

Thinking about Capitalism: Syllabus History 608

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CRN 36196: Class meets Thursday 14:00-16:50 in 475 McKenzie

Office hours: Mon. and Wed. 2:00-4:00 or by appointment

What is capitalism? Where, when and how did it start? Where might it be headed? How have major social thinkers analyzed its virtues and vices, its strengths and weaknesses, its relationship to other social phenomena? These are the questions I want to contemplate in this colloquium. The course will straddle intellectual history, economic history and political economy. I'm an American historian by training, but this course doesn't focus on the United States. Students in History, Sociology, Philosophy, literature and Journalism/Communications are among those who may find this class interesting.

The syllabus below is provisional. It can adapt to meet student interests. I ended up omitting several topics that merit our attention, for instance, "Capitalism, Humanitarianism and Slavery", "Capitalism, Gender and Sexuality", "Capitalism and the Environment", "Capitalism and Religion(s)". We can discuss possible changes at our first session.

Books: I've ordered the following books at UO Bookstore. Used copies of several of them are likely to be available locally or on the web. Older editions of Polanyi, Schumpeter and Friedman will be fine for our purposes. I've put them on reserve in Knight, but I recommend that you obtain them.

Jerry Muller, *The Mind and the Market*

Robert Heilbroner, ed., *Teachings from the Worldly Philosophers*

Karl Polanyi, *The Great Transformation*

Joseph Schumpeter, *Capitalism, Socialism and Democracy*

Milton Friedman, *Capitalism and Freedom*

Readings: (Note: To find items listed as "(Blackboard)", go to the course documents in Blackboard and scroll down to the relevant week.)

Week One—April 3: Definitions and Concepts

Raymond Williams, *Keywords*, "Capitalism", "Bourgeois", and "Class." (**Blackboard**)

Jerry Muller, *The Mind and the Market*, Introduction and Chapter One

Robert Heilbroner, *The Nature and Logic of Capitalism*, Chapters One and Two

(**Blackboard**)

Week Two--April 10: Adam Smith and the "System of Perfect Liberty"

What is the case for what Adam Smith called the "System of Perfect Liberty"? What are the psychological and sociological assumptions behind its justification? What limits did the classical economists see to "perfect liberty" in the economic sphere?

Heilbroner, *Teachings*, Sections II and III (selections from Malthus and Ricardo are optional)

Muller, *The Mind and the Market*, Chapters 2 and 3 (chapters 4 and 5 optional)

Albert O. Hirschman, *The Passions and the Interests*, pp.31-66 of Part One (**Blackboard**)

Week Three--April 17: A Taste of Marx

Neither the classical economists nor Karl Marx (Some consider him a classical economist too, by the way) used the term “capitalism.” However, Marx became both the most powerful critic of capitalism and the most potent analyst of that concept. No week’s reading can do justice to the scope and complexity of Marx’s thought. I assume that you have read the [Communist Manifesto](#). If not, it should go at the top of your Marx reading list. If you have, it wouldn’t hurt at all to look at it again.

[“Wage Labour and Capital”](#), an 1847 pamphlet written for workers. It’s an early attempt to present a theory of the exploitation of labor.

Heilbroner, *Teachings*, Section IV (Marx). This consists primarily of a highly-condensed version of volume I of *Capital*. (If you have already read more [or wish to read more] of Marx’s masterwork, that’s very good.)

(In addition to the Heilbroner synopsis, please try to read chapters 26-31 of volume I of [Capital](#), Marx’s treatment of “Primitive Accumulation.” Chapter 32 is included in the Heilbroner readings; chapter 33, though interesting, is largely a polemic against another author. This will be a jumping off place for Week Four.)

Note: Vast amounts of Marx’s writings, including all of this week’s readings, are available online at <http://www.marxists.org/archive/marx/index.htm>

Muller, *The Mind and the Market*, Chapter 7

Week Four--April 24: Max Weber, E.P. Thompson and others--The Origins of Capitalism

Max Weber, [The Protestant Ethic and the Spirit of Capitalism](#), Chapters 1, 2 and 5. (1905)

(Optional but also valuable is Weber, [General Economic History](#), Part Four, “The Origin of Modern Capitalism,” especially Chapter 30.)

