

Economics 205: Intermediate Political Economy
Fall 2020

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Office hours held online from 10-2 Friday. Email to make an appointment on zoom.

This is an online course and will be offered in an asynchronous format run through Moodle and Perusall. For each class date we have a required reading and/or a documentary along with an accompanying set of questions to guide the reading and/or viewing. There might also be a short recorded mini-lecture. There will be a discussion board on the class material where you can ask questions, post your answers, and comment on each other's posts. I will read the posts, and make comments, clarify issues, and ask questions to prompt further thought. At the end of each week, you must submit your answers to the questions. I will randomly read three assignments for each student over the course of the semester. I will assign each student a class participation grade partially based on these responses and posts.

There will also be a discussion board for Q&As.

There are 7 or 8 individual assignments and 1 or 2 group assignments.

Individual assignment 1: Getting to know each other

Please answer the following questions, unless they make you feel uncomfortable and you would rather not. (1) What does "political economy" mean to you? (2) What do you hope to get out of this class? Please be completely honest, there is no wrong or bad answer. For example, "It fit into my schedule and fulfilled a requirement" is totally fine. (3) How has the pandemic affected you? (4) What is one of your favorite songs? Please provide a link to a video or audio version if possible.

The answers can be as long as you want, but there is no length requirement. This assignment is either completed or not. There is no grade. This assignment is due prior to the start of the first class.

Six individual reviews: Short reviews (three pages) of six documentaries. Instructions are provided below.

Individual/group assignment 2: The Political Economy of the pandemic.

Each student will conduct a research project on some aspect of the political economy of the Covid-19 pandemic. Ideas for many topics can be found at the google document: ("The Political Economy of Pandemics: A Research Strategy, Hypotheses, and Call for a Collaborative

Network”:

<https://docs.google.com/document/d/1CKtoKAqN4BDd9ydWlqHWER46LdBFkxtZfqkjeXvtJkc/edit?usp=sharing>) . You may work singly or in groups as large as 5 students. Each student will have to cite at least ten peer-reviewed publications for this project, and they must upload pdfs of ten of these publications to Moodle. A group of two student would need at least 20 such sources, a group of three students would need at least 30 sources, etc. The output of each project should be a 5 to 10 page paper, and a recording of a 5-slide power point presentation.

Group research assignment: Who rules America? A power structure analysis of three presidential administrations.

In groups of 4 or 5 students, conduct a power structure analysis of the second Bush, second Obama, and the Trump administrations. There are two major components. (1) Collect systematic campaign finance data for their presidential runs. (2) Collect biographical information on the cabinet members. This biographical information should locate each cabinet member’s social class position, education, prior career inside and outside of the government, ties to corporations, think tanks, foundations and elite policy discussion groups, and any sources of campaign finance. Examples of power structure research can be found at <https://whorulesamerica.ucsc.edu/>. Lists of data sources for this research can be found at the website: <https://darkwing.uoregon.edu/~vburris/whorules/index.htm>. However, you can use other data sources as well. The group should make a number of figures and/or tables summarizing this data, and interpret the differences (if any) seen among the administrations. There is no page limit.

Group members will be assigned by the instructor once the shopping period is over.

All readings will be downloadable at Moodle or Perusall.

Grading:

Class participation (based on class discussion lists + other interactions): 25%.

Assignment 1 (Getting to know you): ungraded.

Six reviews: Worth 2% each, for a combined 12%.

Assignment 2 (Political economy of the pandemic): 21%.

Group assignment (Who Rules America): 21%.

Half-hour oral final exam: 21%.

Or

A 15-minute oral midterm and a 15-minute final exam: 21%.

There are opportunities for extra-credit assignments listed below.

August 25: Introduction and getting to know each other

- (1) Please read your classmates' getting to know you assignments.

