

SOC 9: Global Capitalism - course outline 2019-2020

Times and location:

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

Mill Lane, Lecture Room 10

Course organiser

Ali Meghji - am2059@cam.ac.uk (course enquiries should be directed to Stuart Hogarth in Michaelmas Term: sh339@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 money, the firm, work and consumerism. 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.

Required course readings

You are expected to have copies of the following books.

Geoffrey Ingham. 2008. *Capitalism* (Polity Press)

James Fulcher. 2015. *Capitalism: a Very Short Introduction* (Oxford University Press)

Robert O'Brien and Marc Williams. 2016. *Global Political Economy: Fifth Edition* (Palgrave)

Additional general reading

Nina Bandelj and Elizabeth Sowers. 2010. *Economy and State: A Sociological Perspective* (Polity Press) NB Available as an **e-book** from the University Library

Ha-Joon Chang. 2014. *Economics: the User's Guide* (Pelican)

Paul Hirst, Graeme Thompson and S Bromley 2009. *Globalization in Question* (Polity Press)

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

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

Jurgen Kocka. 2016. *Capitalism: a Short History* (Princeton University Press)

Leo Panitch and Sam Gindin. 2013. *The making of global capitalism: the political economy of American empire* (Verso)

Lecture Outline

Date	Lecture	Lecturer
Michaelmas		
14 Oct	Introduction/ military-industrial complex	SH
21 Oct	Work and labour discipline	SH
28 Oct	Work and gender	SH
4 Nov	Technocapitalism 1 - industrialisation/innovation	SH
11 Nov	Technocapitalism 2 - post-industrialism - case studies	SH
18 Nov	Welfare state – origins to neoliberal era	SH
25 Nov	Land and housing	SH
2 Dec	Beyond housing - homelessness	JL
Lent		
20 Jan	Neoliberalism	VA
27 Jan	The multinational corporation	CL
3 Feb	Money, banks and finance	LH
10 Feb	Finance and imperialism	LH
17 Feb	Neoliberal financialisation	LH
24 Feb	Venture capital: tech and its kingmakers	JL
2 Mar	Consumerism and debt	MS
9 Mar	Capital, class and power	LH

Lecturer contact details

SH - Stuart Hogarth: sh339@cam.ac.uk

JL - Johannes Lenhard: jfl37@cam.ac.uk

LH - Luke Hawksbee: lh372@cam.ac.uk

VA -Valentina Aussenladscheider: va284@cam.ac.uk

MS -Matthew Sparkes: ms2268@cam.ac.uk

CL - Christel Lane: col21@cam.ac.uk

Michaelmas 2019

Week one: Markets and states – the origins of modern capitalism and the military-industrial complex

This session will begin with a brief introductory overview, touching on the key theoretical perspectives, themes and questions explored in this paper and providing some practical information about the organisation and delivery of the paper.

The rest of the session gives a brief history of modern capitalism with a focus on a core concern for political economy – the relationship between states and markets, explored through the concept of the military-industrial complex. 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; Marx's theory of primitive accumulation and Braudel's model of monopoly capitalism.

Required reading

Charles Tilly. 1985. Making and State Making as Organized Crime in Evans, P et al (eds) *Bringing the State Back In* (Cambridge: Cambridge University Press, 1985).

Walter Adams. 1968. The military-industrial complex and the new industrial state. *The American Economic Review*, 58,(2): 652-665.

Sven Beckert. Building war capitalism. Chapter 2 *Empire of Cotton. A New History of Global Capitalism* pp29-55

Additional reading

John Foster and Robert McChesney. Surveillance capitalism: Monopoly-finance capital, the military-industrial complex, and the digital age. *Monthly Review* 66 (3), 1-31

Charles Moskos. 1974. The Concept of the Military-Industrial Complex: Radical Critique or Liberal Bogey? *Social Problems*, 21 (4): 498–512.

