



The Co-Evolution of Markets, Citizens and Politics

László Bruszt and Sven Steinmo
Winter 2010

Thursdays, 11-13, Seminar Room 2

Registration with liz.webb@eui.eu

The course discusses different approaches to the evolution of modern political economies trespassing freely disciplinary boundaries and bringing together topics and approaches that might otherwise be discussed in different classes of economic sociology, political economy, law and economics or institutional economics. The course is explorative and experimental. We want to discuss various approaches to markets that undertake to open up new uncharted territories in the study of political economies going beyond rigid disciplinary boundaries. It is explorative also in that it will try to find links among different approaches to similar topics and investigate possibilities of finding links seemingly unrelated research fields. The course will be organized around two basic themes and will be based partly on the intensive discussion of selected readings and also on debates with invited speakers.

General Framework

The co-evolution of capitalism, politics and society.

Bruszt and Steinmo share a set of common interests but at the same we come from different backgrounds (sociology and political science) and have different substantive expertise (advancing vs. advanced capitalist democracies). Our basic idea in this course is to explore the evolution of markets and capitalism in the past 100 years in dynamic and interactive ways. Perhaps the difference in training and perspective will result in some new insights and/or ways of seeing the interactions between multiple complex evolutionary processes. This, once again, is an experiment.

There are many things we know about the evolution of modern capitalism: Advancing countries made huge shifts in the nature of their societies and economies as they moved from agricultural to industrial to services based economies. At the same time that economic structures changed, social class structures also evolved. Concomitantly, the modern world witnessed the rise and decline of domestically oriented and politically powerful corporations. Credit and banking institutions became more sophisticated and offered more and more advanced mechanisms for servicing and creating consumers and debt. Along with these market changes, there were significant political and social transformations as well: Advanced countries saw a rise and then decline of a self-conscious working class. Political institutions (eg. party systems) were constructed and developed to meet the demands of a new kind of citizen. As welfare state institutions emerged as gender became a political issue. Finally, all modern societies also saw the increased the individuation of society and juridification of social and political issues.

Clearly these multiple facts or processes have much to do with one another. But the nature of our academic world generally puts each of these kinds of topics into discrete boxes and tries to study them independently – even as we know they are inter-dependent. Our goal is to move across and between these boxes.

The course will be divided into broad categories within which we will look to specific topics. Thus in the first half of the course we will examine the evolution of Markets and Market economics. Specifically we

will explore the rise of capitalist economics, banking/finance, and consumers. The second half of the course we begin by looking more directly at political and social concerns such as the evolution of modern notions of citizenship and the increasing legalization or juridification of society. Next we will explore the mechanisms or institutions through which these ideas were implemented and how they themselves have evolved as capitalism and its technologies evolved. Finally, we will examine the social consequences of these institutional and ideational changes by specifically focusing on questions of gender and identity in modern capitalist democracies.

Once again, our aim here is to explore each of these topics NOT as discrete issues, but instead to look across the topics and explore the ways these different 'topics' effect one another as they each have co-evolved. We will bring in other scholars who are experts in various topics as often as possible and them to think outside their own boxes.

* Mandatory readings. Some of the book chapter readings will be available in early January.

Week 1. Introduction:

*Barry Eichengren, "Institutions and Economic Growth," in Nicholas Craft and Gianni Toniolo, *Economic Growth in Europe since 1945*, Cambridge, 1996, pp. 38-72.

* Colin Crouch, "The Making of Contemporary Europe" in Crouch, Colin *Social Change in Western Europe* (European Societies S.) Oxford University Press, 1999.pp. 32-49

Markets and Market economics (Week 2 and 3)

Week 2. The Evolution of regulatory capitalisms

* David Levi-Faur **The Global Diffusion of Regulatory Capitalism** The ANNALS of the American Academy of Political and Social Science 2005 598: 12-32. [\[PDF\]](#)

*David Levi-Faur and Jacint Jordana Regulatory Capitalism: Policy Irritants and Convergent Divergence pp. The ANNALS of the American Academy of Political and Social Science 2005 598:191-197 . [\[PDF\]](#)

*David Levi-Faur and Jacint Jordana *The Rise of Regulatory Capitalism: The Global Diffusion of a New Order* The ANNALS of the American Academy of Political and Social Science 2005 598:200-217. [\[PDF\]](#)

Week 3. The Politics of Banking and Finance

*Zysman, John. Government, Markets, and Growth: Financial Systems and the Politics of Industrial Change. Ithaca: Cornell University Press, 1983. Chapter 1, pp. 11- 54.

*O'Sullivan, Mary ..

Week 4. The politics of market access

*Robert Manning, *Credit Card Nation*, Basic Book, 2003, pp. 1- 66, (chapters 1 and 2).

*Gunnar Trumbull "Consumer Credit and the Politics of Market Access" manuscript

Guseva, Alya and Akos Rona-Tas. 2001. Uncertainty, risk and trust: Russian and American credit card markets compared. *American Sociological Review*, 66 (5), 623-646.

Week 5. Consumers and Credit

*Frank Trentmann, "The evolution of the Consumer," in Sheldon Garon and Patricia Maclachlan, *The Ambivalent Consumer*, Cornell, 2006, pp. 21-44.

*Elizabeth Cohen, "The Consumer's Republic", in Sheldon Garon and Patricia Maclachlan, *The Ambivalent Consumer*, Cornell, 2006, pp. 45-62.

Week 6. Citizenship, Individual Rights

T. H. Marshall, *Citizenship and Social Class*, pp. 1-51

Anne Orloff *Gender and the Welfare State* pp..

Week 7. Law - Legalism - Juridification (Guest speaker: Fritz Kratochwil)

Required readings for this week: t.b.a.

Kelemen RD (2008) The Americanisation of European Law? Adversarial Legalism à la Européenne. *European Political Science* 7, 32–42.

Kagan RA (2007) Globalization and Legal Change: The "Americanization" of European Law? *Regulation & Governance* 1, 99–120.

Week 8-9. Political Parties/Voting Democracy

*Seymour Martin Lipset 1963 "Elections: The Expression of The Democratic Class Struggle" in Lipset *Political Man* Mercury Books London, pp. 220-282

*Herbert Kitschelt, 1994 "The Transformation of European Social Democracy" pp. 1-40.

Week 9. Guest Speaker: Peter Mair

*Mair, Peter. 2006. Ruling the Void? The Hollowing of Western Democracy. *New Left Review* 42 (November-December):25-51.

*Blyth and Katz " From Catch-all Politics to Cartelisation: The Political Economy of the Cartel Party on the political economy of the cartel party" *West European Politics*, Vol. 28, No. 1, 33 – 60, January 2005

Peter Mair, 2009, "Representative versus Responsible Government" MPIfG Working Paper 09/8

Week 10 Conclusion and discussion