August 27: Marx's critique of capitalism

Karl Marx & Friedrich Engels, "Manifesto of the Communist Party." In *The Marx-Engels Reader Second Edition*. Edited by Robert C. Tucker. Norton. 1978. Pp. 473-491. ([Download](#))

Mini-lecture on Robert Brenner -- the rise of capitalism and long-term capitalist dynamics

Suggested reading:

"Karl Marx and the Contradictions of Capital." *Introduction to Political Economy*. Eighth Edition. Pp.55-93. ([Download](#))

Robert Brenner, "Property and Progress: Where Adam Smith Went Wrong" in Chris Wickham, *Marxist History-writing for the Twenty-first Century*, British Academy Occasional Papers, 2007. Pp. 49-111. ([Download](#))

Questions for assigned reading:

1. What is the causal sequence leading from capitalism to the Communist Revolution? This is about the process of class formation – how the working class is generated, and the steps leading it from a "class in-itself" (a group of people with a common relationship to the economy) to a "class for-itself" (a politically organized class that pursues its class interests against capitalism).
2. Which of these causal mechanisms seem correct, and which seem to have been wrong?
3. What did Marx like about capitalism?
4. What were Marx's main critiques of capitalism?
5. Do you think these critiques are correct?
6. How did Marx describe the state under capitalism? Does that seem accurate?
7. What does Marx have to say about the dominant ideas in society?
8. What was Marx's argument about the spread of capitalism around the globe?

September 1: The state and contemporary capitalism

Ha-Joon Chang, "From Pin to PIN" & "Leviathan or the Philosopher King?" in *Economics: The User's Guide*, Pelican, 2014. Pp. 23-34; 375-403. ([First download](#)) ([Second download](#))

Ivan Szelenyi. "The relative autonomy of the state or the state mode of production", in M.J. Dear and A.J. Scott (eds): *Urbanization and Urban Planning in Capitalist Societies*. London: Methuen, 1981, pp. 565-591. ([Download](#))

Questions to guide reading:

1. How is capitalism different from other ways of organizing the economy?
2. Why did Smith think that capitalism led to systematic increases in labor productivity?
3. Where does profit come from?
4. What is the Libertarian view of the proper role of the state in the economy?
5. What are the main types of market failures?
6. What makes something a "public good"?
7. What are the economic roles that the state plays under modern capitalism?
8. What is the Schumpeterian argument in favor of monopolies?
9. What is the Libertarian/free market argument against the state correcting for market failures?
10. Why does Chang believe it is impossible to have a "free market"?
11. According to Szelenyi, what is the role of the state in mature capitalism regarding the constitution of private property?
12. Reflect on Szelenyi's argument in relationship to the response to the COVID-19 pandemic?

September 3: Class and Status

Raymond Williams, "Class" & "Status Group" in *Keywords: A Vocabulary of Culture and Society*. New York: Oxford University Press. 1976. Pp. 51-59, 251-252. ([Download](#))

G. William Domhoff. "What is a Social Class" Pp. 8-13. *Who Rules America: The Triumph of the Corporate Rich*. 2015. Seventh Edition. McGraw Hill. ([Download](#))

Reinhard Bendix, "Inequality and Social Structure: A Comparison of Marx and Weber" in *American Sociological Review* 39(2) April 1974: Pp. 149-161. ([Download](#))

Watch video before class: Unnatural Causes, episode 1: "In Sickness and in Wealth"

Questions to guide reading/watching:

1. What is Weber's definition of class? How is it different from Marx's?

2. What are “status groups?”
3. What are “castes” and how are they related to “ethnic groups”?
4. By what processes do members of classes and of status groups become conscious of their membership in these groups?
5. According to Weber (and Bendix), how can collective class action (e.g. unionization) undermine continued class mobilization?
6. What is a social class? What is the relationship of social class to economic class?
7. What is the difference between a class “it-itself” and a class “for-itself”?
8. produce a “class map” of contemporary America. What are the major classes and status groups? What is the state of class consciousness amongst these groups?
9. How does social structure impact a person’s health and wellbeing?

September 5: Working Class formation in the US before and after WWII

Prior to class watch the documentary “Seeing Red.” (Directors: Jim Klein, James Klein. 1983). Prepare a 3-page comment on the documentary that includes a summary and raises at least one question.

Questions to guide viewing and discussion:

1. What was the relationship between the Communist Party in the US and the USSR?
2. What are the components of anti-communism as an ideology?
3. What impact did McCarthyism have on working class formation?
4. What factors go into class formation? Does it match the forces outlined by Marx in the Communist Manifesto?
5. What factors are structuring class formation in the US beyond the transformation of the economy?
6. Marx argued that class structure determines the political superstructure. Is this always true according to the movie? Can state activity transform classes?
7. What role does historical contingency play in class formation?