Kershaw, "Politics and Economics of the Nazi State" in *The Nazi Dictatorship* (Oxford University Press, 2000). Pp. 40-58.

Supervision question

To what extent was the US military-industrial complex a novel reconfiguration of the relationship between economic and military power?

Week two – 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.

Required reading

Littler, C. R. and Salaman, G., 1982. Bravermania and beyond: recent theories of the labour process. *Sociology*, 16(2), pp. 251–269.

EP Thompson. 1967. Time, work-discipline, and industrial capitalism *Past and Present* 38(1), 56–97 (1967)

Angela Davis. 2003. *Are Prisons Obsolete?* New York: Seven Stories Press. Pp. 84–104.

Additional reading

Harry Braverman. 1974. *Labour and Monopoly Capital*. (Monthly Review Press)

Cressey, P and McInnes, J. 1980. Voting for Ford: industrial democracy and control of labour. *Capital and Class*, 11: 5-33.

Michel Foucault. 1979. *Discipline and Punish: the Birth of the Prison* (Penguin) Part 3. Discipline, pp135-230

David Graeber. 2018. *Bullshit Jobs: the Rise of Pointless Work and What We Can Do About It* (Allen Lane)

Eric Williams. 1944. *Capitalism and Slavery* (UNC Press)

Supervision question

Disciplining and deskilling of the labour force were key developments in the capitalist mode of production. Discuss.

Week three – Work and gender

This session provides an overview of gender inequality in the labour market, historical trends and explores theoretical perspectives on patriarchy and capitalism. Feminist political economy will be introduced as a key theoretical perspective for understanding both inequalities in the labour market and the failure of economists and policy makers to take proper account of women's unpaid labour.

Required reading

Maliha Safri and Julie Graham. 2010. The Global Household: Toward a Feminist Postcapitalist International Political Economy. *Signs: Journal of Women in Culture and Society* 36:1, 99-125_

Catherine Hoskyns & Shirin M. Rai (2007) Recasting the Global Political Economy: Counting Women's Unpaid Work, *New Political Economy*, 12(3): 297-317.

Nancy Folbre. 1991. The unproductive housewife: her evolution in nineteenth-century economic thought. *Signs*, 16(3): 463-484

Additional reading

Michèle Barrett, *Women's Oppression Today: Problems in Marxist Feminist Analysis* Ch.5 Gender and the division of labour (Verso)

Angela Davis. 1983. *Women, Race & Class*. (Vintage Books) pp. 222–244.

Stephan Clasen. What explains uneven female labor force participation levels and trends in developing countries? *World Bank Research Observer*. 34: 161-197.

Ehrenreich, B., 2003. Maid to Order. In: Ehrenreich, B. and Hochschild, A.R. (eds). *Global Woman: Nannies, Maids and Sex Workers in the New Economy*. London: Granta Books. Pp. 85–103.

Gira Grant, M. 2014. *Playing the Whore: The Work of Sex Work*. London: Verso. Pp. 13-26.

Johanna Brenner & Maria Ramas, "Rethinking Women's Oppression" in *New Left Review* (144) 1984: 33-71.

Katrine Marcal. 2015. *Who Cooked Adam Smith's Dinner? A Story about Women and Economics* (Portobello)

Penny Griffin. (2007) Refashioning IPE: What and how gender analysis teaches international (global) political economy. *Review of International Political Economy*, 14(4): 719-736.

Georgina Waylen (1997) Gender, feminism and political economy. *New Political Economy*, 2(2): 205-220.

Supervision question

In what ways does feminist political economy challenge the view of capitalism as a totalising system?

Week four – Technocapitalism 1 – From industrialisation to postindustrial innovation

Capitalism is commonly understood as a system characterised by rapid technological innovation. This lecture explores debates about technocapitalism. In the first section we examine the nature and impact of the first industrial revolution, and the role of the state in industrialisation (exemplified by USA and Korea). In the second part, 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

David Edgerton. 2007. The contradiction of techno-nationalism and techno-globalism: a historical perspective. *New Global Studies*, 1 (1).

