study, after the required general courses in economic theory, statistical methods, and the history of economic doctrines had been completed.

The courses might include:**

- A. The nature of economic institutions in pre-industrial societies:
 - o The economy as instituted process (concepts and methods for identifying economic institutions in non-market economies)
 - o Economic anthropology
 - o The origins of exchange institutions (trade, money, and markets)
 - o Economic history of Antiquity
 - o Economic law codes of Antiquity and of Non-European peoples
- B. The institutional aspects of industrialization and of industrial enterprise
 - o The impact of money on subsistence economies (mainly concerned with Africa)
 - o Institutional growth
 - o The institutional aspects of industrial enterprise in transitional economies
 - o The organization of industrial production in market and in non-market economies
 - o Economic sociology
 - o Industrial psychology (social problems of factory production as treated by Mayo)

* Most of these titles have been suggested by Prof. Polanyi, who also possesses reading lists for some of the courses. Among the urgent requirements of such a program, in his view, is the compilation of one or two basic readers containing articles and excerpts from works by a number of outstanding writers, to be translated from the German.

C. The history of institutional thought and of normative social doctrines

- . The history of institutional doctrines (e.g. Maine, Meyer, Bucher, Weber, Schumpeter, Thurnwald, Malinowski, Polanyi, Pearson, Parsons)
- . The history of normative social doctrines in pre-industrial and in industrial economies

III. A fully comprehensive program in the institutional aspects of industrialization could be established, however, only if an advanced program in the non-institutional analysis of economic growth is simultaneously established, that would include courses in growth theory, input-output analysis, operations research, and linear programming. It would then be possible for those graduate students under the institutional program who are particularly interested in the institutional and social policy aspects of centrally planned industrialization programs to take several courses in their second year concerned with these subjects.

IV. It would appear that the institutional program would require the addition of at least one instructor in 1961 and at least two or perhaps three more in 1962. It is evident that the success of this program will depend to a very large extent on the availability of persons who have had training with Professor Polanyi or who are familiar with his concepts and methods. There are at present about ten such persons teaching in universities in the United States who are regarded as competent by Prof. Polanyi including several that he regards as "first class persons."

V. Aside from the interest that such a program would present for American graduate students, its courses would probably be of even greater interest to foreign graduate students from underdeveloped countries. It is possible that this aspect of the program might motivate some private foundation to provide additional fellowships and funds in connection with the training of foreign students.

DRAFT

General economics

OUTLINE OF A PROGRAM OF GRADUATE STUDIES IN THE ECONOMIC SCIENCES

The economic sciences, as used here, refer to a number of ~~selected~~ disciplines ^{with the concept of a gen. economics NEW} besides in addition to economic ~~theory~~ ^{analysis} that have the economy as their focus of interest. These are economic anthropology, economic sociology, economic ^{industrial organization} history, the history of economic doctrines and others.

These sub-disciplines may be studied through an institutional ^{as an instituted process?} approach to the economy, ~~not necessarily~~ which results in a continuous supply of material means restricted to the market as the sole economic institution of interest.

The following is a suggested program of readings in each of these ~~sub~~ disciplines organized around a statement of the particular perspective of this ~~sub~~ discipline.

1. HISTORY OF ECONOMIC DOCTRINES

The aim here is to show the changing assumptions ^{and methods} ~~and~~ in the study of the ~~character~~ ^{meaning} of the economy embodied in the work of various writers. These assumptions can be roughly grouped into either the substantive or formal approaches to the economy.

non market economics

1. Aristotle, ^(vs Solow) Politics --- Plato's Laws
Thomas Aquinas: Summa Xenophon: Politeia
2. Montesquieu, The Spirit of the laws ---
Mandeville, Defoe
3. Adam Smith (economics and politics)
4. Ricardo (economics, law, monetary, taxation)
5. Menger's (two directions of ec. activity)
6. Schmoller (historical)
7. Hekscher (historical)
8. Pareto sociology
Pirenne's Three stages M. Bloch
9. Schumpeter Economics: Theory of Growth
10. Veblen } institutional approaches
11. Keynes } of atomistic individuals
12. Myrdal The Political Element in Ec. Theory
etc
13. } Robinson ^{off Marx}
14. K. Marx: History of doctrines (Philosophy & economy)
~~Marx's work~~
15. Owen: The new society
16. Kuznetz: Comparative statistics
Dalton: Owen and Marx
17. Kalecki ~~aggregates~~

K.P.'s copy

Draft of an Outline of a
Program for Graduate Studies for Ph.D. on

THE ECONOMY AS AN INSTITUTED PROCESS

The research is
The Courses listed below are designed to offer a theoretical and empirical background for an approach to the various economic sciences, which is distinct from economic analysis and not restricted to the market as the main institution.

