POLITICAL SCIENCE 138E
THE VARIETIES OF CAPITALISM:
THE POLITICAL-ECONOMIC SYSTEMS OF THE WORLD

Fall 2019
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COURSE DESCRIPTION
This course examines the interaction between politics and markets, both in theory and in practice, linking classic works on political economy (Smith, Marx, List, Polanyi) with current policy debates. It emphasizes the ways in which markets are embedded in social and political institutions. We study how markets are structured in a wide range of different national settings, looking at both history and contemporary issues. We review some of the most influential works from four disciplines: Sociology, Economics, History, and Political Science. Topics include: 1) the history of industrialization, 2) the varieties of capitalism in contemporary industrialized countries, 3) the emerging economies of Latin America and East Asia, 4) the problems of development, and 5) the transition from central planning to a market economy in Eastern Europe and China. We conclude the course with a review of current issues in the global economy.

PREREQUISITES
Some background in economics, such as an introductory course, strongly recommended.

COURSE REQUIREMENTS
Midterm (10/2) 10% of course grade
Class participation 20%
bCourses postings 10%
Press review paper (due 10/27) 15%
Comparative analysis paper (due 11/24) 15%
Final exam 30%

READING ASSIGNMENTS
Books for purchase (and also available on reserve at Moffitt Library):
Barma and Vogel, eds., The Political Economy Reader (2008)
Books available for purchase but also available online through the course web site:
Harold Wilensky, American Political Economy in Global Perspective (2012)

Readings marked with an asterisk (*) are in the Course Reader, which is available at Copy Central, 2411 Telegraph Avenue, and on reserve. All other readings are online on the course web site.
PART I: CONTENDING PERSPECTIVES ON POLITICAL ECONOMY

Course Introduction (8/28)

Smith (9/4)

Marx (9/9)
Robin Varghese, “Marxist World: What Did You Expect From Capitalism?,” *Foreign Affairs* (July/August 2018), 34-42.

List (9/11)

Polanyi (9/16)

The New Institutional Economics (9/18)

Sociological Perspectives (9/23)

Hirschman (9/25)

Lindblom (9/30)

Midterm (10/2)
PART II: THE INDUSTRIALIZED COUNTRIES

British Industrialization (10/7)

Late Development (10/9)

The Varieties of Capitalism I: The Role of the State (10/14)
Vogel, *Marketcraft*, 43-51 (Introduction and Postwar Model sections of Chapter 3); 77-89 (Introduction and Postwar Model sections of Chapter 4).

The Varieties of Capitalism II: Micro-Institutions (10/16)

Regulation and Deregulation (10/21)
Vogel, *Marketcraft*, 1-14 (Chapter 1); 33-36 (Sector-Specific Regulation section of Chapter 2); 59-62 (Regulatory Reform section of Chapter 3); 102-104 (Regulatory Reform section of Chapter 4); 117-150 (Chapter 5).

Governing the Digital Economy (10/23)

Finance and the Financial Crisis I (10/28)
View David Harvey animation on the Crises of Capitalism.
Finance and the Financial Crisis II (10/30)
* John McMillan, “Managers of Other People’s Money” Reinventing the Bazaar (2002), 167-81. Vogel, Marketcraft, 15-28 (Introduction through Corporate Governance section of Chapter 2); 51-55 (Financial Reform and Corporate Governance Reform sections of Chapter 3); 69-76 (Global Financial Crisis section through the end of Chapter 3).

PART III: THE DILEMMAS OF DEVELOPMENT

Latin America and East Asia (11/4)
“Populism and Polarisation Threaten Latin America,” Economist, May 9, 2019.

East Asia and India (11/6)

Development Strategies (11/13)
Barma and Vogel, The Political Economy Reader, 425-482.

What is Development? (11/18)

PART IV: POST-COMMUNIST TRANSITION

Eastern Europe (11/20)
China (11/25)
Barma and Vogel, *The Political Economy Reader*, 399-423 (Guthrie).

