

POLI 4062 COMPARATIVE POLITICAL ECONOMY, FALL 2020  
THE POLITICS OF CAPITALISM

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Virtual Class Meeting: 9:00 – 10:20 am on Tuesdays  
Weekly Quiz: 9:00 – 10:20 am on Thursdays  
Virtual Office Hours: 10:00 – 11:00 am on Wednesdays, or by appointment

Inequality is more important now than ever, for the world is becoming an overtly unequal place. Inequality of both conditions and opportunities is rising around the world to the point where it poses a serious threat to actually existing capitalism. Relentlessly increasing inequality synchronizes with hyper-globalization, a growing number of precarious workers, the creation of burnout society, the deepening of identity politics, the rise of demagogic nationalism, and democratic backsliding. The crux of what's going on in the world today lies in global inequality.

Through lectures and discussions, we will consider answers to key questions, such as: Why are they so rich and we so poor? Why are they so powerful and we so weak? Who are “we” and “they”? How do we compare? What are the historical origins of global inequality? What are the evident consequences of rising inequality around the world? How is material inequality related to ethnic, gender, and racial inequalities? Why are the facts about inequality controversial? Why does inequality matter? Why can't democracy stop outrageous inequality? What is the meaning of labor in this so-called second machine age? What does it all mean to our “everyday life” (*la vie quotidienne*)? Is there any viable alternative? Is the future already here? What is to be done?

This course provides the fundamentals of sociopolitical economy. The course is based on two firm beliefs. First, inequality is essentially a political phenomenon. Another belief is that the politics of development should be understood in terms of capitalism historically embedded in particular conditions. Hence, we study the politics of capitalism. Because the phenomena of growth and inequality are complex and multifaceted, we take a multidisciplinary approach so that our discussions should be based on diverse works from cultural studies, economics, history, philosophy, political science, and sociology. As such, this course has three main purposes: 1) to provide various theories and empirics of growth and inequality and a rigorous analytical framework by which we could properly evaluate them, 2) to equip us with solid understanding of the complex relationships between politics and socioeconomic performances, and 3) to guide us through critical reflection to a possible alternative.

## READINGS

Students are expected to read all the required readings before class (see the reading assignments in the course schedule below). The required readings are books and other forms (articles and books chapters). All the required readings other than books are posted on the course Moodle. Required books are:

1. Piketty, Thomas. 2017. *Capital in the Twenty-First Century*. Harvard University Press.
2. Gilens, Martin. 2014. *Affluence and Influence*. Princeton University Press.
3. Han, Byung-Chul. 2017. *Psychopolitics*. Verso.
4. Van Parijs, Philippe, and Yannick Vanderborght. 2017. *Basic Income*. Harvard University Press.

## REQUIREMENTS

This on-line course is based on both synchronous and asynchronous methods. This means that we will have a virtual class meeting via Zoom for 9:00-10:20 am on Tuesday. Students will take a quiz during the class time for 9:00-10:20 am on Thursday. Power Point slides will be posted after virtual class meetings on Tuesdays, so that students should read them as well as the required readings to prepare for weekly quizzes and exams. Hence, students are expected to join virtual class meetings on Tuesdays, take weekly quizzes on Thursdays, read the Power Point slides as well as the required readings, and write reaction papers (see below). This is an on-line course that moves rapidly, so it is extremely important to pay close attention to the course schedule and check the course Moodle regularly.

1) Attendance (13% = 13 virtual class meetings excluding the first one  $\times$  1% for each class)

As in-person classes, it is imperative to join virtual class meetings regularly in which the texts, topics, and categories are discussed, problematized and critiqued. Attendance will be taken for each class. Students may earn credit for their attendance at each class, while repeated and unexcused absence will cause deduction in student's total grade. Do not record a virtual class meeting under any circumstances, as you do not record an in-person class meeting without permission. I will hold virtual office hours for 10:00-11:00 am on Wednesdays, or by appointment (you are more than welcome to meet with me virtually if you have any questions or concerns). The best way to contact me for a short question is by email. I will make every effort to answer your question in a timely manner usually within 24 hours.