The program is characterized by the following features:

This is
(1) It allows for the inclusion of sub-disciplines in various social sciences where these deal with the economy.

(2) It provides an introduction to the study of the underdeveloped countries by re-defining trade, money and market in a manner that lends itself to a comparative institutional treatment of economies in course of industrialization.

The program assumes, that standard courses, such as economic analysis, economic history, etc., form part of the general curriculum.

1. Introductory Course: The economy as an instituted process resulting in a continuous supply of material means - locational and appropriational movements - unity and stability - patterns of integration: reciprocity, redistribution and exchange - supporting structures: symmetry, centricity and market-system
2. The place of the economy in society (economic sociology); Embeddedness of the economy in economic and non-economic institutions - 'economic' a term of degree - movements caused by persons in definite situations - institutions which typically create such situations are called economic institutions
3. Economic anthropology
4. Economic history of antiquity
5. Economic legislation: Law Codes, Canon law, regulative statutes, medieval and modern
6. African economies: The impact of advanced economies on backward regions
7. Asian economies: Population and progress
8. The industrial economy, both market and non-market
9. Exchange institutions: trade, money, market
10. Market sphere and public sphere in the American economy

The authors, where adduced in the following, are not meant to constitute a reading list, but rather to indicate the scope and subject-

Introductory course
1. History of doctrines

Aristotle's Politics, Book I

- The Nicomachian Ethics

Plato's Laws

Thomas Aquinas: Summa Theologiae

Hobbes: Leviathan

Spinoza: Tractatus theologico-politicus

Hume: On Commerce, on Money, on Interest and
on the Balance of Trade

Adam Smith: national and policy aspects

François Quesnay: Tableau économique

Turgot: Réflexions

Mandeville: Fable of the bees

De Foe: Robinson Crusoe

Wm. Petty

Malthus: Essay on population

Ricardo: Principles

Marx: Theories on surplus value

- Political economy and philosophy

Owen: The new society

Fourier: Théorie des quatre mouvements

Saint-Simon: Système industriel

Schmoller on mercantilism

Menger: Principles (posthumous edition)

H. Spencer: Man vs. state

Bastiat: Harmonie économique

Proudhon: Contradictions économiques

Veblen, for the old institutionalism

T. Parsons for a critique of ^{the old} institutionalism

Bagehot: Physics and politics

Keynes: The end of laissez-faire

Schumpeter for history of doctrines and theory of growth

Myrdal on the political element in economic theory

Pirenne on the three stages of capitalism

Kuznets on comparative study of economic structure and growth

2. Economy and society (economic sociology)

*The place of the
see us
over*

Plato: Politeia

Max Weber

Talcott Parsons

Pareto

Commons

Durkheim

Merton

H.S. Maine

Malinowski

T.K.Hopkins

Marx

Simmel

N. Smelser

H.W. Pearson

K. Polanyi

C. Brinkmann

O. Brunner

G. Myrdal

Th. Veblen

3. Early economies (economic anthropology)

*Economic
anthropology*

Br. Malinowski

Darryl Forde

Raymond Firth

Evans-Pritchard

Paul Bohannan

Radcliffe-Brown

M. Gluckman

M. Mead

R. Benedict

Franz Boas

Cora Dubois

W. Neale

Lewis Morgan

Eul Kirchhoff

4. Ancient economies (economic history of antiquity)

Bearsted: Egypt

B. Davidson: Old Africa

Heichelheim: Antiquity

Weber: Agrarverhältnisse

- General economic history

Ventris: Documents in Mycenaean Greek

Glötz: Greece

Rostovtzeff: Hellenism

- Roman Empire

Maspero: Egypt

Westermann: Slavery

5. Economy and law (the law codes)

*Economic
Legislation*

Sumeria

Eshnunna

King Lipit Ishtar

Hammurabi

Manu

Islam

Mosaic law

Germanic

Anglo-Saxon

Irish

Gortin

Rome

Greek law-makers

Canonical law

Usury legislation

Land and mortgage

Status and contractus

African tribes

Pravda (Russian)

Mishna

Talmud

Medieval market

*Statute of Artificers
the regulative system*

6. African economies

Paul Bohannan: Land; Money; Market (Tiv)

Evans-Pritchard (NUER)

1e

Fortis-Evans-Pritchard (Political systems)

Mercier (Dahomey)

Baumann-Westermann (Les peuples et civilisations de l'Afrique)