September 10: The changing middle class in contemporary America

Daniel Markovits, *The Meritocracy Trap: How America’s Foundational Myth Feeds Inequality, Dismantles the Middle Class, and Devours the Elite*. Penguin: New York. 2019. “The Meritocratic Revolution” and “The Harms of Meritocracy.” Pp. 3-45, and notes on pages 314-324, and Figures and Tables on pages 291-313. ([Download](#))

Questions to guide reading:

1. How has the “middle class” changed since the 1970s?
2. How have the conditions of elite workers in finance and law changed since the 1970s?
3. How has inequality changed in the US from the 1970s into the 2000s?
4. How has the balance of power between state regulators and their private sector counterparts changed over the past four decades?
5. How does the meritocratic elite pass its inheritance on to future generations?
6. In what sense is meritocracy the dominant ideology in the U.S? How does it function?
7. What is the relationship of “superordinate workers” to the capitalist class? What is the source of their high pay? What might a Marxist say – are they exploited by the capitalist class? Are they members of the capitalist class? Or, do they exploit some other class or classes? If so, how?
8. What impact does the rise of superordinate workers have on democracy?

For discussion in addition to the reading questions:

1. Can you relate your personal biography to this discussion of the meritocratic elite. Where do you and/or UMass more broadly fit into this story? Do you see a “meritocracy” trap?

Groups for power structure research projects assigned.

September 15: Ideology

Nicholas Abercrombie and Bryan S. Turner. 1978. “The Dominant Ideology Thesis.” *The British Journal of Sociology* Vol. 29, No. 2 (Jun., 1978), pp. 149-170. ([Download](#))

Max Weber “The Concepts of Power and Domination” (Pp.117-118) in *Max Weber: Basic Concepts in Sociology*, ed. H.P. Secher, Citadel Press Books ([Download](#))

Karl Marx, selections from *The German Ideology*. In *The New Economic Sociology*: Ed. Frank Dobbin. Princeton University Press. 2004. Pp. 392-394. ([Download](#))

Mini-lecture on Weber’s theory of legitimacy.

1. What is a dominant ideology? Who has internalized it?
2. What is the role of ideology in terms of social stability and change for Marxists and other materialists?
3. What is the dominant ideology in America? What are other important ideologies?

September 17: Racism as ideology

Watch "Ethnic Notions." (Director: Marlon Riggs. 1986.) prior to class.

When watching the film, please try to conduct an ideological analysis of the dominant images of African Americans in popular culture. So, that means trying to describe how a set of ideas (in this case images of blacks) either justify the interests of a dominant group, or are a response to a political challenge to a dominant group.

1. You should examine the political and economic sources of the ideological constructs of the Sambo, Mammy, Pickanniny, Brute, Zip Coon. What ideological work did these figures do?
2. Who were the Redeemers?
3. What was Jim Crow? Where did the name come from?
4. Why was *Birth of a Nation* important? As the documentary points out, from the beginning, the national market for musical entertainment was dominated by depictions of blacks and music that originated in black communities. Why do you think this is?
5. How can the analysis in the documentary be applied to contemporary music?
6. What role did slavery play in the American revolution?
7. How was slavery compatible with the founding myth of American democracy?

Reading: Gerald Horne. 2014. Introduction". *The Counter-Revolution of 1776: Slave resistance and the origins of the United States of America*. NYU Press. "Pp. 1-22. ([Download](#))

Suggested reading: Marvin Harris. (1974). *Patterns of Race in the Americas*. W.W. Norton & Company: New York. "The Brazilian Pattern", "The Myth of the Friendly Master", "The Origin of the Descent Rule" & "Epilogue" pp. 54-99. ([Download](#)) Read and write a 3-page double spaced summary and commentary for 2% extra-credit.

Pandemic research project topic due.

September 22: Capitalist development and racism

Jeffrey Prager. (1972/73). "White racial privilege and social change: An examination of theories of racism." *Berkeley Journal of Sociology* Vol 17: 117-150. ([Download](#))

Questions for reading:

1. What is the neoclassical position on racism in the economy? What is the prediction on the persistence of economic racism in the long-run?
2. What is the radical theory of racism? What is the prediction on the persistence of economic racism in the long-run?
3. What data did Michael Reich collect to investigate the economic effects of racism?

