

POLITICAL ECONOMY 101

CONTEMPORARY THEORIES OF POLITICAL ECONOMY

Fall 2023
Prof. Steven Vogel
Office hours Thursdays 2:30-4:30
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COURSE DESCRIPTION

This course is designed to introduce students to theoretical works from prominent intellectual debates in 20th and 21st century political economy. It examines the interaction between politics, society, and markets, linking theory to current policy debates. It particularly emphasizes the ways in which markets are embedded in social and political institutions. We survey some of the most influential works from multiple disciplines, including sociology, political science, economics, history, geography, and law. We review theories of neoliberalism, neo-Marxism, law and political economy, racial capitalism, and feminist economics, among others. And we apply theories of political economy to some of the greatest challenges of our time, including inequality, climate change, the Covid-19 pandemic, the rise of big tech, and the tension between capitalism and democracy.

PREREQUISITES

Some background in economics, such as an introductory course, is strongly recommended. Political Economy majors and minors are expected to take Political Economy 100 (Classical Theories) before Political Economy 101.

COURSE REQUIREMENTS

Midterm	10% of course grade
Class participation (including bCourses memos)	20%
Press review paper (due 5 PM on 10/27)	20%
Theory paper (due 12 noon on 11/22)	25%
Final exam	25%

READING ASSIGNMENTS

Items for purchase:

Barma and Vogel, eds., *The Political Economy Reader*, 2nd ed. (2022)
Course Reader

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

Course Introduction (8/24)

Recommended: Barma and Vogel, *The Political Economy Reader*, 1-23.

Neoliberal Perspectives: Hayek and Friedman (8/29)

Barma and Vogel, *The Political Economy Reader*, 1-23, 85-108 (Introduction, Hayek, Friedman).

Milton Friedman, *Capitalism and Freedom* (1962), 7-21.

John Taylor, "The New-Old Threat to Economic Freedom," *Project Syndicate* (February 27, 2020).

Daniel Rodgers, "The Uses and Abuses of 'Neoliberalism'," *Dissent* (Winter 2018).

Neo-Marxist Perspectives: Althusser and Harvey (8/31)

Louis Althusser, "Ideology and Ideological Apparatuses (Notes Toward an Investigation)," in Althusser, ed., *Lenin and Philosophy and Other Essays* (1971), 79-87.

David Harvey, "The Geopolitics of Capitalism," reprinted in *Spaces of Capital: Towards a Critical Geography* (1985), 312-344.

Neo-Mercantilist Perspectives: The Entrepreneurial State (9/5)

Barma and Vogel, *The Political Economy Reader*, 567-80 (Mazzucato).

David Autor, "Trade and Labor Markets: Lessons From China's Rise," *IZA World of Labor* (February 2018).

Todd Tucker, "Industrial Policy and Planning: What It Is and How to Do It Better," Roosevelt Institute, July 2019, 4-9.

Steven Vogel, "Level Up America: The Case for Industrial Policy and How to Do it Right," Niskanen Center, April 2021.

Rodrik, Juhász, and Lane, "Economists Reconsider Industrial Policy," *Project Syndicate* (August 4, 2023).

Polanyi (9/7)

Barma and Vogel, *The Political Economy Reader*, 109-43 (Polanyi).

Law and Political Economy (9/12)

Robert L. Hale, "Coercion and Distribution in a Supposedly Non-Coercive State," *Political Science Quarterly* (September 1923), 470-94.

John Commons, "Institutional Economics," *American Economic Review* (December 1931), 648-57.

"Law and Economics," *Internet Encyclopedia of Philosophy*.

Grewal, Kapczynski, and Britton Purdy, "Law and Political Economy: Toward a Manifesto," LPE Project (November 6, 2017).

The New Institutional Economics (9/14)

* Douglass North, *Structure and Change in Economic History* (1981), 3-32.

Barma and Vogel, *The Political Economy Reader*, 163-75 (North).

Sociological Perspectives (9/19)

Barma and Vogel, *The Political Economy Reader*, 145-62 (Fligstein).

Lindblom (9/21)

* Charles Lindblom, *Politics and Markets* (1977), 3-13, 144-157, 201-221.
Barma and Vogel, *The Political Economy Reader*, 243-64 (Lindblom).

Hirschman (9/26)

Albert Hirschman, "Rival Views of Market Society," in *The Essential Hirschman* (2013), 198-226.

* Albert Hirschman, "Exit and Voice," in *Rival Views of Market Society* (1986), 77-101.

Midterm Exam (9/28)

Historical Perspectives (10/3)

Barma and Vogel, *The Political Economy Reader*, 207-41 (Hobsbawm and Gerschenkron).

