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

Fall 2021
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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% of course grade
Class participation (including bCourses memos) 20%
Press review paper (due 5 PM on 10/29) 20%
Comparative analysis paper (due 10 AM on 11/22) 20%
Final exam 30%

READING ASSIGNMENTS
Items for purchase:
Barma and Vogel, eds., The Political Economy Reader, 2nd ed. (2022)

Readings marked with an asterisk (*) are in the Course Reader, which is available in hard copy or digital rental version from Copy Central (2411 Telegraph Avenue, 510-848-8649). All other readings are online on the bCourses site.
PART I: CONTENDING PERSPECTIVES ON POLITICAL ECONOMY

Course Introduction (8/6)

Smith (8/31)

Marx (9/2)
Barma and Vogel, The Political Economy Reader, 47-68 (Marx and Engels).
Robin Varghese, “Marxist World: What Did You Expect From Capitalism?,” Foreign Affairs (July/August 2018), 34-42.

List (9/7)

Polanyi (9/9)

The New Institutional Economics (9/14)
Barma and Vogel, The Political Economy Reader, 163-75 (North).

Sociological Perspectives (9/16)

Hirschman (9/21)

Lindblom (9/23)
* Charles Lindblom, Politics and Markets (1977), 3-13, 144-157, 201-221.
Barma and Vogel, The Political Economy Reader, 243-64 (Lindblom).
PART II: THE INDUSTRIALIZED COUNTRIES

British Industrialization (9/28)

Midterm exam (9/30)

Late Development (10/5)

The Varieties of Capitalism I: The Role of the State (10/7)
Vogel, *Marketcraft*, 1-14 (Chapter 1), 43-51 (Introduction and Postwar Model sections of Chapter 3); 77-89 (Introduction and Postwar Model sections of Chapter 4); 117-38 (Chapter 5 through Measuring Economic Freedom section).

The Varieties of Capitalism II: Micro-Institutions (10/12)

Market Governance and Inequality (10/14)
Vogel, *Marketcraft*, 15-21, 26-31 (Introduction, the Corporation, Corporate Governance and Labor Markets sections of Chapter 2); 53-57 (Corporate Governance Reform and Labor Market Reform sections of Chapter 3), 138-150 (Chapter 5 from Policy section to end).

Governing the Digital Economy (10/19)
Finance and the Financial Crisis (10/21)
View David Harvey animation on the Crises of Capitalism.
Recommended: View Inside Job (2010), 109 minutes.

The COVID-19 Pandemic (10/26)
[Additional readings to be announced.]

PART III: THE DILEMMAS OF DEVELOPMENT

Latin America and East Asia (10/28)

East Asia and India (11/2)

Development Strategies (11/4)

What is Development? (11/9)
Climate Change (11/16)
Barma and Vogel, *The Political Economy Reader*, 461-89 (Asafu-Adjaye et al., Caradonna et al.).

PART IV: POST-COMMUNIST TRANSITION

Eastern Europe (11/18)

China (11/23)

PART V: PROSPECTS FOR THE FUTURE

Globalization (11/30)

The Digital Revolution and Course Wrap-up (12/2)

NO CLASS on 12/7.

Course Review (12/9)
A review session will be held at the regular lecture time. 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 discussions, bCourses memos, midterm, papers, and the final exam. 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 encouraged to subscribe to one newspaper and one news magazine to assure access.

bCOURSES READING MEMOS

Write a one-paragraph memo (100 words maximum) on the readings and/or video clips for the day and post it under the appropriate topic heading under Discussions on the bCourses site by 10 PM the evening before the relevant lecture. We will discuss some of the memos in class. Post your first memo by 9/7 and then post at least one memo every 3 class sessions until you have completed 8 memos. You are encouraged to stay well ahead of this pace and to complete this assignment early in the semester. Give your memo a title that captures your main point. 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 article. 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 encouraged to post open discussion memos under Discussions on the bCourses site. 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. You may start a thread or respond to someone else’s thread. Give your memo a title so others can identify your topic/point right away. Open discussion memos do not count toward your 8 reading memos but they do count as a form of class participation.
PRESS REVIEW PAPER
(Due as a Word or PDF document via bCourses by 5 PM on 10/29)

Write a 1500-word (about 5 pages) paper reviewing press coverage of a news story during the period of this course, August-October 2021. 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 10 AM on 11/22)

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 (such as the labor relations system or interfirm networks) or policy (welfare policy or regulation) or outcome (such as economic growth or life expectancy). Present two or more hypotheses about the causes or the consequences of the differences between the two countries. This is not meant to be a research paper. You should base your paper primarily on course readings, plus news clips or some minimal research if needed.

Note: See the paper guidelines under Guidelines on the bCourses site for more detailed guidelines 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.