SOC 9: Global Capitalism - course outline 2020-2021

Times:
Monday, 11am-1pm (Each week in Michaelmas & Lent; Easter revision session date(s) to be confirmed)

Course organiser
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These lectures seek to develop an understanding both of capitalism in general - its fundamental structure and functioning - and of its historical and national varieties, and its global expansion. The course examines general theories of the structure of capitalism in both the classical and modern literature; its historical development and fundamental institutions, such as money, the firm, and work. The course has four core themes: the interconnection between states and markets, power and structural inequalities, the historical and national varieties of capitalism, and the relationship between capitalism and other forms of economic activity.

The course structure is a common core of lectures in Michaelmas and the first half of Lent. In the second half of Lent term (weeks five to eight) there is a choice of four optional modules:

1. finance
2. feminist and gender economics
3. biocapital/public health
4. environment

Students must choose one module.

Assessment is by a mix of coursework and exam, each worth 50% of the final grade. The coursework component is one 5,000 word essay to be completed by the end of Lent term. Students should choose an essay title specific to the optional module that they take in the second half of Lent term. The second and third supervisions of Lent term will be dedicated to the coursework essay.

Required course readings
You are expected to have copies of the following books.


**Additional general reading**


Fernand Braudel. 1982 *Civilisation and Capitalism Vol.II. The Wheels of Commerce* (Collins)

David Graeber. 2014. *Debt, the first 5,000 years* (Melville House)


David Coates *Capitalism: the Basics.* (Routledge)
### Lecture Outline

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VA - Valentina Aussenladscheider: va284@cam.ac.uk  
MS - Matthew Sparkes: ms2268@cam.ac.uk  
RK – Regina Kolbe: rak60@cam.ac.uk
**Michaelmas 2019**

**Week one - Introduction: the nature and origins of capitalism**

The session for week one is split into two lectures. In the first lecture we examine the nature of capitalism. Drawing on the foundational work of Smith, Marx and Weber, we describe an analytic model of capitalism as an ideal type. We then explore the limitations of this analytic approach, in particular the idea that, in practice, capitalism is not simply a market system, and that there is no single capitalism. Here we introduce the idea that capitalism has encompassed a variety of types over time and across space, a topic that we will explore in more detail in later lectures, in particular at the start of Lent term.

In the second lecture we explore the origins of capitalism. We begin by reviewing attempts to explain the growth of capitalism as a key aspect of the emergence of Western modernity. We then explore critiques of this literature that situate the growth of market economies in a broader history of non-Western societies.

**Required reading**

**Lecture one**


**Lecture two**


**Additional reading**

**Lecture one**


Weber, M Ch.2 Spirit of Capitalism *The Protestant Ethic and the Spirit of Capitalism*.


**Lecture two**


**Week two - Markets, states and regulatory capitalism**

This lecture explores the relationship between markets and states and examines how markets are enabled and governed through law and regulation. In the first half of the lecture we will look at the legal basis of capitalism, in particular property rights. In the second half of the lecture we examine how markets are constituted through state regulation and consider whether the neoliberal era is best understood as a period of deregulation or reregulation. In the seminar we will explore these ideas through two practical examples, looking at how property rights and regulation construct the housing market and the biotechnology sector.

**Required reading**


**Additional reading**


Braithwaite, J. *Regulatory Capitalism* Edward Elgar

**Essay question**

*What is regulatory capitalism and how is it related to neoliberalism?*

**Week three - Firms and states: competition and collaboration**

In this lecture we begin by examining the evolution of the modern capitalist enterprise, focusing in particular on the rise of the corporation. We explore the role of the state in defining the legal basis of the corporation, and in managing corporate power, firstly through limits on incorporation, and then through competition law. The issue of competition relates to our second key theme: the relationship between firms, in particular the relative importance of competition and collaboration. We will review scholarship on monopoly capitalism. We also touch more briefly on the struggle for control of the firm, theorised as a contest between labour, management and owners (the latter including the state). In the seminar we will look at the beer industry as a practical example of the dynamic interaction between competition and monopoly.