2) Weekly quiz (30% = 10 weekly quizzes  $\times$  3% for each quiz)

A weekly quiz consists of three short questions about concepts, theories, historical events, etc. Each question requires an answer with two to five sentences. It will be posted on Moodle at 9:00 am on Thursday. Students have one hour and twenty minutes to complete and turn it in by 10:20 am on the same day.

3) Three examinations (33% = 10% for the 1<sup>st</sup> exam + 10% for the 2<sup>nd</sup> exam + 13% for the final; the final is not cumulative)

An exam consists of four or five essay questions. Each question requires an answer with four to seven sentences. The exam will be posted on Moodle at 9:00 am on the exam day. Students have one hour and twenty minutes to complete and turn it in by 10:20 am on the same day. The final exam will be held during the official final exam time. The details about the test will be discussed in class later. As an in-person course, you must study in advance in order to do well, since it is impossible to look up answers to each essay question. The exam dates are listed in the course schedule below.

4) Four reaction papers (6% each, total 24% = 4 papers  $\times$  6%)

Students will write total four reaction papers on Piketty, Gilens, Han, and van Parijs & Vanderborght. A reaction paper is a short paper (approximately two to three double-spaced pages), discussing some aspect of the book. In the reaction paper students must briefly summarize and critique the text. Note that "critique" does not mean negative criticism. It means that one must identify some central aspect of the author's analysis, explain why one thinks this aspect is interesting and important, and present *one's own thoughts* about the author's position. I take reaction papers very seriously, for I believe that writing critical reflection requires deep meditation and a high level of intellectual activity. A reaction paper is due on the date scheduled for discussion of the book. The due dates are listed in the course schedule below.

Attendance (13%) + Quizzes (30%) + Exams (33%) + Papers (24%) = Total 100%.

## GRADING SCALE

A+	100 ~ 97	B+	89 ~ 87	C+	79 ~ 77	D+	69 ~ 67	F	59 ~ 0
A	96 ~ 93	B	86 ~ 83	C	76 ~ 73	D	66 ~ 63		
A-	92 ~ 90	B-	82 ~ 80	C-	72 ~ 70	D-	62 ~ 60		

## ACADEMIC INTEGRITY

All students are expected to read and be familiar with the LSU Code of Student Conduct and Commitment to Community, found online at [www.lsu.edu/saa](http://www.lsu.edu/saa). It is your responsibility as a student at LSU to know and understand the academic standards for our community. Examples of academic dishonesty include, but are not limited to: cheating on exams, plagiarizing, buying or selling assignments, altering grades, intentional deception, and collaborating with others without permission. This is an on-line course, so posting test answers on social media or any internet sites during and after the test, and emailing others with test answers during and after the test are strictly prohibited. A student suspected of violating the Code of Conduct will be referred to the Office of Student Advocacy and Accountability.

## POLICY ON DEADLINES

The course takes deadlines seriously, so everyone must adhere to this policy. I recognize, however, that there are legitimate reasons for missing a deadline. If you encounter a problem that prevents you from meeting a deadline, please contact me. I understand that problems can arise, and I will accommodate difficulties that you may encounter. But please be prepared to provide appropriate documentation, such as doctor's note. Makeup exams will not be given unless the instructor is notified in advance and agrees that the absence is a university-excused absence (Note PS-22).

## DISABILITY

The University is committed to making reasonable efforts to assist individuals with disabilities in their efforts to avail themselves of services and programs offered by the University. To this end, LSU will provide reasonable accommodations for persons with documented qualifying disabilities. If you have a disability and feel you need accommodations in this course, you must present a letter to me from Disability Services in 115 Johnston Hall, indicating the existence of a disability and the suggested accommodations.

## DIVERSITY STATEMENT

Diversity is fundamental to LSU's mission and the University is committed to creating and maintaining a living and learning environment that embraces individual difference. Cultural inclusion is of highest priority. LSU recognizes that achieving national prominence depends on the human spirit, participation, and dedicated work of the entire University community. LSU strives to create an inclusive, respectful, intellectually challenging climate that embraces individual difference in race, ethnicity, national origin, gender, sexual orientation, gender identity/expression, age, spirituality, socio-economic status, disability, family status, experiences, opinions, and ideas. LSU proactively cultivates and sustains a campus environment that values open dialogue, cooperation, shared responsibility, mutual respect, and cultural competence – the driving forces that enrich and enhance cutting edge research, first-rate teaching, and engaging community outreach activities.