Jim Glassman and Young-Jin Choi. 2014. The chaebol and the US military-industrial complex: Cold War geopolitical economy and South Korean industrialization. *Environment and Planning A*. 46: 1160 – 118

Ha-Joon Chang. 2003. Kicking Away the Ladder: The 'Real' History of Free Trade, *FPIF Special Report* December 2003: Pp. 1-20.

Additional reading

William Lazonick, Mariana Mazzucato and Oner Tulum.(2013). Apple's changing business model: what should the world's richest company do with all those profits? *Accounting Forum* 37: 249-267.

Nicolas Crafts and Kevin H O'Rourke. 2013. Twentieth Century Growth *University of Oxford Discussion Papers in Economics and Social History* 117.

Supervision question

Technological innovation is a nationalist project. Discuss.

Week five – Technocapitalism 2 – Two case studies – pharmaceutical industry and platform capitalism

This lecture will examine aspects of contemporary industrial/innovation policy through two case studies: the pharmaceutical/biotechnology sector and platform capitalism. Key aspects of pharmaceutical industry will be explored 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. In the second section Srnicek's theory of platform capitalism (Srnicek) will be linked to Mozorov's critiques of Silicon Valley's tech sector and Hogarth's analysis of disruptive innovation as ideology and practice.

Required reading

UCL Institute for Innovation and Public Purpose (2018) 'The people's prescription: Re-imagining health innovation to deliver public value', *IIPP Policy Report*, London.

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

Nick Srnicek *Platform Capitalism* (Polity Press) Chapter two

Stuart Hogarth. 2017. Valley of the Unicorns *New Genetics and Society*

Additional reading

William Lazonick and Oner Tulum. 2011. US biopharmaceutical finance and the sustainability of the biotech business model. *Research Policy*, 40, pp. 1170–1187.

Shoshana Zuboff. 2015. Big other: surveillance capitalism and the prospects of an information civilization. *Journal of Information Technology* 30, 75–89

Jeremias Prassl. 2018. *Humans as a Service: the Promise and Perils of Work in the Gig Economy* Chapter two (Oxford University Press)

Supervision question

Should we nationalise the pharmaceutical industry?

Week six – Welfare state: origins to neoliberal era

The emergence of modern welfare state, welfare state in the neoliberal era. Esping Andersen's model – alternatives and critiques, including Foucault (biopolitics). Welfare states in comparative perspective (inc. China)

Required reading

Esping-Andersen, G., 1990. *The Three Worlds of Welfare Capitalism*. Cambridge: Polity Press. pp. 9–54.

Offe, C., 1987. Democracy against the welfare state? Structural foundations of neoconservative political opportunities. *Political Theory*, 15(4), pp. 501–537.

Ha-Joon Chang. 1997. The economics and politics of regulation. *Cambridge Journal of Economics* 21. 703-728. NB Read only pp. 702-708

Additional reading

Claire Bamba. 2004. The worlds of welfare : illusory and gender-blind? *Social policy and society* 3 (3): 201-212.

Daniel Kinderman. 2017. Challenging varieties of capitalism's account of business interests: neoliberal think-tanks, discourse as a power resource and employers' quest for liberalization in Germany and Sweden. *Socio-Economic Review* 15(3): 587-613.

Wolfgang Streeck & Christine Trampusch (2005) Economic reform and the political economy of the German welfare state, *German Politics*, 14:2, 174-195

Anton Hemerijk and Frank Vandenbroucke. 2012. Social investment and the Euro crisis: the necessity of a unifying social policy concept. *Intereconomics* July: 200-229

Paul Pierson. 1994. *Dismantling the welfare state? Reagan, Thatcher and the politics of retrenchment*. (Cambridge).

Supervision question

Has the neoliberal reform of state welfare provision undermined the theory that there are distinct national varieties of capitalism?