**Required reading**


Ingham, G. 2008. Ch. 6 The Enterprise. *Capitalism* (Polity)


**Additional reading**

Bandelj, N. and Sowers, E. 2010 Ch.5 Firms *Economy and State: a Sociological Perspective* (Polity)


Diez, F, Leigh, D and Tambunlertchai, S. 2018. Global market power and its macroeconomic implications. *IMF Working Paper* WP18/137. NB This paper is very technical, it is included as a reading only to show that even the IMF think that market concentration is a contemporary problem.


On the Corporation

Pistor, K. Ch.3 Cloning legal persons *The Code of Capital How the Law Creates Wealth and Inequality* (Princeton)


**Essay questions**

*Collaboration not competition is the defining feature of inter-firm relations. Discuss.*

*What is monopoly capitalism and how useful is the concept for understanding the contemporary economy?*

**Week four - Money, banks and finance**

What is finance, and what role does it perform in the smooth functioning of the capitalist system? What are the features, functions and origins of money as a technology that facilitates genuine market exchange rather than crude barter? Are banks merely intermediaries between savers and borrowers, or is this a misleading simplification?

**Required reading**


**Additional reading**

Week five - Capital, class and power

What are economic capital and economic class, and how do these notions interlock to define the basis of capitalism as an economic system? How are capital and class experienced socially and subjectively beyond their bare economic features? How is power distributed among classes in society, and what role does capital play in this?

Required reading


Domhoff, GW. 2012. “The Class-Domination Theory of Power.” Available at: https://whorulesamerica.ucsc.edu/power/class_domination.html

Additional reading


Week six – Work and labour discipline

The concept of labour discipline was central to both Marx and Weber’s models of modern capitalism. In this lecture we shall explore Marxian labour process theory and its theoretical and empirical limitations, and then examine the creation of a disciplinary society beyond the workplace through the work of EP Thompson and Michel Foucault. In the second half of the lecture we consider two aspects of the contemporary labour market: the offshoring of manufacturing and the rise in unfree labour.

Required reading


Harry Braverman. 1974. Ch.4 Labour and Monopoly Capital. (Monthly Review Press) (NB it is worth skimming chapters 5 and 6)


Additional reading


Raphael Samuel 'The workshop of the world: steam power and hand technology in mid-Victorian Britain.' In History Workshop, 3: 6-72. Spring 1977


Essay question

Disciplining and deskilling of the labour force were key developments in the capitalist mode of production. Discuss.
**Week seven – Gender and feminist economics**

This lecture aims to introduce key issues and approaches in the field(s) of feminist and gender economics. To do so, we will first revisit how different waves of the (Western) feminist movement connect to different strands of feminist thought and activism. Second, we will look at four main intersections of feminism and economics, namely: gender imbalances in the economics profession, feminist critiques of both mainstream and Marxian economics, the gendered constitution of contemporary capitalist economies and, lastly, feminist approaches to social, economic and development policy. A brief overview of the issues and topics covered in the optional module ‘Feminist and Gender Economics’ in Lent will also be presented.

**Required reading**


**Additional reading**

**Different feminisms**


Women, minorities and the economics profession


The gendered dimensions of mainstream economics


The gendered constitution of contemporary capitalist economies


Essay question

1. ‘Economics is a value-free science’. Discuss this statement from an introductory economics textbook with reference to feminist critiques of economics.

2. Does the economics profession need more women and/or minority scholars? Why (not)?
Week eight – Classification and its Affective Dimensions

This topic will examine the extent stigmatising and moral classifications are part of a realm of affects and emotions that support and underpin the functioning of contemporary neoliberal markets. After providing a theoretical framework for investigating the consequences of classificatory systems and the forms of value, judgements and norms they establish, we will then consider classificatory systems surrounding austerity and education, paying particular attention to how they shape understandings of and struggles against structural inequality.

