

## **Politics of Capitalism**

Spring Quarter 2025

Instructor: Andrew Roberts  
Office hours by appointment

This course considers how politics affects the economy and the economy affects politics. Its main focus will be on the advanced industrial economies of Western Europe, North America, and East Asia. Major topics to be covered include the normative arguments for and against the market, the development of the west, the welfare state, the role of money in politics, and inequality.

This course has two goals. The first is to introduce students to some of the basic ideas of comparative political economy in the developed world. This includes key events and developments and theories explaining these events and developments. The second goal of the course is to teach students how to think like political scientists. This means that they will develop skills in the rigorous evaluation of normative and positive arguments.

The objectives of this course are the following:

- Students will become familiar with the major theories of political economy.
- Students will learn the key methods for studying political economy.
- Students will learn how to evaluate and critique political science research.

By the end of the course, students should have the ability to follow and understand current events at the intersection of the economy and politics and to think about them as a political scientist would – i.e., to understand their causes, consequences, and desirability.

### **Course Structure:**

The class will use a flipped course structure. Recordings of lectures will be posted and class time will be used for a summary of material, questions on the material, class discussion on posted discussion questions, and class debates.

## **Course Requirements:**

- Participation: Students should participate in class, respond to one discussion question prior to class, and answer quiz questions distributed after class.
- Debate and Short paper: Students should participate in a class debate and complete a short paper (approximately 3-5 pages) taking a position on the debate topic and defending it against criticisms.
- Mid-term and final exam: These will be held in class and include identifications, short answers, and longer essays.

## **Course Evaluation:**

Evaluation in the course will be based on the following exercises

Participation:	20%
Debate & short paper:	20%
Midterm:	30%
Final exercise:	30%

## **Course Outline and Readings**

### **February 19: Organizational Meeting on Zoom**

### **March 12: Market Society**

- Albert Hirschman, "Rival Views of Market Society".
- Sandel, *Justice: What's the Right Thing to Do?*, selections.

### **March 19: Arguments for the Market**

- Friedman, *Capitalism and Freedom*, chapter 1.
- Hayek, *The Road to Serfdom*, selections.

Debate Topic: Are there some things which should not be sold?

### **March 26: Arguments against the Market**

- Polanyi, *The Great Transformation*, selections.

Debate Topic: Should we have a universal basic income?

## **April 2: Origins of Capitalism**

- Koyama and Rubin, *How the World Became Rich*, chapters 7-8.

## **April 9: MIDTERM – In class**

### **PART 2: Contemporary Issues**

## **April 16: Compatibility of Democracy and Capitalism**

- Offe, “Competitive Party Democracy and the Keynesian Welfare State: Factors of Stability and Disorganization”.
- Putterman, “Why Have the Rabble Not Redistributed the Wealth?”.

Debate Topic: Should we have workplace democracy?

## **April 23: Welfare State**

- Pierson, “The New Politics of the Welfare State”.

## **May 7: Public Choice**

- Lopez and Leighton, “Public Choice: How We Choose Bad Policies and Get Stuck With Them, Or Not”.
- Caplan, “The Myth of the Rational Voter: Why Democracies Choose Bad Policies”.

Debate Topic: Does money make people happy?

## **May 14: Inequality and Business**

- Krugman, “Why We’re in a New Gilded Age”.
- Cowen, *Big Business: A Love Letter*, chapter 1.

Debate Topic: Are the Superrich in Control?

## **May 21: FINAL EXAM – In class**

## Readings for Debate Topics

These readings will help get you started. Feel free to look for others or consult with me.

Debate Topic: Are there some things which should not be sold?

- Sandel, "What Can't Be Sold".
- Brennan and Jaworski, "If You May Do It for Free, You May Do It for Money".

Debate Topic: Should we have a universal basic income?

- Surowiecki, "The Case for Free Money".
- Cowen, "My Second Thoughts about Universal Basic Income".

Debate Topic: Should we have workplace democracy?

- Frega and Herzog, "Workplace Democracy – The Recent Debate".
- Tomasi, "Reply to Elizabeth Anderson".

Debate Topic: Does money make people happy?

- Easterlin, "The Happiness Income Paradox Revisited".
- Matthews, "Yes, Money Really Can Buy Happiness".

Debate Topic: Are the Superrich in Control?

- Ansolobehere, Figueredo, and Snyder, "Why So Little Money in Politics".
- Page and Gilens, "Testing Theories of American Politics".