

Comparative Capitalism*

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Office: Williams Hall 745, Russian and East European Studies

Class Sessions: TTh 1200-129pm (WHRT RM), Spring 2024

Course Description

While we often debate capitalism as a system, the nature of capitalist economies differ from country to country and rarely match up to the ideal. Why do these differences arise? Is there a pure form of capitalism? What is the nature of capitalism in advanced and emerging economies? Why are capitalist economies often embedded in other social systems? Why do some economies grow faster than others? How do international institutions and interdependencies affect national capitalist institutions? How are the strategies of multinational corporations (MNCs) influenced by their country of origin? And how is the nature of capitalism changing today? This course provides insight into these questions as it explores the nature of capitalism around the world, with specific reference to Brazil, Russia, Ukraine, China, Hungary, Nigeria, South Africa, Singapore, Israel, Argentina, and the advanced OECD countries. Students will leave this class with understanding key differences in how capitalist economies are organized and competition over the future of the world economy.

Course Requirements

Attendance and Participation 20%

- Three unexcused absences granted for any reason (religious, work-related)
- Points deducted for additional unexcused absences
- 80% credit for late arrival in class
- Participation grade cannot be higher than attendance grade

Weekly Reading Summaries 15%

- Post 250-word answer to one reading question each week as discussion post
- You can miss three weeks total without penalty

Midterm Exam 20%

- Complete in-class exam focused on reading, February 22

Analytical Paper 25%

- 10-page evaluation of the type of capitalism in one country (single or double spaced)
- Deploy theories studied in course
- Read and cite at least five analytical sources (books, academic journal articles)
- Make a clear argument, supported by data from your sources
- Use any consistent citation format (Chicago Manual of Style provides guidance)
- Topic must be pre-approved by professor
- No use of AI permitted

Final Exam 20%

- Complete in-class exam focused on reading, date TBD

Week 1

January 16 and 18

Introduction: What is Comparative Capitalism?

What is Capitalism? Why does it differ in different national contexts? Across time? What are prominent critiques of capitalism? How do different varieties of capitalism address these critiques? What is comparative capitalism as a field of study?

Complete Survey on Personal Experiences

Andreas Nölke, "[Comparative Capitalism](#)." Chapter in Handbook of International Political Economy. Provides an excellent overview.

Peter Boettke, "Capitalism," [Britannica](#) (and the "[mixed economy](#)").

Isam Shihada, "[Capitalism in Dickens' *Great Expectations*](#)."

Week 2

January 23 and 25

Varieties of Capitalism: LME's, CME's, and DME's

Why do political economists think that advanced capitalist economies can be divided into two categories: liberal market economies (LME's) and coordinated market economies (CME's)? Where did this distinction come from? In what ways are advanced economies coordinated? What implications do different forms of capitalism have for firms? In what ways do post-communist countries differ from the LME's and CME's? What does the post-communist experience tell us about the usefulness of this framework for the developing world?

For Tuesday:

Hall Peter A., and David Soskice. 2001. "Introduction". In Hall, Peter A., and David Soskice, eds. [Varieties of Capitalism: The Institutional Foundations of Comparative Advantage](#). Oxford ; New York: Oxford University Press, Section 1.2, "The Basic Elements of the Approach," (and all subheadings), other Sections optional.

For Thursday:

Andreas Nölke, Arjan Vliegenthart, [Enlarging the Varieties of Capitalism: The Emergence of Dependent Market Economies in East Central Europe](#), *World Politics*, Volume 61, Number 4, October 2009, pp. 670-702.

Recommended:

Schneider, Ben Ross. "Hierarchical market economies and varieties of capitalism in Latin America." *Journal of Latin American Studies* 41.3 (2009): 553-575.

Week 3

January 30 and February 1

Neoliberalism and Crony Capitalism

How has the rise of "neoliberalism" or free market economics reshaped capitalism? What were the driving forces behind it? What came before it? Why did it prove attractive in so many

countries? How have countries adopted neoliberalism in different contexts? Has liberating the economy from the state produced less corruption or more?

David Harvey, *A Brief History of Neoliberalism*, [chapters TBD].

Reinsberg, Bernhard, Alexander Kentikelenis, and Thomas Stubbs. "Creating crony capitalism: neoliberal globalization and the fueling of corruption." *Socio-Economic Review* 19.2 (2021): 607-634. [Prepublication version](#).

Week 4

February 6 and 8

Competition Between Liberal and State Capitalism

Branko Milanovic's *Capitalism Alone* posits a different varieties of capitalism typology, one that takes account of the developing world and lumps together the LME's and CME's in a single category. What do we think of Milanovic's approach? How and why does it differ from the varieties of capitalism approach? What do each of these approaches reveal? Conceal?