Muller, *The Mind and the Market*, Chapter 9, pp.229-241 on Weber (sections of the chapter on Simmel and Sombart are optional)

E.P. Thompson, [“Time, Work-Discipline and Industrial Capitalism.”](#) (1967)

Stephen Marglin, “What Do Bosses Do? The Origins and Functions of Hierarchy in Capitalist Production” (1974) (Blackboard, coming soon)

[These items are for Week Five but it may be useful if you can read them by Week Four: Fernand Braudel, “The Market Economy and Capitalism,” from *Afterthoughts on Material Civilization and Capitalism* (**Blackboard**)

Immanuel Wallerstein, “Braudel on Capitalism, or Everything Upside Down,” (1991) (**Blackboard**)]

Week Five—May 1: The Great Divergence--How (and When) the West (or parts of it) Grew Rich and Asia (or parts of it) Remained (or became? or was made?) Poor

There’s too much to read here; I’m dividing the entries rather crudely between theoretical and empirical approaches. Please sample at least some from both categories:

1) Theoretically oriented:

Andre Gunder Frank, [“The Development of Underdevelopment”](#) (1966)
Fernand Braudel, “The Market Economy and Capitalism,” from *Afterthoughts on Material Civilization and Capitalism* (1979) (**Blackboard**)
Immanuel Wallerstein, “Braudel on Capitalism, or Everything Upside Down,” (1991) (**Blackboard**)
Wallerstein, *World-Systems Analysis: An Introduction* (2004), chapter 2 “The Modern World System as a Capitalist World-Economy” (**Blackboard**)
Andre Gunder Frank, [preface to *ReOrient*](#), (1998).
Andre Gunder Frank, [“Transitional Ideological Modes: Feudalism, Capitalism, Socialism.”](#)

2) Empirically oriented:

Douglass North and Robert Paul Thomas, [“An Economic Theory of the Growth of the Western World,”](#) (1970) A summary statement of the case that Europe by the seventeenth-eighteenth centuries managed to escape from the "Malthusian trap".

Jan DeVries, [“The Industrial Revolution and the Industrious Revolution,”](#) (1994)
An influential attempt to link European economic growth to changes in household and family organization.

Kenneth Pomeranz, [“Political Economy and Ecology on the Eve of Industrialization: Europe, China and the Global Conjuncture.”](#) (2002) (This is part of a forum on “Asia and Europe in the World Economy.” The rest of the forum is optional.)

P.H.H. Vries, [“Are Coal and Colonies Really Crucial? Kenneth Pomeranz and the Great Divergence.”](#) (2001) This is a detailed review essay of Pomeranz's book, *The Great Divergence*. Between the Pomeranz article above and Vries's essay, you should get an idea of the importance of the issues raised in *The Great Divergence* as well as some of the criticisms it has encountered.

Week Six--May 8: Capitalism, War and Peace, and Imperialism

Karl Marx, *Capital*, volume III, Part 3 ("The Law of the Tendency of the Rate of Profit to Fall"), [chapter 14 \("Counteracting Tendencies"\)](#)

V.I. Lenin, ["Imperialism: The Highest Stage of Capitalism,"](#) (1916) Preface to French and German editions, Chapters 1, 4-7, 10

Karl Kautsky, [“Ultra-Imperialism”](#) (1914)

Andre Gunder Frank, [“The Development of Underdevelopment,”](#) (1966)

Joseph Schumpeter, “Imperialism and Capitalism,” from Schumpeter, *Imperialism and Social Classes* (**Blackboard**)

For critiques of Marxist theories of imperialism, please choose one or more of the following: 1)

David Landes, "Empire and After," chapter 25 of *The Wealth and Poverty of Nations* (**Blackboard**).

2) A.K. Cairncross, "Did Foreign Investment Pay?" a brief evaluation in D.K. Fieldhouse, ed., *The Theory of Capitalist Imperialism*. This is mostly about Great Britain. (**Blackboard**)

3) Patrick O'Brien, ["European Economic Development: The Contribution of the Periphery,"](#) (1982). This article deals mostly with the pre-industrial era and is most relevant to the issues concerning Marx's view of the role of colonies in "primitive accumulation."