4. What was his empirical finding? Who wins and who loses? What are the mechanisms by which the losers lose (there are two).
5. According to the radical theory of Cox and Reich, why does the white working class hold racist ideas if racism is objectively against their class interest?
6. What is the notion of “privilege” in the colonial theory of racism?
7. How did different racial and ethnic groups benefit differentially from capitalist development?
8. How did the racial origins of stratification become mystified? (What two principles justified racial hierarchy in the workplace?)
9. Who benefited and who lost from this colonial arrangement? How?
10. Why have labor unions mostly practiced racial exclusion? What two advantages did this give the union?

September 24: The corporation

Watch “The Corporation” (2003) Directors: Mark Achbar and Jennifer Abbot. Write a 3-page double-spaced summary and upload it to Moodle.

Some questions to consider when watching the film:

1. What is the overall argument made in the documentary about the functioning of corporations?
2. Are corporations “private property”?
3. Why are corporations externality machines?
4. What is rationality for a corporation?
5. How is corporate misbehavior accounted for by the dominant ideology?
6. What impact do corporations have on the distribution of power in society?
7. What effect do corporate lobbying have on democratic institutions?

September 29: The corporate community and the upper class

G. William Domhoff. 2015. *Who Rules America: The Triumph of the Corporate Rich*. Seventh Edition. McGraw Hill. Pp. 37-72. ([Download](#))

Questions to guide reading:

- 1) What are the different kinds of links in the corporate community?
- 2) What is the role of Boards of Directors? What is the difference between inside and outside board members?
- 3) Is there such a thing as the “military-industrial complex” according to Domhoff?
- 4) Are farmers an independent class capable of resisting corporations? How have the economic and political position of farmers changed since the late 1800s?
- 5) Are small businesses a counterweight to corporations? What is the relationship between corporations and small businesses?

- 6) What are local growth coalitions?
- 7) Is there a social upper class that is also an ownership class?
- 8) What institutions create the social upper class?
- 9) What is the relationship of old capitalist families to corporations? Do they control corporations?
- 10) What is the relationship between top lawyers and executives and the upper class?

October 1: The Policy Planning Network

G. William Domhoff. 2015. *Who Rules America: The Triumph of the Corporate Rich*. Seventh Edition. McGraw Hill. Pp. 74-108. ([Download](#))

Theda Skocpol and Alexander Hertel-Fernandez. "The Koch Network and Republican Party Extremism." 2016. *Perspectives on Politics*. Vol. 14/No. 3: 682-699 ([Download](#))

Questions to guide readings:

1. What are the components of the policy planning network (PPN)? What are the functions of each of the components?
2. What is the relationship of Corp Community and the Upper Class to the PPN?
3. What are the different types of foundations? Which ones are important? Are their differences in the pattern of foundation grants to ultraconservatives and moderate
4. Is the Ford Foundation Liberal or Moderate Conservative?
5. What is the difference between ultraconservative and moderate conservative Think Tanks.
6. What is the basis of liberal-labor PPN?
7. What are the functions of the Policy Discussion Groups (PDGs)?
8. What are the main areas of disagreement between moderate conservative, ultras and liberal labor? Specifically, what are the differences on government spending and inflation?
9. How would Domhoff characterize the Koch Network?

October 6: Parties and elections

G. William Domhoff. 2015. *Who Rules America: The Triumph of the Corporate Rich*. Seventh Edition. McGraw Hill. Pp 132-161.
([Download](#))

Martin Gilens & Benjamin Page, "Testing Theories of American Politics: Elites, Interest Groups, and Average Citizens" (2014) *Perspectives on Politics*. Vol. 12/No.3: 564-581 ([Download](#))

Questions to guide readings:

1. What are the two major ways in which democracies elect representatives?
2. How do US parties control potential threats to the status quo?
3. Why do elections matter, according to Domhoff?
4. What is the consequence of the two party system for the content of politics?
5. What are/were the class bases for the Republican and the Democratic parties?
6. What role does campaign finance have in selecting candidates?
7. What ways other than campaign contributions do corporations have to support candidates?
8. According to the analysis of Gilens and Page, what role does the average citizen have in determining state policy?
9. Does the Trump presidency suggest that something has happened to the system described by Domhoff?

October 8: Private planning by corporations

Taken for a Ride (1996). Director: Jim Klein. Prepare a 1.5 page comment on the documentary that includes a summary and raises one question.

Questions to consider when watching the film:

1. What challenges faced the US car industry after World War I?
2. What was the solution to that problem?
3. What was the GM conspiracy? Who was involved?
4. What strategies did they pursue to eliminate trolley cars?
- 5.

