

Economics 797Z: Comparative Capitalist Systems

Thursday 1:15-3:45

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All contemporary capitalist economies are mixed economies, combining private property and market integration with substantial numbers of state owned organizations and bureaucratic allocation of resources. The state both enables and shapes capitalist economic activity, while state owned organizations complement and in some cases compete with private economic actors. The size and activity of state offices vary widely across capitalist economies, with Scandinavian societies channeling up to 60% of the GDP through government bureaucracies. The bureaucratic characters of capitalist states also differ in fundamental ways, having profound implications for the structure of social property rights and the functioning of the economy. In some countries owning a big business means one is automatically involved in politics as patron-client ties compromise the bureaucratic character of the state in what is typically called “crony capitalism.” In addition to fundamentally different levels of bureaucratization, states will differ in all sorts of ways that are hugely consequential for the economy. One important example is the type of welfare state that develops. Another is the role that states play in the innovation system. Many real capitalist economies will also contain pockets of other, pre-capitalist modes of production (like a peasantry). These economic activities will invariably have great implications for the political economy of the country. Capitalist economies will consist of different proportions of types of economic enterprises – from corporations both foreign and domestic (which themselves differ amongst countries according to local corporate law), to small and medium sized entrepreneurial firms, to networks of small firms based in industrial districts, to market-dependent firms with non-capitalist ownership structures such as cooperatives (which can also exist as a dense network of firms), to state-owned enterprises and various parastatals. The financial, industrial relations and institutional environment that these firms find themselves in will vary, influencing their performance. All of these various property forms, organization, and integrating mechanisms may or may not cohere into a coherent and stable “system” for a time. The study of comparative capitalism must by necessity be the study of economic history, not just because of the importance of inherited social and political structures but also because the timing of capitalist industrialization is hugely consequential for the organization of capitalist production in any given country.

This course will review these variations in economic structures and relationships as found in a variety of capitalist economies. This should provide students with an understanding of most major varieties of capitalist systems (with some massively important exceptions such as China and India). However, it aims to equip students with the theoretical and methodological tools to analyze any capitalist economy, and place it in its socio-economic and historical context. While reviewing this literature, we will keep an eye on how these systems change over time under

pressures emanating from international financial and product markets. We will also pay close attention to how different varieties of capitalism effect the political system, the trajectory of the economy and the quality of life of the population.

Grades will be based on class participation and a 10 to 15-page research paper that describes the capitalist mixed economy of any geographically and temporally bounded case.

January 23: Feudalism, modern rational capitalism and political capitalism

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](#))

Wolfgang Schluchter, “Modes of Capitalism” in *Rationalism, Religion, and Domination*, University of California Press, 1989. Pp. 281-314. ([Download](#))

“Bureaucracy” (p.196-244) in *From Max Weber: Essays in Sociology*, eds. Gerth and Mills, Oxford University Press, 1958. ([Download](#))

January 30: The economic role of the state under modern and contemporary capitalism

Ha-Joon Chang, “Leviathan or the Philosopher King?” in *Economics: The User’s Guide*, Pelican, 2014. Pp. 375-403. ([Download](#))

Ha-Joon Chang, “Kicking Away the Ladder: The ‘Real’ History of Free Trade”, *FPIF Special Report* December 2003: 1-20. ([Download](#))

Block, Fred, and Peter Evans, “The State and the Economy” in *Handbook of Economic Sociology* (second edition), edited by Richard Swedberg and Neil Smelser, Princeton University Press, 2005. Pp. 505-526. ([Download](#))

Fred Block, “Innovation and the Invisible Hand of Government.” Pp. 1-26. 2001. Publishers. *State of Innovation: the U.S. government’s role in the technology development*. Edited by Fred Block and Mathew R. Keller. Paradigm. ([Download](#))

Fred Block and Matt Keller, “Where do Innovations Come From? Transformations in the U.S. National Innovation System 1970-2006” in *Socio-Economic Review* 7(3) 2009: 459-483. ([Download](#))