B. Davidson (old africa)

Nadel (Nupe)

C.K. Meek (Ibo)

Rattray (Ashanti)

7 Asian ec
8 The ind. ec -
mkt +
m or mkt

Asian economies

9 10. Exchange institutions: trade, money, market

Long-distance trade

Early Assyrian - Landsberger

Old Babylonian - Leemans

Middle Babylonian - Edzard

Caravan - Bovill (West Africa); Lattimore (Mongolia); Marco Polo
Ibn Batuta; E.E. Rich (Hudson Bay); Tavernier (Centr.
Asia)

Port of trade - R. Arnold (West Africa); Lehmann-Hartleben
(Mediterranean antiquity); R. Revere (E. Mediterranean
antiquity); A. Chapman (Mesoamerica); H. Pirenne
(North-west France); "Wik" literature: E. Ennen,
H. Planitz, Fr. Rörig, W. Vogel.

Money

Old Babylonia - R.F.G. Sweet (Oriental Institute, Dissertation)

Antiquity - A.R. Burns

Primitive - P. Einzig, Mrs. Quiggin

Medieval - M.M. Postan

Greek: Seltman

10 .

10 Mkt sph +
publ " in the
Am economy

Oct 16

Draft of an Outline of a
Program for Graduate Studies for Ph.D. on

THE ECONOMY AS AN INSTITUTED PROCESS

The Courses listed below are designed to offer a theoretical and empirical background for an approach to the various economic sciences, which is distinct from economic analysis and not restricted to the market as the main institution.

The program is characterized by the following features:

(1) It allows for the inclusion of sub-disciplines in various social sciences where these deal with the economy.

(2) It provides an introduction to the study of the underdeveloped countries by re-defining trade, money and market in a manner that lends itself to a comparative institutional treatment of economies in course of industrialization.

The program assumes, that standard courses, such as economic analysis, economic history, etc., form part of the general curriculum.

- 1. Introductory Course: The economy as an instituted process resulting in a continuous supply of material means - locational and appropriational movements - unity and stability - patterns of integration: reciprocity, redistribution and exchange - supporting structures: symmetry, centrality and market-system
- 2. The place of the economy in society (economic sociology): Embedd- edness of the economy in economic and non-economic institutions. 'economic' a term of degree - movements caused by persons in definite situations - institutions which typically create such situations are called economic institutions
- 3. Economic anthropology
- 4. Economic history of antiquity
- 5. Economic legislation: Law Codes, Canon law, regulative statutes, medieval and modern
- 6. African economies: The impact of advanced economies on backward regions
- 7. Asian economies: Population and progress
- 8. The industrial economy, both market and non-market
- 9. Exchange institutions: trade, money, market
- 10. Market sphere and public sphere in the American economy

The authors, where adduced in the following, are not meant to constitute a reading list, but rather to indicate the scope and subject-matter of the course.

K.P.

1. The economy as instituted process

J. Commons
T. Parsons
T. Hopkins
K. Polanyi
C. Brinkmann
O. Brunner
G. Myrdal
Sir A. Maine
Th. Veblen

12 American Economic History

C. Goodrich — school
Care Degler
Legal
J. Dorpman

Graduate Program of Studies
of the College of Arts and Sciences

Economy as an institutionalized process.

1. History of doctrines
2. Economy and society (Ec. Sociology)
3. Early economies (Ec. Anthropology)
4. Ancient economies (Hist. of art. & craft)
5. Economic Law - books
6. Afro-Asian economies
7. Industrial organization
8. Comparative economics
9. Industrial psychology
10. Exchange institutions: trade, money, market
11. Institutional growth
12. Corporations, unions and the Government.
American economic history

Paul Meadow

PC

1-7

Head of Proj. Bagley seen of the
Even. Sept. we → 1961/2

30 students denied.
12-15-

disarmament
Cuba
Kruschew:
int. reputation
& rebel
Algeria

incl. campaign
victories, lines
planning
near buildings

8 weeks
for the
addition sought
1962/63
52

14 groups now in
1/2 small change
3/4 same

Laos: no more
U.S. military aid.
90% of budget.
Boland, Meppis.
Congo: Katanga revolt
Tshombe.
74 4 days
uncertainty

The economy as instituted process
~~The institutionalization of the economic process~~