October 13: Corporations and Ideology

Edward Herman & Noam Chomsky, *Manufacturing Consent: The Political Economy of the Mass Media*, Pantheon Books, 1988. Pp. 1-35. ([Download](#))

Noam Chomsky & Edward Herman (interview by Andrew Mullen Andrew Mullen), "The Propaganda Model after 20 Years" in *Westminster Papers in Communication and Culture* (November) 2009. (6 pp.) ([Download](#))

Kevin Kruse "How Corporate America Invented Christian America Inside one reverend's big business-backed 1940s crusade to make the country conservative again." *Politico Magazine*.

April 16, 2015.

<https://www.politico.com/magazine/story/2015/04/corporate-america-invented-religious-right-conservative-roosevelt-princeton-117030> (11 pp).

Questions:

- 1) What is the “propaganda model”? How does it compare to propaganda systems seen in dictatorships?
- 2) What are the 5 filters of the propaganda model?
- 3) What types of political issues did Herman and Chomsky create the model to explain?
- 4) What happened to the working class-based mass newspapers?
- 5) Can the model be extended beyond the initial policy domain for which it was developed?
- 6) Can this model still be useful today? If so, in what ways does it need to be modified?
- 7) In what ways have corporations shaped religion in America?
- 8) What other ideological institutions (broadly conceived) can you think of? What about popular entertainment? What about advertising? What about the judicial system and the electoral system?

October 15: How the Power Elite dominate government

G. William Domhoff. 2015. *The Corporate Rich and the Power Elite in the Twentieth Century: How They Won, Why Liberals and Labor Lost*. Pp.1-22.

Questions for reading:

1. What are all the mechanisms through which the corporate elite and ruling class dominate the state?
2. Under what conditions do non-elites win substantial reforms?

October 20: The political economy of deindustrialization

Barry Bluestone & Bennet Harrison. *The Deindustrialization of America*. 1982. New York: Basic Books. Pp. 3-24. ([Download](#))

Watch *Unnatural Causes*. Episode 7, “Not just a paycheck” (30 min).

Questions to guide reading:

1. What was the moral decay argument for US deindustrialization in the 1970s?
2. What was the supply side argument for US deindustrialization in the 1970s?

3. Does Bluestone and Harrison believe that US deindustrialization was a natural unfolding of capitalism or simply “creative destruction”?
4. What role did technology play in deindustrialization?
5. What role did tax laws and regulations play in deindustrialization?
6. What impact does deindustrialization have on class formation?

October 22: The political economy of hyperincarceration and the war on drugs

Loic Wacquant. 2010. “Class, race & hyperincarceration in revanchist America” *Daedalus*. Summer 2010: 74-90. ([Download](#))

Watch: Prior to class watch “The House I Live In” (2012). Director: Eugene Jarecki. Write a 3 page double-spaced summary to be turned in to Moodle by class time.

Johann Hari. 2015. *Chasing the Scream*. “The Spirit of 74” Pp.233-255. Endnotes: 351-353. ([Download](#))

Questions to guide reading and viewing:

1. Why does Wacquant prefer the term hyperincarceration to mass incarceration?
2. Was the rise of hyperincarceration a result of an increase in crime?
3. According to Wacquant, what function does hyperincarceration have for contemporary US capitalism?
4. What are the historical causes of the rise of hyperincarceration? What about the transformation of capitalism from the 1970s until now has led to hyperincarceration?
5. Can you relate this reading and documentary to the Black Lives Matter movement?
6. What is behind the “war on drugs” in the U.S.? What relationship does it have to drug crimes?
7. In what ways is the war on drugs structured by race and class?
8. How does the war on drugs create interest groups with an interest in perpetuating the war on drugs?
9. If drug addiction is defined as the use of drugs despite negative consequences, does incarceration make sense as a punishment for using illegal drugs?
10. How did Portugal change its approach to illegal drugs? Could that approach be tried in the U.S.?

October 27: Financial Crisis and Austerity

Prior to class watch “Inside Job” (2010) Director: Charles Ferguson. Using the material of the film as data, apply the Minskian framework to the 2008 crisis.