Mariana Mazzucato, “The State behind the iPhone” in *The Entrepreneurial State: Debunking Public vs. Private Sector Myths*, Anthem Press, 2013. Pp. 87-140. ([Download](#))

February 6: The state as a mode of production

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](#))

Szelényi, Iván, Katherine Beckett, and Lawrence King. 1994. "The Socialist Economic System." In *The Handbook of Economic Sociology*, edited by Neil Smelser and Richard Swedberg, 234–54. Princeton: Princeton University Press; New York: Russell Sage Foundation. ([Download](#))

János Kornai. *The Economics of Shortage*. Amsterdam: North Holland Press, Volume A. 1980. (No download available)

George Konrád and Ivan Szelenyi. *The Intellectuals on the Road to Class Power*. Harcourt Brace Jovanovich, 1979. (No download available. [Download alternative](#): Iván Szelenyi. 1982. 'The Intelligentsia in the Class Structure of State-Socialist Societies.' *American Journal of Sociology*, 88, pp. S287–S326.)

February 14: Varieties of welfare state capitalism

Gosta Esping-Andersen, *The Three Worlds of Welfare Capitalism*, Polity Press, 1996. ([Download](#))

February 20: Corporate capitalism

Joel Bakan. *The Corporation: The Pathological Pursuit of Profits and Power*. Free Press. 2005. ([Download](#))

Charles Perrow. *Organizing America*, Princeton University Press. 2005. ([Download](#))

February 27: Cooperatives and small firm networks

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. 279-305. ([Download](#))

David Ellerman. "Entrepreneurship in the Mondragon Cooperatives." *Review of Social Economy*, Vol. 42, No. 3, Community Dimensions of Economic Enterprise (December 1984), pp. 272-294. ([Download](#))

Terry Mollner, "Mondragon: A Third Way," in *Review of Social Economy*, 42(3) 1984: 260-271. ([Download](#))

Josh Whitford and Cuz Potter, "Regional economies, open networks and the spatial fragmentation of production," *Socio-Economic Review*, Volume 5, Issue 3, July 2007, Pages 497–526, <https://doi.org/10.1093/ser/mwm004> ([Download](#))

Valentina De Marchi and Roberto Grandinetti "Industrial Districts and the Collapse of the

Marshallian Model: Looking at the Italian Experience” *competition and change*, Vol. 18 No. 1, February 2014, 70–87. ([Download](#))

March 5: Financialized capitalism

“Minsky and the Global Financial Crisis” Pp.137-161. In *Why Minsky Matters: An Introduction to the Work of a Maverick Economist*. L. Randall Wray. 2016. Princeton. ([Download](#))

Greta Krippner, “The Financialization of the American Economy” *Socio-economic Review*. (2005). 3 173-208 ([Download](#))

Roy, Victor and King. 2016. “Betting on hepatitis C: how financial speculation in drug development influences access to medicines.” *BMJ* 354: 1378 <https://doi.org/10.1136/bmj.i3718> ([Download](#))

Celine Baud and Cedric Durand. 2012. “Financialization, globalization and the making of profits by leading retailers,” *Socio-Economic Review* (2012) 10, 241–266. ([Download](#))

Ewa Karwowski & Engelbert Stockhammer (2017) “Financialisation in emerging economies: a systematic overview and comparison with Anglo-Saxon economies,” *Economic and Political Studies*, 5:1, 60-86, DOI: 10.1080/20954816.2016.1274520. ([Download](#))

March 12: Liberal vs coordinated market economies

David Coates. 2000. Pp. 21-74. “Capitalist Models: The Arguments” in David Coates *Models of capitalism growth and stagnation in the modern era*. Polity. ([Download](#))

Bob Hancke, Martin Rhodes and Mark Thatcher. “Introduction: Beyond Varieties of Capitalism” Pp.3-38. In Bob Hancke, Martin Rhodes and Mark Thatcher. 2007. *Beyond varieties of capitalism: conflict, contradictions and complementarities in the European Economy*. Oxford. ([Download](#))