Week seven - Land and housing

This session will begin by exploring various theoretical perspectives on land including Polanyi's fictitious commodity, land as an exemplar of scarcity (a key concept in economic theory), land ownership as rentiership and the environmental economics perspective. In the second section we will examine the role of the state in the housing sector (regulatory controls, direct provision, market construction) with a focus on Germany and the UK.

Required reading

Brett Christophers. (2018). *The New Enclosure. The Appropriation of Public Land in Neoliberal Britain*. (Verso) Ch.1 A special and finite commodity: why land and land ownership matter.

Stewart Lansley. 1979. *Housing and public policy* (Croom Helm) Ch.1 The role of government

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

Danny Dorling (2014) *All that is solid* (Penguin) Ch.3 Foundations

Additional reading

Richard Groves. 2016. *Housing and the New Welfare State*. Routledge.

Other chapters in the books listed in required reading.

Supervision question

Scarcity is a social construct. Discuss with reference to land and housing.

Week eight – Beyond housing: Homelessness and its discontents

How do people become homeless but even more importantly: how do they cope on the street? Using both statistical and ethnographic data, I will introduce the topic of homelessness by thinking through the complexity of its causes before focusing on their daily struggles. What does a normal day look like for a homeless person? How do they interact and live their social lives and how do they make homes on the street? I will end by portraying how specifically addiction and mental health issues among homeless people are a big hindrance for people both to survive on the street but also to get off the street and access housing. Is it not only structural violence that leads to homelessness but also prevents people from leaving the street behind?

Required reading

Bourgois, P., and J. Schonberg (2009). *Righteous Dopefiend*. Berkeley: University of California Press. (Most well-known ethnography of homelessness in US)

Desmond, M. (2017). *Evicted: Poverty and Profit in the American City*. London: Penguin.

Lovell, Anne M. "'The City Is My Mother': Narratives of Schizophrenia and Homelessness." *American Anth* 99, no. 2 (1997): 355–68.

Additional reading

Biehl, J. (2005). *Vita: Life in a Zone of Social Abandonment*. University of California Press: Berkeley.

Desjarlais, R. (1997). *Shelter Blues: Sanity and Selfhood Among the Homeless*. Philadelphia: University of Pennsylvania Press. (Classic ethnography of homeless shelter users in Boston)

O'Neill, B. (2017) *The Space of Boredom: Homelessness in the Slowing Global Order*. Durham: Duke University Press.

Supervision question: Homelessness is mainly an issue of a lack of housing. Discuss.

Lent 2020

Week one – Neoliberalism

Neoliberalism is a widely contested term with many scholars having found different and conflicting ways to define and conceptualise it. This lecture seeks to outline how different conceptualisations are bound to ideological biases and how we could start to delimit neoliberalism empirically in-between these biases. With that we try to pinpoint how neoliberalism manifested itself as dominant regime and whether we see changes, crisis, or counter movements arising.

Required reading

Harvey, D. 2005. *A Brief History of Neo-Liberalism*. Oxford: Oxford University Press. Chapter 1;

Colin, H. 2004. The normalizing role of rationalist assumptions in the institutional embedding of neoliberalism. *Economy and Society*, 33:4.

Crouch, C. 2011. *The Strange Non-Death of Neoliberalism*. Cambridge, UK: Polity Press. Chapter 5;

Additional reading

Gamble, A. 1996. *Hayek: The Iron Cage of Liberty*, Cambridge: Polity Press. Chapter 1, 3, & 8;

Kolev, S. 2019. Besieged by the left and the right: The order of liberal globalism. *The Review of Austrian Economics*, 1-13.