L. Randall Wray. *Why Minsky Matters: An Introduction to the Work of a Maverick Economist*. Pp.47-69, notes on Pp.228-231. ([Download](#))

Mini-lecture and power point on Keynes, Minsky, Financial Crises and Austerity

Questions:

1. Are you angry they are about the events depicted in the film. If so, what in the film made them angry? Which person depicted in the film offended them the most?
2. Who is most to blame for the events depicted in the film. Republicans or Democrats? Government or financial services companies? Regulators who stuck by their free market beliefs or investors who carelessly took on too much risk? What should people/institutions have done differently?
3. Who got bailed out and why?
4. How can Minsky’s framework be applied to the GFC? Be specific.

October 29: The political economy of health insurance in the United States

Krugman, P. and Wells, R. “The Health Care Crisis and What to Do About It.” March 23, 2006. *The New York Review of Books*. 10 pages. ([Download](#))

Quadagno, J. 2004. “Why the United States has no national health insurance: stakeholder mobilization against the welfare state, 1945-1996.” *Journal of Health and Social Behavior*. 45 Suppl: 25-44. ([Download](#))

Quadagno, J. 2011. “Interest Group Influence on the Patient Protection and Affordability Act of 2010: Winners and Losers in the Health Care Reform Debate” *Journal of Health Politics, Policy and Law*, Vol. 36, No. 3, June 2011:449-453. ([Download](#))

Questions to guide readings:

- 1) Why do we need some kind of health insurance?
- 2) If health care is free, won’t people use more health care increasing costs?
- 3) How do economies of scale factor into the efficiency of public vs private insurance?

- 4) How are markets for medical services different than most consumer markets? What are the implications of this for the efficiency of private insurance?
- 5) What is the problem of adverse selection in the private insurance market?
- 6) Why do administration costs differ between public and private insurance?
- 7) Why does the US, alone among advanced capitalist countries, not have some type of system of national health care?
- 8) What has been the role played by unions in the US on national insurance?
- 9) How efficient is the US health system compared to the most comparable European cases?
- 10) What role have medical doctors played in creating the US health insurance system? Has this changed today?

Suggested documentary: "Sicko" (2007). Director: Michael Moore. Write a 3 page double-spaced summary and comment for up to 2% extra-credit.

November 3: The Rise of Trump

Ferguson, Thomas and Jorgensen, Paul and Chen, Jie, "Industrial Structure and Party Competition in an Age of Hunger Games: Donald Trump and the 2016 Presidential Election" (February 1, 2018). Institute for New Economic Thinking Working Paper Series No. 66, ([Download](#))

Daniel Markovits, "The Coming Class War" in *The Meritocracy Trap: How America's Foundational Myth Feeds Inequality, Dismantles the Middle Class, and Devours the Elite*. Penguin: New York. 2019. Pp.46-73 and notes on pages 324-331. ([Download](#))

First group research assignment due by class time. Upload to moodle.

Questions to guide readings:

1. What impact does the shift to meritocracy have on democracy?
2. What is the "income defense industry?" How big is it? What does it do?
3. What has happened to the relative power of state regulators and their private sector counterparts over the last 40 years or so? How does this impact the relative balance of power between businesses and the state? What impact does this have on the regulators? How does this change the relative power of lobbyists and elected officials?
4. Markovitz claims that many Trump voters are expressing the real impact of the rise of the meritocratic superordinate workers on the middle class that has very little realistic hope of making it into that elite. Do you buy this argument? Why or why not?
5. How would you characterize Trump's relationship to the capitalist class and corporate community?

November 5: Capitalism, Dictatorship and Democracy

Ian Kershaw, "Politics and Economics of the Nazi State" in *The Nazi Dictatorship*, Oxford University Press, 2000. Pp. 47-68. ([Download](#))

Goran Therborn, "The Rule of Capital and the Rise of Democracy" in *New Left Review* (103) 1977: Pp. 3-41. ([Download](#))

Questions for readings:

1. What is the debate on the "primacy of politics" about?
2. Kershaw talks about a "pact" or "alliance" between the Nazi movement, the army and big business. What were the interests cementing this alliance?
3. What economic interests did expansionism serve?
4. In what way did Nazi policy towards Jews impact on German industry?
5. What is the relationship between capitalism and democracy a paradox from both the Marxist and the bourgeois point of view?
6. What is the definition of capitalism for Therborn? At what date does the US become democratic?
7. How does the transformation from feudalism to capitalism change the interests of the ruling class in ways that make democracy possible?
8. What class was the most important actor in creating democracy? Why?
9. In what ways did capitalist competition facilitate democratization?
10. What do you think is the future of US democracy? Could a dictatorship arise in the US?

