SOC 9: Global Capitalism - course outline 2021-2022

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

Course organiser
Stuart Hogarth: sh339@cam.ac.uk

Deputy course organiser
Luke Hawksbee: lh372@cam.ac.uk

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 markets, money, property rights, 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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## Lecturer contact details

- SH - Stuart Hogarth: sh339@cam.ac.uk
- JL - Johannes Lenhard: jfl37@cam.ac.uk
- LH - Luke Hawksbee: lh372@cam.ac.uk
- MS - Matthew Sparkes: ms2268@cam.ac.uk
- RK - Regina Kolbe: rak60@cam.ac.uk
**Michaelmas 2020**

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

The session for week one is split into two parts. In the first part 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.

In the second part of the 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**

**Part one**


**Part two**


**Additional reading**

**Part one**


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


**Week two: de-essentialising capitalism - varieties of capitalism**

Having analysed models of capitalism as an ideal type in week one, in this lecture we explore the limitations of this approach, in particular the idea that, in practice, capitalism is not simply a market system, and that there is no single 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 three – Property rights**

Strong property rights are considered an essential feature of capitalism, but property rights remain under-theorised in both orthodox and heterodox economics. We draw on legal institutionalism and radical political economy to examine the variety of types of property rights in capitalist systems, and the various organisational arrangements for property ownership – from joint-stock firms to workers’ cooperatives. Key themes include property as monopoly, the relationship between property and scarcity, and the
role of the state in creating and maintaining property rights. We shall examine property rights in the neoliberal era: both the enhancement and extension of property rights and the shift of property from the public to the private sector. For empirical illustration, we shall look at two examples: land and intellectual property rights.

**Required reading**


**Additional reading**


On land


Josh Ryan-Collins, Toby Lloyd and Laurie Macfarlane. (2017). *Rethinking the economics of land and housing* (Zed Books) Ch.5 The financialisation of land and housing

On intellectual property


**Week four - 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**


Essay question:

Is there such a thing as the ‘middle class’ in the UK? If so, what is it and where does it come from? If not, why do we so often talk as if there is?

Week five - 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


Essay question:

What do we talk about when we talk about money?
Week six – Unfree markets: competition and monopoly

Competition between firms is fundamental to theories of the free market. Yet the reality in many sectors is market dominance by a small number of firms, who often collaborate to further limit competition. In this lecture we will review scholarship on monopoly capitalism and explore the role of the state in managing corporate power through competition law. As an empirical illustration, we will look at the beer industry as a practical example of the dynamic interaction between competition and monopoly.

Required reading

Christophers, B. 2016. Ch.1 The Great Leveler: Capitalism and Competition in the Court of Law. (Harvard).


Additional reading


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.


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 seven – Unfree markets: 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 we examine how markets are constituted through state regulation, how expertise functions as power in regulatory regimes, and we consider whether the neoliberal era is best understood as a period of deregulation or re-regulation. In the second half we will explore these ideas by looking at how regulation constructs the markets for land and housing.

**Required reading**


**Additional reading**


Braithwaite, J. *Regulatory Capitalism* Edward Elgar


*Essay question*

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

**Week eight – 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. The economics profession would benefit from more women and minority scholars. Discuss why (not).

Lent term

Week one: 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


Kevin O’Rourke, L Prados de la Escosura and G Daudin. In Stephen Broadberry and Kevin O’Rourke The Cambridge Economic History of Modern Europe Vol 1: 1700-1870 (CUP, 2010) Ch.4 Trade and empire. pp.96-121


**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?

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**Week two – 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**


\textit{Essay question}

\textit{Industrialisation is always a mercantilist project. Discuss}

\textbf{Week three - 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 economic actors? At what times and in what forms does financialisation (and counteracting de-financialisation) recur in the history of capitalism?

\textbf{Required reading}


\textbf{Suggested reading}


Essay question:

What financial features (if any) mark out the current era of capitalism as distinctive from those that came before it?

**Week four - 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 various aspects of the contemporary labour market: the decline in jobs in the manufacturing sector, the offshoring of manufacturing and the rise in unfree labour.

**Required reading**


**Additional reading**

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


*Essay question*

*Disciplining and deskilling of the labour force were key developments in the capitalist mode of production. Discuss.*
Lent term, weeks 5-8 – optional modules

Optional module one: Finance

Lecture one: Finance & imperialism: European colonies of conquest & settlement.

What is imperialism, in its classical European-colonial form? What role did financial institutions play in establishing the British empire, and others like it? What financial mechanisms were used to drain Europe's colonies of wealth? What were the long-term consequences for parties on both sides of colonial relations?

Required reading


Suggested reading


Suggested coursework question:

“The tradition of all dead generations weighs like a nightmare on the brains of the living.” (Marx) Discuss with reference to the contemporary consequences of past European colonialism/imperialism.

Lecture two: Finance & imperialism: Bretton Woods & the neo-colonial era.

What is imperialism, in its contemporary neo-colonial form? What international and transnational political-economic relations define the contemporary world? How can we understand the global ‘division of labour’? 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:

Do contemporary global financial relations amount to a “new imperialism?” (Harvey) If this is true, then in what way? If it is not, then what would be a better way of understanding these relations?

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 how class analysis seeks to capture the intersections between consumerism and debt. We will start by exploring the emergence of debt-based consumerism (exemplified by the USA and UK), including how the infrastructural power of the state is used to widen access to debt, before shifting our focus to how the affective dimensions of inequality provide a crucial lens for understanding why individuals turn to credit.

Required reading


**Additional reading**


Veblen, T. *The Theory of the Leisure Class*. (184 pp.) pp. 49-77 (Download)


**Suggested coursework question:**

*The class struggle is today unfolding around the issue of debt. Critically discuss.*
Optional module 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. What constitutes the economic realm? Compare and contrast at least two strands of economic thought on this matter.
2. Production-centred approaches to economics are inherently androcentric. Discuss why (not).

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 Neoliberall 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 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**


Optional module 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

Davis, C and Abraham, J. 2013. Ch.1 and Ch.2 Unhealthy Pharmaceutical Regulation: Innovation, Politics and Promissory Science.(Palgrave Macmillan).


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.


Kesselhiem 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**


**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: The political economy of 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:

Is the competitive profit-seeking of a capitalist marketplace a major barrier to public health? Why, or why not?

**Lecture four: The political economy of pandemics**

What political-economic factors contribute to the emergence and spread of novel zoonotic pathogens? How do private- and public-sector actors and institutions respond to such new diseases, why do they behave in these ways, and how should they behave? Are pandemics “great levellers”—equalising events in which we are “all in the same boat”—or do they exacerbate existing inequalities and heighten specificities?

**Required reading**


**Suggested reading**


**Suggested coursework question:**

*What policy measures would reduce the risk of future pandemics of emerging zoonotic diseases like COVID-19 and swine flu? What would be the major obstacles to implementing these measures?*
Optional module 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**