Brown, W. 2015. *Undoing the Demos – Neoliberalism’s Stealth Revolution*. New York, US: Zone Books. Chapter 1 & Epilogue

Mirowski, P. 2013. *Never Let a Serious Crisis go to Waste – How Neoliberalism Survived the Financial Metldown*. London, UK: Verso. Chapter 1, 2, & 3;

Hopkin, J., and Blyth, M. 2018. The Global Economics of European Populism: Growth Regimes and Party Sytem Change in Europe. *Government and Op*

Week two – Multinational companies: foreign direct investment and outsourcing

This session comprises two lectures about multinational companies (MNCs). MNCs are widely viewed as the drivers of globalization, but the nature of their impact on society and on the nation state is still insufficiently understood. While some authors view MNCs as saviours, others describe them as villains. The first lecture reviews their role in the process of globalization by focusing on processes of foreign direct investment and the creation of subsidiaries. It examines the immense economic and even political power the MNC is able to wield.

The second lecture critically reviews a second field of MNC activity, driving global economic integration. The focus here falls on processes of outsourcing manufacturing and service operations and off-shoring them to nominally independent contractor firms in mostly less developed countries. Governance of the resulting cross-national value chains, as well as the often very negative impact of such off-shoring activities on labour will be examined.

The Multinational Corporation:

1.Foreign direct investment (FDI)

Required reading

Wilks, S. 2013, *The Political Power of the Business Corporation*, Chapter 1. Edward Elgar.

Crouch, C. 2010, ‘The global firm: the problem of the giant firm in democratic capitalism’, D. Coen, W. Grant and G. Wilson eds, *Business and Government*, pp. 148-172. Oxford: OUP

Dicken, P. 2015, *Global Shift*. 7th edition. Chapters 4 and 5. New York: The Guilford Press.

Thun, E. 2014, ‘The globalization of production’, (section on FDI), J. Ravenhill ed., *Global Political Economy*, chapter 11. Fourth edition. OUP.

Additional Reading.

Hirst, P., Thompson, G. and Bromley, S. 2009, *Globalization in Question*. Chapter 2, pp. 40ff and chapter 3. Third and fully revised edition. Cambridge: Polity Press.

Wolf, M. 2004, *Why Globalization Works*. The case for the global market economy. New Haven: Yale University Press, chapter 11, provides his view of MNCs.

2.Outsourcing

Required Reading

Gereffi, G. 2005, 'The Global Economy: organization, governance and development', N. Smelser and R. Swedberg eds, *The Handbook of Economic Sociology. 2nd edition*. Princeton and Oxford: Princeton University Press.

Thun, E. 2014, 'The globalization of production', (section on global production networks), J. Ravenhill ed., *Global Political Economy*, chapter 11. Fourth edition. OUP.

Bair, J. (ed.) 2009, *Frontiers of Commodity Chain Research*. Chapters 1 and 2. Stanford University Press.

Additional Reading

Bulut, T. and Lane, C. 2010, 'The private regulation of labor standards and rights in the global clothing industry: an evaluation of its effectiveness in two developing countries', *New Political Economy*, 16, 1: 41-71.

Gereffi, G. 2006, 'The New Off-Shoring of Jobs and Global Development'. Geneva: ILO. On the web.

Gereffi, G. 2010, 'Global production networks and decent work in India and China', A. Posthuma and D. Nathan eds., *Global Production Networks in India*. OUP.

Lane, C. and Probert, J. 2009, *National Capitalisms, Global Production Networks. Fashioning the Value Chain in the UK, USA and Germany*. Chapter 2.3. and chapter 10. Oxford: OUP. (Book is on outsourcing in the clothing industry).

Supervision questions

- 1. What are the bases of the immense power now wielded by global MNCs?*
- 2. Is it still meaningful to speak about the home base of giant global companies?*
- 3. Are western MNCs responsible for the maintenance of low labour standards and rights in developing/transition societies?*

Week three – Money, banks and finance

Explaining the basics of finance, especially money and banking. The role of finance in relation to industry and commerce. A historical and functional overview of money, credit/debt, and the creation of both (including money as debt and vice versa). A brief primer on equity and the trading thereof (both primary and secondary markets).

Required reading

Toporowski, J. 2016. "A Kalecki fable on debt and the monetary transmission mechanism." *Review of Keynesian Economics*, 4(2), pp. 224–228.