Week Seven--May 15: Can market relations hold societies together? Karl Polanyi's 1944 classic argues they cannot.

Polanyi, *The Great Transformation*, chapters 3-6, 9-21 (others optional)

Fred Block, Introduction to the 2001 edition of *The Great Transformation*. If you don't have this edition of Polanyi, please look at Block's article, "[Karl Polanyi and the Writing of *The Great Transformation*](#)" (2003)

Santhi Hejeebu and Deirdre McCloskey, "[The Reproving of Karl Polanyi](#)" (1999)

Week Eight--May 22: Can Capitalism Survive? A Pessimistic Defender of Capitalism and a Sceptic's Case for "Minimalist" Democracy

Schumpeter, *Capitalism, Socialism and Democracy*, Part II and Chapters 21-22

Heilbroner, *Teachings*, section on Schumpeter, pp.297-330 covers some of the same material with brief commentaries.

Muller, *The Mind and the Market*, Chapter 11

Week Nine—May 29: Capitalism and Freedom? Does the market mean liberty? Does government control and regulation mean slavery? Is laissez faire capitalism the only real capitalism?

Heilbroner, *Teachings*, section on John Maynard Keynes, pp.264-296

Friedman, *Capitalism and Freedom*, Introduction and Chapters 1-3, 5, 7-8, 10-13 (chapters 4, 6 and 9 optional)

Friedrich Hayek, "[The Use of Knowledge in Society](#)" (1945)

Muller, *The Mind and the Market*, Chapter 13 (Chapter 12 optional)

Week Ten--June 5: Capitalism, Consumption and Culture

There are two main themes for the final week. First, there is the claim that advanced capitalism, by encouraging consumption, hedonism and egoistic individualism may undermine the virtues that developed it. For this, the readings by Bell, McCloskey and Frank are most relevant. Second, there's the issue of consumer sovereignty and what role consumer goods play in our lives: Galbraith and Baudrillard are the texts for this topic.

Daniel Boorstin, "Welcome to the Consumption Community" in Boorstin, *The Decline of Radicalism* (1969; essay first published in 1967) (**Blackboard**)

Daniel Bell, "The Cultural Contradictions of Capitalism," in Bell and Irving Kristol, *Capitalism Today* (1970), pp.27-57. (This is an early, and somewhat shorter, version of an essay that appeared as chapter one in Bell's 1976 book with the same name as the essay. (**Blackboard**)

Deirdre McCloskey, "[Bourgeois Virtue](#)" (1994)

Thomas Frank, *The Conquest of Cool*, chapter 1. (**Blackboard**)

John Kenneth Galbraith, "The Myth of Consumer Sovereignty," from *The Affluent Society* (1958) (**Blackboard**)

Jean Baudrillard, "Consumer Society", reprinted in Lawrence B. Glickman, *Consumer Society in American History: A Reader* (**Blackboard**)

Requirements: 1) Four short (2-3 pp. suggested) response papers to the readings for an individual week. You can focus on one particular item in the readings or, preferably, comment on and compare two or more of the items. The response papers should be submitted no later than

the week after our discussion of the topic. Choose your weeks on the basis of your interest in the topic but plan to submit at least one of these by Week Four (April 24) of the course. The last should be submitted no later than Wednesday of finals week, June 9.

2) A longer (8-10pp. suggested) essay. This should be a think piece on a broad topic. Aim for the cosmic (if not higher). Some examples: Are capitalism and democracy compatible? Does capitalism destroy community? Can capitalism survive without religious belief? You're encouraged to formulate your own question but I'll be happy to talk with you about it.

This is due by Wednesday of exam week (June 11).

3) Initiate discussion for two sessions. For this, you have two tasks. First, send out a few discussion questions by email to the class the day before the session. Second, at the start of the class, spend a few minutes telling the group about the most intriguing, profound, outrageous, etc. points that the readings raised for you. We'll divide up the weeks at our first session.

Grading: Response papers collectively 40%

Longer essay 30%

Colloquium participation 30%

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