November 10: Social Democracy

Charles Sackrey, Geoffrey Schneider, and Janet Knoedler. "The Middle Way: Swedish Social Democracy" in *Introduction to Political Economy*. 8th Edition. Economic Affairs Bureau. 2016. Pp. 279-304. ([Download](#))

Maurice Zeitlin. 1973. "Chile: The Dilemmas of Democratic Socialism." *Working Papers for a New Society* 1, No. 3 (Fall): 16-26. ([Download](#))

Questions to guide readings:

For Swedish Social Democracy:

1. What were the guiding principles of the Social Democratic Labor Party in Sweden (SAP)? Did they attempt a transition from capitalism to socialism?
2. What was the "Investment Reserve" and what was its goal?
3. What were the components of the Rehn-Meidner plan (they included solidaristic

wage policies and active labor policies)? How did they work? What was the consequence for firms across the economy?

4. How does being a wage-earner differ in the US and Sweden?
5. What were wage-earner funds and what happened to them?
6. How does Swedish economic performance compare with the US?

For Allende's Chile:

1. Why did socialist parties decide to participate in democratic elections?
2. What did 19th century socialist and anarchists think that an electoral path to socialism would not be successful? In what ways would such an effort impact on working class formation?
3. What was the electoral dilemma that social democrats ended up facing?
4. What economic policies did social democrats end up pursuing when they won elections? Why?
5. What was the economic basis of class compromise between capitalists and workers that emerged from this?
6. How does the experience of Chile leading up to and during the Allende period stack up to the arguments made by critics of "bourgeois democracy"? What does it say about the possible electoral path to socialism?
7. Is there an "answer" for the structural dependence of the state on capital?

November 12: Cooperatives

Charles Sackrey, Geoffrey Schneider, and Janet Knoedler. "The Mondragón Cooperative: A Path to Social Democracy" in *Introduction to Political Economy*. 8th Edition. Economic Affairs Bureau. 2016. Pp. 279-304. ([Download](#))

Johann Hari. 2018. *Lost Connections*. "Reconnection Three: To Meaningful Work" Pp. 201-210, endnotes 298. ([Download](#))

Questions to guide readings:

1. How are producer cooperatives different from regular capitalist firms?
2. What advantages do cooperatives have over regular firms stemming from their difference in ownership?
3. What is the difference in the quality of jobs under cooperative versus corporate ownership?
4. What particular conditions made the Mondragon Cooperative possible? Could it happen in America?

November 17: The Political Economy of the Pandemic

Eric Levitz “Why Humanity Will Probably Botch the Next Pandemic, Too” (an interview with Mike Davis) April 30, 2020. *Intelligencer*.

<https://nymag.com/intelligencer/2020/04/coronavirus-next-pandemic-mike-davis-avian-flu-covid.html>

Robert Brenner. “Escalating Plunder” *New Left Review* 123 May-June 2020. Pp. 5-22.
([Download](#))

Questions for readings:

- 1) How did capitalist rationality contribute to the generation of pandemic viruses?
- 2) How did capitalism that prioritizes shareholder value contribute the lack of PPE and hospital capacity?
- 3) What major capitalist industries are implicated in the generation of potentially pandemic viruses?
- 4) How does private drug development incentivize antiviral medicines?

Five minute, recorded power point presentations due for upload onto Moodle. Final pandemic assignments due for upload.

November 19: What is to be done?

Who Rules America group assignments due for upload onto Moodle.

Suggested readings: G. William Domhoff. “Can Corporate Power Be Controlled? Steps Toward a Constructive Liberal-Left Alliance”

https://whorulesamerica.ucsc.edu/change/liberal_left_alliance.html

Timothy Wu. “That Flour You Bought Could Be the Future of the U.S. Economy: Keep baking bread. Small grain companies may suggest a better path for American business.” **NYT, July 24.**
<https://www.nytimes.com/2020/07/24/opinion/us-grain-industry.html?action=click&module=Opinion&pgtype=Homepage>

- (1) Does American-style capitalism need to be transformed? Replaced? If so, with what?
- (2) Is there a social force or forces that could achieve meaningful change?

Final Exam: November 30 – December 4.

You must schedule a 30-minute time slot for an oral exam with the instructor over the finals period. The questions will begin from the list of questions for each reading/film, however, there is no set number of questions.