Graziani, A. 2003. *The Monetary Theory of Production*. Cambridge: Cambridge University Press. Pp. 58–81.

Harvey, D. 1984. *The Limits to Capital*. Oxford: Basil Blackwell. Pp. 272–296.

Additional reading

McLeay, M., Radia, A., and Thomas, R., 2014. "Money creation in the modern economy." *Bank of England Quarterly Bulletin*, Q1, pp. 14–27.

Ingham, G. 1996. "Money is a Social Relation." *Review of Social Economy*, Vol. 54, No. 4, (Winter), pp. 507-529

Graeber, D. 2011. *Debt: The First 5,000 Years*. New York: Melville House. Pp. 211–221.

Carruthers, BG. 1996. *City of Capital: Politics and Markets in the English Financial Revolution*. Pp. 3–10.

Supervision question: How do popular (mis)conceptions about finance (including money, banks and debt) distort public understanding of political economy?

Week four – Finance and imperialism

Outlining the significance of finance in world-systems, particularly its role in contemporary economic hegemony and imperialism. International capital flows, debt relations, and dependent development. Trade, foreign currency exchange, reserves, and the 'exorbitant privilege' of the US dollar functioning as world money.

Required reading

Wallerstein, I. 2000. *The Rise and Future Demise of the World Capitalist System: Concepts for Comparative Analysis*. New York: The New Press. Pp. 71–105.

Hudson, M. 2003. *Super Imperialism: The Origins and Fundamentals of US World Dominance*. (2nd Ed.) London: Pluto Press. Pp. 377–393.

Wood, RE. 1984. "The Debt Crisis and North–South Relations." *Third World Quarterly*, 6(3), pp. 703–716.

Additional reading

Evans, P. 1979. *Dependent Development: the Alliance of Multinational, State and Local Capital in Brazil*. Princeton: Princeton University Press. Pp. 14-54.

Norfield, T. 2017. *The City: London and the Global Power of Finance*. London: Verso. Ch. 5.

Kentikelenis AE., Stubbs T. and King LP. 2016. "IMF Conditionality and Development Policy Space, 1985–2014." *Review of International Political Economy*, 23(4), pp. 543–582.

Meyer, DR. 1986. "The World System of Cities: Relations Between International Financial Metropolises and South American Cities." *Social Forces*, 64(3), pp. 553–581.

Supervision question: How important is finance to underpinning global North–South/core–periphery relations, and how does it do this?

Week five – Neoliberal Financialisation

Describing the means, effects, and limits of financialisation on non-financial firms. Finance capital in the early 20th century contrasted with more financially autonomous non-financials under neoliberal financialisation. How financial pressures and the hegemony of financial theories, perspectives and metrics affect business models. The new stage of 'financial capitalism' vs the continuity of finance as a core phenomenon of capitalism.

Required reading

Brenner, R., 2003. "Towards the Precipice." *London Review of Books*, 25(3), pp. 18–23.

Epstein, G. 2015. "Financialization: There's Something Happening Here." *University of Massachusetts Amherst Political Economy Research Institute Working Paper Series #394*.

Ritholtz, B. 2009. *Bailout Nation*. Oxford: Wiley. Pp. 89-99.

Additional reading

Marois, T. 2012. "Finance, Finance Capital and Financialization." In Fine, B. and Saad-Filho, A. (eds) *The Elgar Companion to Marxist Economics*. Cheltenham: Edward Elgar. Pp. 138–143.

Palley, T. 2007. "Financialization: What It Is and Why It Matters." *The Levy Economics Institute of Bard College Working Paper Series #525*.

Haldane, A. 2016. "The Costs of Short-Termism." In Jacobs, M. and Mazzucato M. (eds) *Rethinking Capitalism: Economics and Policy for Sustainable and Inclusive Growth*. Oxford: Wiley-Blackwell. Pp. 66-76.