**Required readings**


**Additional Reading**


**Essay question:**
To what extent do stigmatizing and moral classifications underpin neoliberal capitalism?

**Lent term**

**Week one: Varieties of capitalism**

In what ways do capitalist systems vary? In this lecture we will explore different approaches to analysing the diversity of capitalist systems, including comparative approaches to studying geographical diversity, as in the classic Varieties of Capitalism model, as well as frameworks based on temporal change, as in the Marxian Regulation school. We shall also consider how different aspects of socio-economic structures have been the focal point for taxonomies of capitalism: Esping-Andersen's typology of welfare regimes or Freeman's theory of national innovation systems. We shall analyse the theoretical underpinnings and methodological approaches to the growing literature on capitalism's diversity and we shall consider whether diversity is diminishing as capitalist systems converge on a single model.

**Required reading**

Coates, D Ch.2 *Capitalism: the basics* Routledge


**Additional reading**


*Essay question: In understanding capitalist diversity, geographical variegation is more important than temporal variegation. Discuss.*

**Week two – The military-industrial complex**

This lecture explores the military-industrial complex as a way to think about the history of modern capitalism and the relationship between states and markets. Key moments in the intertwined development of the nation-state and the capitalist firm are explored, from the emergence of the first joint-stock firms as hybrid forms combining commercial and state functions, through to the contemporary military-industrial complex. Other theoretical perspectives include Tilly’s model of concentrations of coercion and capital in early modern period shaping a variety of state forms; Beckert’s model of war capitalism; and Marx’s theory of primitive accumulation.

**Required reading**


Additional reading


Toby Craig Jones. America, Oil and War in the Middle East. *Journal of American History* June 2012 doi: 10.1093/jahist/jas045


*Essay question*

Was the US military-industrial complex a novel reconfiguration of the relationship between economic and military power?

Is the military-industrial complex better understood using a Weberian or a Marxian approach?

*Week three – Industrialisation*

Capitalism is commonly understood as a system characterised by rapid technological innovation. In the first section we examine the nature and impact of the first industrial revolution, looking at industrialisation in the UK and the USA. In the second half of the
lecture we explore post-war industrialisation in Asia. A key issue we explore is the role of the state in the process of industrialisation.

**Required reading**


**Additional reading**


**Essay question**

*Industrialisation is always a mercantilist project. Discuss*

**Week four – Post-industrialism**

This lecture explores capitalist growth strategies in what many scholars refer to as the post-industrial era. Contemporary ideas about innovation policy and a knowledge-based economy are interrogated with reference to the work of Mazzucato and Lazonick (on the roles of the public and private sectors). Edgerton’s critique of techno-nationalism and techno-globalism is drawn on in both sections.
Required reading


Additional reading


Wong, J (2011) Betting on biotech: innovation and the limits of Asia’s developmental state (Ithaca)


Essay question

In the neoliberal era the state no longer tries to ‘pick winners’. Discuss.
Optional module one: Finance

Lecture one: Finance & imperialism

What is imperialism does this concept apply to the contemporary global economy? What frameworks may help to explain the global ‘division of labour’ and resulting international political-economic relations? How has financial power been leveraged to promote the interests of particular states and firms in the capitalist world-system?

Required reading


Suggested reading


Suggested coursework question:

Financial power is a major weapon in the arsenal of imperialist states and firms. Discuss.

Lecture two: Financialisation in historical perspective

What constitutes ‘financialisation’, and how is it different from capitalism’s inherent reliance on finance? What effects may financialisation have on different actors within the global economy? At what times and in what forms does financialisation (and counteracting de-financialisation) recur in the history of capitalism?
Required reading


Suggested reading


Suggested coursework question:

Is financialisation a death throe of capitalism, or the tightening of its grip?

Lecture three: Venture capitalists and the financier class

Venture capital – equity investors into new companies – are the first filter of how our (digital) economy looks like in the future. Linking the technocapitalism lectures from the first term to the recent financialisation lectures, we will in this lecture dive into a specific kind of financial intermediary that is native in Silicon Valley (and more recently also in Silicon Roundabout). What is their role in the economy? What does their incentive (and value) structure look like? What effects do their decisions have?

Required reading:


Additional reading:


Suggested coursework question:

Venture capitalists are important for our economy. Discuss.

Lecture four: Debt, consumerism and class

In this session we will examine the intersections between consumerism and debt, with a particular emphasis on the underlying class mechanisms. In the process we will cover the emergence of debt-based consumerism (exemplified by USA and UK), including how the infrastructural power of the state is used to widen access to debt and the impact of financial market classification of borrowers.