Racial Capitalism (10/5)

W. E. B. Du Bois, "Of The Ruling of Men," in *Darkwater: Voices From Within the Veil* (1920), 137-64.

Jenkins and Leroy, eds., *Histories of Racial Capitalism* (2021), 1-15.

Matthew Desmond, "In Order to Understand the Brutality of American Capitalism, You Have to Start on the Plantation," *New York Times Magazine* (August 14, 2019).

John Clegg, "How Slavery Shaped American Capitalism," *Jacobin* (August 28, 2019).

Michael Walzer, "A Note on Racial Capitalism;" Táíwò and Bright, "A Response to Michael Walzer;" and Michael Walzer, "A Reply to Olúfemi O. Táíwò and Liam Kofi Bright," *Dissent* (July 29 and August 7, 2020).

Sergio Pecanha, "These Numbers Show that Black and White People Live in Two Different Americas," *Washington Post* (June 23, 2020).

Feminist Economics (10/10)

* Silvia Federici, *Caliban and the Witch* (2004), 11-19 and 61-131.

View Jayati Ghosh, INET video series on Feminist Economics (2021), Part 5 on "Mainstream Economics & Gender," 21 minutes.

Recommended: view Marilyn Waring, "Who's Counting?" (1995), 94 minutes.

Comparative Political Economy (10/12)

Wilensky, *American Political Economy* (2012), 3-14, 42-55.

Leonhardt and Serkez, "The U.S. Is Lagging Behind Many Rich Countries. These Charts Show Why," *New York Times* (July 2, 2020).

The Varieties of Capitalism (10/17)

Barma and Vogel, *The Political Economy Reader*, 265-301 (Hall and Soskice).

Steven Vogel, *Marketcraft* (2018), 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).

PART II: CONTEMPORARY DEBATES

Globalization and Backlash (10/19)

* Dani Rodrik, *The Globalization Paradox* (2011), 184-206.

Paul Krugman, "What Economists (Including Me) Got Wrong About Globalization," *Bloomberg* (October 10, 2019).

Vogel, *Marketcraft*, 65-69 (Information Revolution section of Chapter 3).

Collier and Grumbach, "The Deep Structure of Democratic Crisis," *Boston Review* (January 6, 2022).

Inequality (10/24)

Barma and Vogel, *The Political Economy Reader*, 523-550 (Mankiw, Piketty).

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).

Harold Meyerson, "The Berkeley School," *American Prospect* (March 25, 2021).

Antitrust and Big Tech (10/26)

Barma and Vogel, *The Political Economy Reader*, 305-21, 551-66, 581-88 (Lal, Cowen, Khan).

Vogel, *Marketcraft*, 31-33, 36-42 (Antitrust, Intellectual Property Rights, and Fabricated Markets sections of Chapter 2); 57-58, 62-65 (Antitrust Reform and Intellectual Property Rights sections of Chapter 3).

Finance and the Financial Crisis (10/31)

Barma and Vogel, *The Political Economy Reader*, 491-522 (Wallison, Stiglitz).

Vogel, *Marketcraft*, 69-76 (Financial Crisis).

View David Harvey animation on the Crises of Capitalism.

View *Inside Job* (2010), 109 minutes.

The COVID-19 Pandemic (11/2)

Barma and Vogel, *The Political Economy Reader*, 589-615 (Lindsey, Alves and Kvangraven).

Greer, King, and Massard da Fonseca, "Introduction: Explaining Pandemic Response," in Greer, King, Massard da Fonseca, and Peralta-Santos, *Coronavirus Politics* (2021), 3-33.

Fligstein and Vogel, "Political Economy After Neoliberalism," *Boston Review* (October 6, 2020).

Climate Change (11/7)

Barma and Vogel, *The Political Economy Reader*, 461-89 (Asafu-Adjaye et al., Caradonna et al.).

Jared Finnegan, "Varieties of De-Carbonization? Comparative Political Economy and Climate Change," *Socio-Economic Review* (2020), 264-71.

David Wallace-Wells, "Beyond Catastrophe A New Climate Reality is Coming Into View," *New York Times* (October 26, 2022).

PART III: MARKET DEVELOPMENT AND TRANSITION

Theories of Colonialism and Dependency (11/9)

Ingrid Harvold Kvangraven, "Beyond Eurocentricism," *Aeon* (April 15, 2022).

Frantz Fanon, excerpts from "On Violence" and "On National Culture" in *The Wretched of the Earth* (1963), 30-34, 90-93.

* Andre Gunder Frank, "The Development of Underdevelopment," in Cockcroft, Frank, and Johnson, eds., *Dependence and Underdevelopment* (1972), 3-17.

Michalopoulos and Papaioannou, "European Colonialism in Africa is Alive," *Project Syndicate* (July 30, 2021).

Development Strategies (11/14)

Barma and Vogel, *The Political Economy Reader*, 389-93, 421-454 (Rodrik, Barma).

