

Lesson four

Political Science and Economics

The relationship of economics and political science can be understood through the concept of political economy. Political economy refers to a specific approach to study social and political events where economics and politics are not seen as separate domains. It is based on the belief that the two disciplines have an intimate relationship and the hypothesis that this relationship unfolds in diverse ways. These assumptions constitute important explanatory and analytical frameworks within which social and political phenomena can be studied. The phrase *économie politique* (in English, political economy) was first used in 1615 by the French scholar Antoine de Montchrétien in his book *Traité de l'économie politique* (A Treatise on Political Economy).

Adam Smith, David Ricardo and Karl Marx were some of the exponents of the political economy approach. In contemporary scholarship, the term 'political economy' indicates the amalgamation of two different disciplines: political science and economics. However, it must be noted that the evolution of economics and politics as separate disciplines of study itself is a modern phenomenon. The distinction between the subject matter of political science and economics was unknown until the Renaissance and Industrial Revolution in Europe.

On the other hand, Aristotle considered economic questions in his book *Politics*. Among classical political economists, Adam Smith considered political economy as 'a branch of the science of a statesman or legislator'. Karl Marx often referred to the 'critique of political economy' in his writings; however, it was Friedrich Engels, the co-author of *The Communist Manifesto* along with Karl Marx, who defined the term 'political economy'. According to Engels, studies of 'the laws governing the production and exchange of the material means of subsistence' are part of the political economy. Similarly, the Russian economist I. I. Rubin, who authored *Essays on Marx's Theory of Value*, stated that 'Political economy deals with human working activity, not from the standpoint of its technical methods and instruments of labour, but from the standpoint of its social form. It deals with production relations which are established among people in the process of production'

Thus, the political economy approach provides an economic interpretation of political consequences. It seeks to study the social relations that evolve between people in the process of production, distribution, exchange and consumption. This approach assumes that political systems are merely expressions of the economic requirements of the society and social groups and that the changes in the economic system automatically lead to changes in the political system. This approach can be divided in two major perspectives—Liberal and Marxist.

Part One: Reading Comprehension

1. What is meant by political economy according to the passage?
2. Who first used the term *économie politique* and in what year?
3. Which thinkers are mentioned as exponents of the political economy approach?
4. How did Aristotle view economic questions?
5. What is the difference between the Liberal and Marxist perspectives of political economy?
6. According to Engels, what does political economy study?
7. Give the opposite of the following words:

- Separate → _____
- Modern → _____
- Economic → _____
- Liberal → _____

8. Give one word or phrase that has the same meaning as the underlined word:
 - The two disciplines have an **intimate** relationship. → _____
 - These assumptions constitute important **frameworks**. → _____
 - The term indicates the **amalgamation** of two disciplines. → _____

Grammar:

A. Put the verb in brackets in the correct tense:

1. The term political economy ____ (refer) to the study of both politics and economics.
2. Karl Marx ____ (write) many books about political economy.
3. The Industrial Revolution ____ (change) the way people thought about economics.

B. Correct the mistake in each sentence:

1. Adam Smith was the first who use the term.
2. Political systems is expressions of economic needs.

Fill in the Blanks

Use the words below to fill in the blanks:

(economics – political – relationship – production – Aristotle)

1. The _____ between economics and politics is very close.
2. _____ considered economic questions in his book Politics.
3. Political economy studies human activity in the process of _____.
4. The term combines both _____ science and economics.