Required reading


Additional reading

Suggested coursework question:

The class struggle is today unfolding around the issue of debt. Discuss.

Option two: Feminist and Gender Economics

Lecture one: Re-Embedding Homo Oeconomicus

The first lecture (and accompanying seminar) of the SOC9 module ‘Feminist and Gender Economics’ aims to introduce students to feminist critiques of standard neoclassical and Marxian conceptions of the economy, work and production. To do so, the sessions focus on three issues: first, the conceptual and practical omission of unpaid work from the economic realm; second, the feminist concept of social reproduction; and, third, non-production-centric economic theories.

Suggested coursework questions:

1. How can we account for the interrelations between the realms of paid work, unpaid work and the environment? Compare and contrast at least two economic theories on this matter.

2. ‘Money makes the world go round’. Critically evaluate this popular saying with reference to at least one non-production-centric approach to economics.

Essential Readings


Additional Readings


Lecture two: The Private is Economic!

The aim of this lecture and seminar is to introduce, compare and critique different conceptualisations of a key unit in economic theory and policy: the household. We will do this by first assessing Gary Becker's influential New Household Economics (NHE)
theory, before moving on to alternative models of the household informed by game
theory and different feminist analyses.

**Suggested coursework questions:**

1. What is the New Household Economics approach, and, from a feminist point of view, what are its strengths and weaknesses?

2. Which theory/model of the household do you find most useful and why?

**Essential Readings**


**Additional Readings**


Lecture three: Women, Gender and Neoliberal Development

At latest since the UN Decade for Women (1975-85), issues related to gender in general, and women in particular, have become increasingly central in academic and policy discourses on development. International institutions such as the World Bank and the IMF, alongside most state, non-profit and private actors in development, nowadays incorporate gender considerations into their operations. The primary aim of this lecture and seminar is to critically evaluate the theoretical and practical implications of such ‘gender mainstreaming’ in development. Furthermore, we will assess the gendered dimensions of contemporary development policies and programmes, including microfinance initiatives and structural adjustment programmes (SAPs).

Suggested coursework questions:

1. What is the ‘Girl Effect’ and do you think it works? Explain why (not).
2. Compare and contrast the Women in Development (WID) paradigm to the Gender and Development (GAD) approach. Include policy examples.

Essential Readings


**Additional Readings**


**Lecture four: Women’s Bodies and Feminised Work in the Global Economy**

The last lecture of the module focuses on instances in which women’s bodies and/or feminised labour take centre-stage in the global economy. More specifically, we will
discuss the feminist-ethical and policy-related dilemmas surrounding national and cross-border domestic work, sex work, and commercial surrogacy.

**Suggested coursework questions:**

1. To what extent does the cross-border market for domestic work advance and/or inhibit gender equality? Discuss with reference to at least two world regions.

2. How, if at all, should sex work and/or commercial surrogacy be regulated and why?

**Essential Readings**


**Additional Readings**


Option three – Biocapital and public health

Lecture one: The pharmaceutical industry

This lecture will examine key aspects of pharmaceutical industry including industrial concentration, patent-based monopolies, the lobbying power of industry, and the impact of financialisation. The state’s role in pharmaceutical innovation will also be explored including how the impact of regulation and public funding for R&D.

Required reading


Edward Nik-Kah. 2014. Neoliberal pharmaceutical science and the Chicago School of Economics. Social Studies of Science

Additional reading


Pekarsky, B. 2015. Ch.2 The New Drug Reimbursement Game Springer.


Kesselheim et al The high cost of prescription drugs in the USA: origins and prospects for reform. JAMA 316(8):858-871


Comanor, W. 1986. The political economy of the pharmaceutical industry Journal of Economic Literature, 24(3), pp. 1178-1217


Suggested coursework questions:

Should we nationalise the pharmaceutical industry?

Deregulation of the pharmaceutical sector is a manifestation of neoliberalism. Discuss.