1. How does the need for a redefinition of the economy arise?

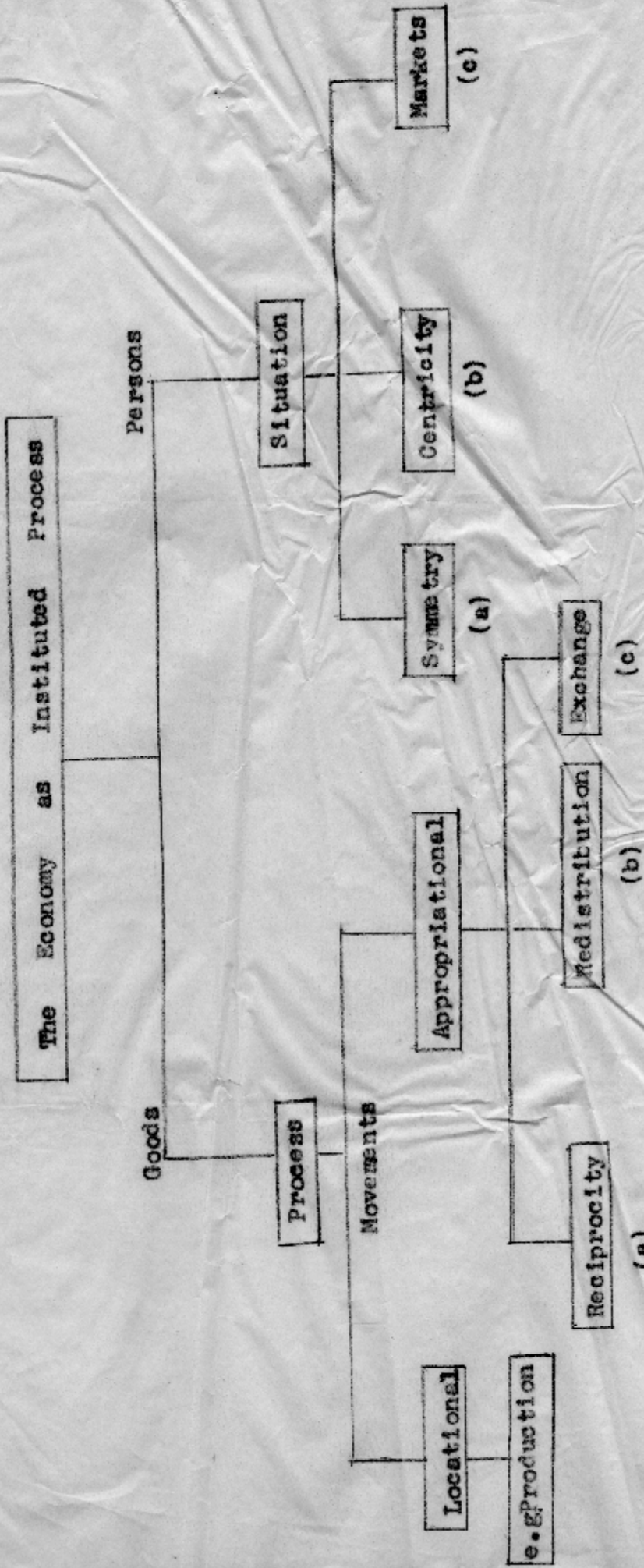
2. The ^(a) substantive definition of the ^{elements} market economy, ^(b) particular in regard to trade money + (RFS, sweat, leagues) economic history,

3. Its Applications ^(Paul Bohannan) in economic anthropology and economic sociology (Edmund) ; economic policy, trade and markets / part of trade of etc

I. The social philosophy of the Enlightenment out of date.

Its anthropology (Samuel of Yale), economic history and psychology (utilitarian rationalism) replaced by Malinowski and sociology (Comte), (But Henry James, Maine, Max Weber, Durkheim, Quetelet, Durkheim. But these do not add up to a frame of reference as universally understood and accepted as the atomistic individualism of ^{Rousseau or} Hobbes ~~of Ricardo~~ Ricardo.

The economy is the subject matter
of several disciplines. The
Germanus say "Wirtschaftswissenschaften" and I will do the same,
and speak of economic
disciplines. E.g. ec. theory,
ec. history; finance + history
of finance; ec. institutions,
econ. anthropology, econ.
sociology; history of economic
systems, statistics.
In English we speak of econ-
omics and mean ec. analysis.
or economic theory which
is of course a broader term
than analysis.



[Paul Meadow, A.F.]

(IV) The instituting of social responsibility in industrial societies

I. The social problems of industrial civilizations

(They are ~~XXXXXXXX~~ basically the separation of power from social responsibility in the introduction of innovations, and the resulting uncontrolled character of economic progress and deterioration of the 'human situation').