Deepak Lal, "The Misconceptions of Development Economics" *Finance & Development* (June 1985), 10-13.

Kiren Chaudhry, "The Myths of the Market and the Common History of Late Developers," *Politics and Society* (1993), 245-74.

Hernando de Soto, "The Mystery of Capital," *Finance and Development* (March 2001).

"The Quest for Secure Property Rights in Africa," *Economist* (September 12, 2020).

What is Development? (11/16)

Barma and Vogel, *The Political Economy Reader*, 455-60 (Sen).

* E. F. Schumacher, *Small is Beautiful* (1973), 40-62, 163-170.

Recommended: [view](#) Marilyn Waring, "Who's Counting?" (1995), 94 minutes.

Market Transition: Eastern Europe (11/21)

Barma and Vogel, *The Political Economy Reader*, 339-61 (Åslund).

* Joseph Stiglitz, *Globalization and Its Discontents* (2002), 133-65.

* Jeffrey Sachs, *The End of Poverty* (2005), 114-30, 134-6, 145-7.

Market Transition: China (11/28)

Barma and Vogel, *The Political Economy Reader*, 363-87 (Ang).

Isabella Weber, *How China Escaped Shock Therapy* (2021), 1-41.

Course Wrap-Up (11/30)

Francis Fukuyama, "The End of History?," *The National Interest* (1989), 3-18.

* Robert Heilbroner, *21st Century Capitalism* (1993), 121-42.

William MacAskill, "The Beginning of History: Surviving the Era of Catastrophic Risk," *Foreign Affairs* (September/October 2022).

bCOURSES WEBSITE

Make sure to thoroughly review the resources on the bCourses site. You will find grading guidelines, paper guidelines, and midterm guidelines under Guidelines under Files. Also check the home page for news links; recent news articles; web resources; and section swap, student bio, and excused absence forms. You will find lecture slides, study questions, section handouts, and video links under Files; and lecture recordings under Media Gallery.

CLASS ANNOUNCEMENTS

We will make class announcements via bCourses. These will remain posted under Announcements, so you can check back there anytime.

ATTENDANCE

You are expected to attend all lectures and discussion sections, to arrive on time and to stay until the end of class. You are permitted two unexcused absences for lecture and one unexcused absence for section. For an excused absence, fill out the form on the home page.

KEEPING UP WITH THE NEWS

In addition to the assigned readings for each week, keep up with current events by reading the news from quality outlets on a regular basis. You will tap this reading for class discussions, bCourses memos, the midterm, the papers, and the final exam. Recommended newspapers include the *New York Times*, the *Washington Post*, the *Financial Times*, or the *Wall Street Journal*. Recommended journals 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 sources as well.

bCOURSES READING MEMOS

Write a one-paragraph memo (100 words maximum) on the readings and/or videos for the day and post it under the appropriate topic heading under Discussions on the bCourses site by 8 PM the evening before the relevant lecture. We will discuss some of the memos in class. Post your first memo by 9/6 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 session, 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 required to post at least one open discussion memo under Discussions on the bCourses site by 9/22, and you are encouraged to participate in this forum throughout the semester. 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: 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 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.

PRESS REVIEW PAPER

(Due as a Word or PDF document via bCourses by 5 PM on 10/27)

Write a 1300-1500 word (including notes) paper reviewing press coverage of a news story during the period of this course, August-October 2023, applying perspectives from one or more course authors in your analysis of the coverage. 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? Do the reporters have a good understanding of politics and economics? How could the reporters improve the coverage?

See the more detailed guidelines under Guidelines under Files on the bCourses site.

THEORY PAPER

(100-200 word proposal due via bCourses by 12 noon on 11/10; paper due as a Word or PDF document via bCourses by 12 noon on 11/22)

under Guidelines under Files

Write a 1600-1900 word (including notes) paper comparing two pieces of writing from different theorists, one from the required readings for the course and one from outside the required readings of the course. For the second piece of writing, you are encouraged but not required to choose a theorist discussed in one of the lectures. We list some possibilities in the more detailed guidelines for this paper on bCourses. For the second theorist, choose a manageable essay or book excerpt (10-50 pages). Make sure to present a clear argument in the essay, and to support it with references and quotes from the two texts. You have considerable leeway in crafting the argument. For example, you might argue that one or the other theorist is more persuasive on a certain point. Or you might offer your own distinctive way to interpret the similarities and differences between the two.

See the more detailed guidelines under Guidelines under Files on the bCourses site.

Note: You are strongly encouraged to discuss your papers with your GSI and/ or the instructor well in advance of the due dates.

POP QUIZZES FOR EXTRA CREDIT

We will have occasional pop quizzes for extra credit during the lecture sessions (TTh 9:40-11). We will share the details in announcements.