Lecture two: Commodifying biotechnology – patenting life in the TRIPS era

This lecture will explore the role of intellectual property rights in the construction of the bioeconomy. Some actors claim that IP rights are crucial to private investment in translational research in the life sciences: others argue for an open source approach to biotech innovation. We will discuss how the rise of the bioeconomy has been accompanied by efforts to extend and consolidate the existing regime of intellectual property rights within the life sciences. This has been accomplished both through the TRIPS agreement which globalised an IP system that favoured the interests of developed countries over those of poorer nations, and by the extension of patent rights to bio-products such as DNA sequences. We shall explore contestation of TRIPS within developing countries and opposition to new forms of bio-property in developed countries.

Required Reading

Parthsarathy, S. 2017. Ch.2 and 5. Patent Politics: Life Forms, Markets and the Public Interest in the United States and Europe. (Chicago)


**Additional reading**


**Suggested coursework question:**

*How useful is Marx's concept of primitive accumulation for understanding the construction of the contemporary intellectual property regime?*

*What are the institutional complementarities between enhanced IP rights and financialisation?*

**Lecture three: Capitalism and public health**

What kinds of mechanisms determine the quality of our health under capitalism, outside of interventions by healthcare professionals? To what extent and to what ways do economic shocks like recessions or waves of deindustrialisation affect public health? How and why do our public culture and policy promote vested interests like the alcohol industry in the face of public health interventions?

**Required reading**


**Additional reading**


**Suggested coursework question:**

*Capitalism’s relationship to health is not merely a question of healthcare access and quality. Discuss.*

**Lecture four: Political economy of pandemics**

Are pandemic diseases like COVID-19 “great levellers”—equalising events in which we are “all in the same boat”—or do they exacerbate existing inequalities? What are the political-economic contributory factors in the emergence and spread of infectious disease, especially novel zoonotic infections? How do private- and public-sector actors
and institutions respond in acute public health crises, and why do they behave in these ways?

**Required reading**


**Additional reading**


**Suggested coursework question:**

*Which of these is a more accurate description of the COVID-19 pandemic, and why: ‘natural disaster’ or ‘market externality’?*

**Option four Environment**

**Lecture one: Capitalism and climate catastrophe**

**Essential Readings**


Additional Readings


Klein, N. (2015). This Changes Everything: Capitalism vs. the Climate (Simon and Schuster).


**Suggested coursework questions:**

Is it right to blame capitalism for climate catastrophe?

Or

What would fending off climate catastrophe require?

**Supplementary Videos**


Lecture two: Carbon democracy

A shift to carbon-based energy sources was integral to the emergence of modern industrial capitalism. In this lecture we explore the political economy of energy production, examining the shift from coal to oil through Mitchell’s theory of carbon democracy and analysing the changing dynamics of imperial control of oil production. We use the oil market as a way to examine the foundational concept of neoclassical economics: scarcity.

Required reading


Additional reading


Huber, M Fueling capitalism: oil, the regulation approach, and the ecology of capital Economic Geography 89(2), 171-194


Suggested coursework question:
Is scarcity a social construction? Discuss with reference to the oil industry.
Lecture three: Green capitalism

Even at the heart of core capitalist endeavours such as finance climate change and an increased awareness of the need to ‘economise more sustainably’ have arrived. The Business Roundtable announced a rethinking of capitalism towards more ‘stakeholders’ – including our planet; many buyout firms and even hedge funds have announced a stronger focus on impact investing or ESG measures. From solar technologies and renewable energy more broadly to agricultural revolutions driven by startup companies – in many sectors, capitalists have started to embrace ‘green’ as a possible market for expansion. How much of it is based on narratives, on performances, however? What contradictions are built into this model of a green capitalist future? Is the de-growth movement a real alternative?

Required reading:

Additional reading:

Suggested coursework question:
*Green capitalism is a viable movement to save our planet – and economy. Discuss.*

Lecture four: Imagining a new economy and a new economics

Building on the lecture on green capitalism and de-growth, in this lecture we explore ideas about how to reframe economic ideas and practices as a response to global warming and other environmental threats.

Required reading
Cameron, J et al. 2013. *Take Back the Economy: An Ethical Guide for Transforming Our Communities*. (University of Minnesota)
Additional reading