Branko Milanovic, [Capitalism Alone](#). [Version TBD]

Ian Bremmer, "[State Capitalism Comes of Age](#)."

Other readings TBD

Week 5

February 13 and 15

Varieties of Capitalism in China and India

China has developed its own, changing, style of state capitalism. A transforming former communist economy, the state played a large role in economic development and continues to do so, steering the way in the public and private sectors. What exactly are the ways that China keeps the state's hand on the tiller? How unique are they to China? How do they affect firms? And how applicable are these methods to other countries?

Lin and Milhaupt, "[Understanding the Mechanisms of State Capitalism in China](#)."

[India readings TBD]

Week 6

February 20 and 22 (Midterm Exam)

Reinventing State Capitalism

How does state capitalism in Brazil compare to China? What are newer and older techniques of state capitalism and how do they compare? How much influence does state capitalism have on private sector companies?

Musacchio and Lazzarini, [Reinventing State Capitalism](#) (ebook through Penn Libraries).

Week 7

February 27 and March 1

MBA CORE EXAMS
UG Discussion Sessions

Week 8
SPRING BREAK

Week 9
March 13 and 15

The Post-Communist Mafia State: Hungary and Russia

Some countries, such as Hungary and Russia, have fully subordinated private enterprises to state control through mafia-type networks. What impact does this have on business, for better or worse? What challenges do firms face in a mafia states and how do they manage?

Balint Magyar, "[The Post-Communist Mafia State.](#)"

Lanskoy and Myles-Primakov, "[The Rise of Kleptocracy: Power and Plunder in Putin's Russia.](#)"

Guriev and Rachinski, "[The Role of Oligarchs in Russian Capitalism.](#)"

Week 10
March 20 and 22

Changing Models of Capitalism

Models change. Varieties of capitalism change. They also may differ from sector to sector in a particular economy. Is the model of capitalism gradually changing in the US? What sorts of transformations are ongoing in firms? How descriptive is the concept of "varieties" of capitalism if they are not stable? What drives their transformation?

Whitley, "[US Capitalism: A Tarnished Model?](#)"

King, "[Why the Next Stage of Capitalism is Coming.](#)"

Boffo, Saad-Filho, and Fine, "[Neoliberal Capitalism: The Authoritarian Turn.](#)" [or TBD]

Week 11
March 27 and 29

Comparative Political Economy: Ukraine and Nigeria

How do varieties of capitalism look from the country level? Do countries fit into specific models? Or do their specificities defy categorization? How are firms influenced by their often radically different national environments?

Ukraine: Markus and Charnysh, "[The Flexible Few: Oligarchs and Wealth Defense in Developing Democracies.](#)"

Nigeria: Akinyoade and Uche, "[Development Built on Crony Capitalism? The Case of Dangote Cement.](#)"

Week 12
April 3 and 5
Comparative Political Economy: South Africa and Singapore

How do varieties of capitalism look from the country level? Do countries fit into specific models? Or do their specificities defy categorization? How are firms influenced by their often radically different national environments?

South Africa: Padayachee, "[Introducing varieties of capitalism into the South African debate.](#)" [or TBD]

Singapore: Shatkin, "[Reinterpreting the Meaning of the 'Singapore Model': State Capitalism and Urban Planning.](#)"

Week 13

April 10 and 12

Comparative Political Economy: Israel and Argentina

How do varieties of capitalism look from the country level? Do countries fit into specific models? Or do their specificities defy categorization? How are firms influenced by their often radically different national environments?

Israel: Hanieh, "[From State-Led Growth to Globalization: The Evolution of Israeli Capitalism.](#)"

Argentina: Brennan and Rougier, Introduction and Chapter 1, [The Politics of National Capitalism: Peronism and the Argentine Bourgeoisie, 1946-1976.](#) [maybe better]

Week 14

April 17 and 19

How Many Varieties of Capitalism?

The varieties of capitalism posits two main varieties of capitalism, while the comparative political economy approach could result in every country being seen as its own exceptional variant.

How many varieties of capitalism are there? Does it make sense to put countries into broad categories or view them as *sui generis*?

Jackson and Deeg, "[How Many Varieties of Capitalism?](#)"

Schedelik et al., "[Comparative Capitalism, Growth Models, and Emerging Markets.](#)"

Week 15

April 24 and 26

UG Paper Presentations

FINAL PAPERS DUE

May 6-14

FINAL EXAM

***Note: Preliminary syllabus, some readings and dates may change.**