PART V: PROSPECTS FOR THE FUTURE

Globalization (12/2)

The Digital Revolution (12/4)

NO CLASS on 12/9.

Course Review (12/11)
A review session will be held at the regular lecture time and place. Attendance optional.
KEEPING UP WITH THE NEWS

In addition to the assigned readings for each week, you must keep up with current events by reading at least one quality newspaper and one news magazine on a regular basis. You will tap this reading for class discussion, bCourses memos, and the exams. Recommended newspapers include the New York Times, the Washington Post, the Financial Times, or the Wall Street Journal. Recommended magazines include the Economist, Fortune, the American Interest, the American Prospect, the Atlantic, the National Review, the New Republic, the Nation or the Washington Monthly. You may choose foreign-language journals as well. You are strongly encouraged to subscribe to the print edition of one newspaper and one news magazine, but you may also fulfill this assignment by checking Internet news sources regularly.

bCOURSES READING MEMOS

Write a one-paragraph memo (about 100 words, 120 words maximum) on the readings for the day and post it under the appropriate topic heading under Discussions on the bCourses site by 9 AM the day of the relevant lecture. We will discuss some of the memos in class. Post at least one memo every 5 class sessions until you have completed five memos: see the bCourses site for the precise deadlines. You are encouraged to stay well ahead of this schedule and to complete this assignment early in the semester. In fact, you can reduce the requirement to four memos if you fulfill the requirements posted under the Early Posting Inventive Program under Guidelines on bCourses. The memos may take a variety of forms: 1) Critique one or more of the readings, 2) Relate the readings to a recent news story or news commentary, 3) Write your own question on the readings and answer it, 4) Propose a topic for discussion that relates to the readings, or 5) Answer one of the study questions. Feel free to exercise your creativity with this assignment. Engage one or more of the primary readings for the class, not just one short news clip. Do not summarize – you may assume that your classmates have done the readings. And do not answer the study questions more than once during the semester.

bCOURSES OPEN DISCUSSION MEMOS

You are also required to post one open discussion memo under Discussions on the bCourses site prior to the midterm. You are encouraged to post these memos early and often. There are no restrictions on the length of these postings: very short or very long is fine. You may write about anything relevant to the course. For example: review a book or a movie, report on a public lecture on campus, discuss a news article or opinion column, or debate policy issues. You might think of this as an online conversation, so you are also encouraged to respond to other students’ postings. Open discussion memos constitute one form of class participation (especially early in the semester).
PRESS REVIEW PAPER
(Due as a Word or PDF document via bCourses by 5 PM on 10/27)

Write a 1500-word (about 5 pages) paper reviewing press coverage of a news story during the period of this course, August-October 2019. You may review one newspaper or news magazine’s coverage of a story, or compare two or more sources’ coverage. Is the coverage accurate and insightful? Is it biased? Do the reporters have a good understanding of politics and economics? How could the reporters improve the coverage? Make sure to analyze and critique the coverage, incorporate course readings and material from lectures into your analysis, and cite multiple examples from specific news clips.

COMPARATIVE ANALYSIS PAPER
(Due as a Word or PDF document via bCourses by 5 PM on 11/24)

Write a 1500-word (about 5 pages) paper comparing and contrasting some aspect of the political-economic systems of two countries. Rather than surveying everything, focus on a specific institution or set of institutions: for example, the labor relations system, the financial system, interfirm networks, the corporate governance system, the welfare system, or the regulatory system. Feel free to focus quite narrowly on one specific element of these systems: for example, wage bargaining, securities regulation, corporate board structure, unemployment insurance, or telecommunications regulation. Make sure to present an argument. For the argument, for example, you might explain the causes or the consequences of the differences between the two countries. This is not meant to be a full-fledged research paper. You should base your paper primarily on course readings plus news clips from this semester. Depending on the topic, however, you may need to supplement this with some research.

Note: See the paper guidelines under Guidelines on the bCourses site for more detailed suggestions for these papers. You are strongly encouraged to discuss your paper topics with your GSI and/ or the instructor well in advance of the due dates.