Supervision question: How and to what extent is contemporary capitalism distinct from prior capitalist eras as a result of neoliberal financialisation?

Week six – Financialisation 4: Venture capital: tech and its kingmakers

Venture capital – equity investors into new companies – are the first filter of how our economy will look 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

Mazzucato, M. 2017. *The Value of Everything - Making and Taking in the Global Economy*. London: Allen Lane. (Chapter on VCs)

Kaplan, S. N., and J. Lerner. 2010. "It Ain't Broke: The Past, Present, and Future of Venture Capital." *Journal of Applied Corporate Finance*, 22, 2: 36–47.

Janeway, W. H. 2012. *Doing Capitalism in the Innovation Economy: Markets, Speculation and the State*. Cambridge: Cambridge University Press. (Skip the first part which is mainly autobiographical)

Additional reading

Florida, R and Kenney, M Venture capital-financed innovation and technological change in the USA. *Research Policy*, 17, 119-137

Shapin, S *The Scientific Life: A Moral History of a Late Modern Vocation* (University of Chicago, 2008) Ch. 8

Gompers, P. 1994. The rise and fall of venture capital. *Business and Economic History*, 23, 2: 1-26

Gompers, P et al. 2016. How do venture capitalists make decisions? NBER Working Paper No. 22587

Hellman, T. 2000. Venture capitalists: the coaches of Silicon Valley. In Le, C-M et al (eds) *The Silicon Valley Edge* (Stanford University Press).

Supervision question: Venture capitalists are important for our economy. Discuss.

Week seven (2 Mar) – Consumerism and debt

In this seminar 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 markets classification of borrowers.

Required reading

Hyman, L. (2011). *Debtor Nation: The History of America in Red Ink*. Princeton University Press, (in particular, Chapter 1, Making Credit Modern: The Origins of the Debt Infrastructure in the 1920s, pp. 10-44).

Sparkes, M. (2019). Borrowed identities: Class(ification), inequality and the role of credit-debt in class making and struggle. *The Sociological Review*.

<https://journals.sagepub.com/doi/full/10.1177/0038026119831563>

Fourcade, M. and Healy, K. (2013). Classification situations: Life-chances in the neoliberal era. *Accounting, Organizations and Society*, 38, 559-572.

Video: Harvey, David (2010), 'The Crises of Capitalism', [RSA Animate](#).

Additional reading

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

Soederberg, S. (2014). *Debtfare States and the Poverty Industry: Money, Discipline and the Surplus Population*. Abingdon: Routledge.

Zukin, S. and Smith McGuire, J. (2004). Consumers and consumption. *Ann Rev Sociology*, 30, 173-197.

Zelizer V. 2004. Culture and consumption. In *Handbook of Economic Sociology*, ed. N Smelser, R Swedberg. Princeton, NJ: Princeton Univ. Press. pp. 331-354.

Supervision question: How does class(ification) influence the relationship between consumerism and debt in neoliberal societies?

Week eight – Class, capital and power

Exploring materialist theories of power outside the workplace. Wealth as the economic basis of social and political power, including the class-domination theory of power. Capital as itself a form of socially-organised power, and value as expression/metric of that power.

Required reading

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

Nitzan, J. and Bichler, S. 2009. *Capital as Power: A Study of Order and Creorder*. Abingdon: Routledge. Pp. 1-10, 217-235.

Marx, K. 1902 (1849). *Wage-Labor and Capital*. New York: Labor News Company. Pp. 35-44.

Additional reading

Poulantzas, N. 2000 (1978). *State, Power, Socialism*. London: Verso. Pp. 127-139.

Marx, K. 1965 (1867). *Capital: A Critique of Political Economy*. Moscow: Progress Publishers. Pp. 104-110.

Wang, J. 2018. *Carceral Capitalism*. South Pasadena: Semiotext(e). Pp. 99–150.

Supervision question: How should we understand the relationship between capital, class and power in a capitalist society?