II. Existing explanations

- A. explanations centering on the individual
(Fromm, Cassirer, Vysheslavtzeff,)~~XX~~
- B. explanations centering on the economy
(Schumpeter)

III. The influence of machine production on social institutions

- A. Polanyi's analysis in terms of the influence of machine on social institutions
- ✓ B. The influences of ~~machines~~ mechanized production on social institutions

✓ IV. The instituting of social responsibility in industrial societies

V. The case of the new nations

A. GALBRAITH ON THE REAL INSTITUTIONAL PROBLEMS OF ADVANCED ECONOMIES (P. Medow)

In The Affluent Society Galbraith observes that the British tradition of economic thinking (particularly concepts ~~concerning which~~ are the aims that one may have in mind with regard to the market economy) is rooted in institutional arrangements ~~which~~, scarcity conditions, and methods of ~~production~~ increasing production that were characteristic of the nineteenth ~~century~~ century in England, but not of modern realities: in modern times the economic arrangements, methods of increasing production, and scarcity conditions have ~~been~~ undergone a fundamental transformation that is symbolized by the corporation and by the social security provisions. In this wholly new economy, old issues no longer exist, but then new ones have appeared, for which traditional concepts of economic analysis and economic thinking generally are inappropriate; and also new possibilities have appeared to create a more human society. *What is meant here?*

On the ~~one~~ one hand this is a call to rely on new concepts of economic analysis and of what is permissible in economic policy.

On the other this is a call to be ready to sacrifice the needs of production in favor of human factors at certain points, *Efficiency? "margin"?*

- a. are relatively modest --mostly an increase in the production of public services of all kinds, in so far as the economic sphere is concerned; and the creating of professional standing for workers, in so far as the human element is concerned.
- b.

The modesty of these proposals appears to derive from the empirical thinking which underlies their formulation. They are, in a sense, just ideas that are suggested by the new situation itself. There is no suggestion that there are new principles that may be followed in the resolution of these ~~new~~ new problems and ~~also~~ in taking full advantage of the new possibilities. There is no ~~recognition~~ emphasis reliance, in short, on "pure" ~~principles~~ and broadened principles of economic analysis, on the one hand, ~~and~~ (broadened ~~to include~~ an understanding of the principles of economic development), and on the concept of a humanistic institutionalization of ~~the~~ social conflicts on the other. As a result the general character of the new society that ~~emerges~~ appears to emerge is a technocratic one, not a humanistic one.

~~The~~ The problem of how to keep production at a given level, without any growth, is also not considered. This requires a better knowledge of economic analysis than ~~now~~ now exists.

Aside from this the explanation for the "great transition" ~~is~~ to a corporate economy is presented in psychological terms, that is in terms of the various parties concerned to seek security from ~~compete~~ the risks ~~of~~ created by competitive markets. This reveals a tendency not to see that ~~this~~ this was a process of institutionalization, that was brought about by functional, rather than psychological factors (the character of the modern innovations, on the one hand, and the need for "self protection" on the part of social institutions, on the other.)

~~By~~

D-a. The debate on prices in the Soviet Union:

There is now a general readiness to use prices as criteria, but only for consumers goods ~~and~~ for producers goods. The use of prices for labor allocation is rejected on Marxist and socialist grounds. ~~But~~ it is used increasingly in fact by the government. This tends to create all the ~~bad~~ sociological features of a market economy.

18 Nov. 58

whose term?

very good

why not think like this?

good

both for

Prof. Polanyi

ECONOMICS SEMINAR

22-23 November 1958

AGENDA

1. Remarks by Prof. Polanyi concerning the character of the frame of reference for the seminar
2. Discussion of a few procedural points; e.g. the advisability of having a short bulletin that would contain ideas and suggestions that occur to members between meetings.

* * *

3. Reports:

- Sat.* {
- A. Galbraith on the ~~rest~~ institutional problems of advanced economies (P. Medow)
 - B. The institutional transition to a corporate system and the concept of institutionalization (H. Pearson)
 - ~~xx~~
~~xx~~
C. The Dalton method for studying the non-economic institutionalization of economic institutions (G. Dalton)

- Sun.* {
- Policy questions*
- D. Current ^{new approaches} to the place of economic analysis vis à vis institutions *issues*
 - a. The debate on prices in the Soviet Union (P. Medow)
 - b. The end of the Welfare Economics debate in England (G. Dalton)
 - E. The distinction between Menger's understanding of the relation of economic analysis to institutions and that of Marshall (Prof. Polanyi)

* * *

4. Discussion of other issues
5. A summing up of achievements (Prof. Polanyi)
6. Assignment of report topics for the December meeting.