## THE COURSE SCHEDULE AND SPECIFIC TOPICS

### I. PROBLÉMATIQUE

#### Week 1: August 24-30                      Fundamental Facts

Introduction. Great issues at stake. Conceptualization of the capitalist system. Fundamental facts about the capitalist development. “All that is solid melts into air.” Modern growth. Great divergence and great convergence. Elephant curve. U-shaped curve.

- Read the syllabus carefully.
- Virtual class meeting 1: 9:00-10:20 am on Tuesday, August 25
- No weekly quiz on Thursday, August 27

#### Week 2: August 31-September 6                      Fundamental Puzzle

Material inequality and social inequality. Rising populism and nativist nationalism. Deepening of political polarization. Fundamental puzzle in capitalism. Enigma of capital.

- Virtual class meeting 2: 9:00-10:20 am on Tuesday, September 1
- Quiz 1: 9:00-10:20 am on Thursday, September 3

#### Week 3: September 7-13                      Conceptions and Measurements

GDP as a measure of output. Purchasing power parity (PPP). Human Development Index (HDI). Gini-coefficient as a measure of inequality. Lorenz curve. Kuznets curve.

- Read: Cypher, James. 2014. *The Process of Economic Development*, Chapter 2.
- Virtual class meeting 3: 9:00-10:20 am on Tuesday, September 8
- Quiz 2: 9:00-10:20 am on Thursday, September 10

#### Week 4: September 14-20                      Ideas and Ideologies

Role of idea and ideology. False consciousness. Hegemony. Left-right linear spectrum. Horseshoe spectrum. Major ideologies: liberalism, conservatism, socialism. Minor: anarchism and fascism. New: neoliberalism, feminism, ecologism, religious fundamentalism, and multiculturalism.

- Read: Heywood, Andrew. 2014. *Political Ideologies: An Introduction*, Chapter 1.
- Virtual class meeting 4: 9:00-10:20 am on Tuesday, September 15
- Quiz 3: 9:00-10:20 am on Thursday, September 17

#### Week 5: September 21-27                      Democracy and the Question of Re-presentation

The state and society. Political regime. Meaning of contestation. Suffrage and inclusion. Strategic interactions among relevant political forces. Contingent outcome of conflicts. Miracle of democracy. Re-presentation in capitalist democracy. Simultaneously egalitarian and inegalitarian characteristics.

- Virtual class meeting 5: 9:00-10:20 am on Tuesday, September 22
- First exam: 9:00-10:20 am on Thursday, September 24

## II. THE DYNAMICS OF CAPITALISM

Week 6: September 28-October 4      The Fundamental “Laws” of the Capitalist Development  
Why is Piketty so popular? Capitalism revisited. Classical economics vs. neoclassical economics.  
Critiques of mainstream economics. U-shaped curve revisited. *Trente glorieuse*. Turning-points in history.

- Reaction paper on Piketty is due: 9:00 am on Tuesday, September 29
- Virtual class meeting 6: 9:00-10:20 am on Tuesday, September 29
- Quiz 4: 9:00-10:20 am on Thursday, October 1

Week 7: October 5-11      The Fundamental “Laws” (Continued)  
Conception of capital and wealth. Physical capital vs. human capital. Data. Measurement issues. First and second fundamental “laws.” Elasticity of the substitution between capital and labor.

- Keep reading/consulting Piketty.
- Virtual class meeting 7: 9:00-10:20 am on Tuesday, October 6
- Quiz 5: 9:00-10:20 am on Thursday, October 8

Week 8: October 12-18      Inequality and Growth  
Trade-off between efficiency and equity? Effects of inequality on growth: theoretical formulations.  
Statistical findings. Wealth inequality  $\equiv$  power inequality. Societal fragmentation and social separatism.