Peter A. Hall “The Evolution of Varieties of Capitalism in Europe.” P.39-85. In Bob Hancke, Martin Rhodes and Mark Thatcher. 2007. *Beyond varieties of capitalism: conflict, contradictions and complementarities in the European Economy*. Oxford. ([Download](#))

March 26: American capitalism I

Jonathon Tepler and Denise Hearn. *The Myth of Capitalism: Monopolies and the Death of Competition*. 2019. Wiley & Sons. (No download available)

Walter Adams and James Brock, *The Bigness Complex*, Stanford University Press, 2004. ([Download](#))

Edwin Black, “The GM Conspiracy” in *Internal combustion: how corporations and governments addicted the world to oil and derailed the alternatives*. St. Martin’s Press. 2006. Pp:193-260. ([Download](#))

April 2: American capitalism II

Domhoff, G. W. (2014). *Who Rules America: The Triumph of the Corporate Rich* (7th ed.). New York: McGraw-Hill. ([Download](#))

April 9: Swedish social democratic capitalism

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](#))

Jonas Pontusson. “At the End of the Third Road: Swedish Social Democracy in Crisis.” *Politics and Society*, v. 20, no. 3 (1992), 305-332. ([Download](#))

Goran Therborn. 2020. “Sweden’s turn to economic inequality, 1982-2019”. *Structural Change and Economic Dynamics* 52 (2020) 159-166. ([Download](#))

April 16: Postcommunist capitalisms: Poland, Hungary and Russia

King, Lawrence and Aleksandra Sznajder. 2006. “The State Led Transition to Liberal Capitalism: Neoliberal, Organizational, World Systems, and Social Structural Explanations of Poland’s Economic Success.” *American Journal of Sociology* 112 (3): 751–801. <https://doi.org/10.1086/507851> ([Download](#))

King, Lawrence. 2007. “Central European Capitalism in Comparative Perspective.” In *Beyond Varieties of Capitalism*, edited by Robert Hanké, Mark Thatcher and Martin Rhodes, 307–27 ([Download](#))

Gabor Scheiring. 2019. “Dependent development and authoritarian state capitalism: The collapse of democracy and the rise of the accumulative state in Hungary” forthcoming in *Geoforum*. ([Download](#))

King, Lawrence and Jakow Treskow. 2006. “Understanding the Russian Oil Sector.” *Canadian Foreign Policy* 13 (2): 77–92. <https://doi.org/10.1080/11926422.2006.9673430> ([Download](#))

King, Lawrence and Iván Szelényi. 2005. “Postcommunist Economic Systems.” In *Handbook of Economic Sociology (Second Edition)*, edited by Neil Smelser and Richard Swedberg, 206–32. ([Download](#))

April 23: Capitalism in Tanzania

Shivji, I. (1976). *Class Struggles in Tanzania*. London: Heinemann. (No download available)

- Languille, S. (2015). The scramble for textbooks in Tanzania. *African Affairs*, 115(458), 73-96. <https://doi.org/10.1093/afraf/adv060> (Download)
- Gray, H. (2015). The political economy of grand corruption in Tanzania. *African Affairs*, 114(456), 382-403. <https://doi.org/10.1093/afraf/adv017> (Download)
- Gray, H. (2013). Industrial policy and the political settlement in Tanzania: Aspects of continuity and change since independence. *Review of African Political Economy*, 40(136), 185-201. <https://doi.org/10.1080/03056244.2013.794725> (Download)
- Benjaminsen, T., & Bryceson, I. (2012). Conservation, green/blue grabbing and accumulation by dispossession in Tanzania. *Journal of Peasant Studies*, 39(2), 335-355. <https://doi.org/10.1080/03066150.2012.667405> (Download)
- Khan, M. H. (2010). *Political settlements and the governance of growth-enhancing institutions*. London. Retrieved from <http://eprints.soas.ac.uk/9968/> Pp. 31-59, 118-139. (Download)