- Read: Van der Weide, Roy, and Branko Milanovic. 2018. “Inequality is Bad for Growth for the Poor (but Not for That of the Rich).” *The World Bank Economic Review* 32(3): 507-530.
- Virtual class meeting 8: 9:00-10:20 am on Tuesday, October 13
- Quiz 6: 9:00-10:20 am on Thursday, October 15

Week 9: October 19-25      The Structure of Inequality and Democratic Capitalism  
Importance of inheritance. Patrimonial capitalism. Politics of redistribution. Progressive income tax and global wealth tax. Social state. Generic problems with the mainstream model of comparative statics.

- Keep reading/consulting Piketty.
- Virtual class meeting 9: 9:00-10:20 am on Tuesday, October 20
- Second exam: 9:00-10:20 am on Thursday, October 22

## III. THE POLITICS OF INEQUALITY

Week 10: October 26-November 1      Representative Democracy in an Unequal Society  
Rich, middle class, and poor. Who are the rich? Survey method. Policy preferences and policy responsiveness. “The most unsettling graph in American Politics.” Representational inequality. Interest groups and special interests. Money buys votes and policies. Question of re-representation revisited.

- Reaction paper on Gilens is due: 9:00 am on Tuesday, October 27
- Virtual class meeting 10: 9:00-10:20 am on Tuesday, October 27
- Quiz 7: 9:00-10:20 am on Thursday, October 29

Week 11: November 2-8 Election Week – no meeting, no quiz in this week

Week 12: November 9-15 Representative Democracy in an Unequal Society (Continued)  
Structural dependence of the state on capital. Sociological origins of the state. Capture theory. The state in capitalism vs. the capitalist state. Hegemony revisited. Is democracy “the best possible political shell for capitalism”?

- Keep reading/consulting Gilens.
- Virtual class meeting 11: 9:00-10:20 am on Tuesday, November 10
- Quiz 8: 9:00-10:20 am on Thursday, November 12

Week 13: November 16-22 Neoliberalism as a Political Project  
Liberalism and neoliberalism. Mont Pèlerin Society. Protestivals in the 60s: “*Il est interdit d’interdire.*” Trilateral Commission. Crises of the 70s. From class compromise to class domination. Washington Consensus. TINA (There Is No alternative). Shock doctrine. Privatization. Flexibilization. Financialization. “Never let a serious crisis go to waste.” Strange non-death of neoliberalism.

- Reaction paper on Han is due: 9:00 am on Tuesday, November 17
- Virtual class meeting 12: 9:00-10:20 am on Tuesday, November 17
- Quiz 9: 9:00-10:20 am on Thursday, November 19

Week 14: November 23-29 Sociocultural Conditions of “Everyday Life”  
Disturbing consequences of neoliberal policies. Fundamental liberal dilemma. Market society. “The entrepreneur of the self.” High-risk society. Panopticon society. Burnout society. Liquid society. *La vie quotidienne*. Déjà vu of *Belle Époque*? Power of ideology. Power of big data. Neoliberal subject. Are we living in a more Orwellian or Huxleyian world? “Slow cancellation of the future.”

- Keep reading/consulting Han.
- Virtual class meeting 13: 9:00-10:20 am on Tuesday, November 24
- No weekly quiz on Thursday due to Thanksgiving Holiday

#### IV. WHAT IS TO BE DONE?

Week 15: November 30-December 6 Social Insurance vs. Universal Basic Income  
Why does inequality matter? Unconditionality. Universalism. Funding issues. Pro-poor growth reform. Meaning of work in capitalism. Blueprints: desirability, feasibility, transformability, and sustainability. Envisioning real utopias. Importance of politics as contingency. Walter Benjamin’s “angel of history.”

- Reaction paper on Van Parijs & Vanderborght is due: 9:00 am on Tuesday, December 1
- Virtual class meeting 14: 9:00-10:20 am on Tuesday, December 1
- Quiz 10: 9:00-10:20 am on Thursday, December 3
- Third (Final) Exam: 12:30-2:30 pm on Thursday, December 10