Worldly Philosophers of Capitalism, Democracy, and Development

Department of International Relations, MA course, and Doctoral School of Political Science, Public Policy, and International Relations advanced topic for PhD students, AY 2018-19 Fall Semester
4 credits for MA students, 2 credits for PhD students
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Classroom: tba.
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Course description

This course, open to MA students and as advanced topic for PhD students, introduces participants into the life and work of four major thinkers of the XXth century, Albert O. Hirschman, Alexander Gerschenkron, Karl Polanyi, and Friedrich A. Hayek, whose thoughts remain influential and are widely debated even today. They were all born in elite intellectual and/or grand-bourgeois families in Central or East-Central Europe, but history forced them to live a restless „nomadic” life until they ended up as emigrée intellectuals in the United States. Yet they remained Europeans in more than one way. In their youth they took part and suffered from Europe’s crises, revolutions and world wars, and witnessed the demise of Liberalism or Socialism, and the rise of Nazism and Stalinism. These experiences proved formative for their scholarly preoccupation with the vexing questions and big challenges implied. Besides family and history, European culture also made an impact on their academic profile. They remind of the great minds of the Renaissance in that instead of specializing within one discipline, they took pride in trespassing disciplinary boundaries. This way, they inspired economists, sociologists, and students of international and domestic politics alike. For this reason (and others related to their origins), none of these scholars belonged to the typical inhabitants of the academic „ivory tower”. Rather, they spent long years of their life as policy makers and/or advisors (as Hirschman and Gerschenkron), or even activists or organizers of intellectual movements (like Polanyi and Hayek). Last but not least, notwithstanding their often conflicting political background and scholarly agenda, these scholars knew (of) and in some ways even learned from each other.
The course does not offer a full account of these intellectual oeuvres but focuses on a few grand themes, such as the compatibility and contradiction between capitalism and democracy; the mechanisms causing or preventing economic and political decline; the paths and pitfalls of development in capitalism’s core and periphery; and the political power of ideas. Broadly following this structure, we shall read and discuss excerpts from some of these scholars’ most influential studies. We shall also touch upon their ideas’ origins and critical reception, and on the new research agendas they have inspired including those responding to contemporary problems.
Learning outcomes

The course aims to convince students about the importance of genuine direct engagement with classic thought, help them make their own discoveries, and find their own ways of „standing on the shoulders of giants.” For example, one reviewer noted „Hirschman’s work changes how you see the world. It illuminates yesterday, today, and tomorrow. His categories become your categories.”

The joy of discovering the workings of beautiful minds will energize students to grasp in greater detail their unique intellectual tool-kits, that is, the terms, concepts, and logics they coined and used. These scholars represent originality and character to an extent that it would be hard not to find their visions stimulating, whether or not one identifies with their view of the world. At the same time, they present and/or advocate powerful rival visions of almost all of the big issues we shall study. This should encourage students to develop critical skills and at the same time embrace complexity. (A related message: while it is impossible to be e.g. „Polanyian” and „Hayekian” simultaneously, their intellectual agenda is made clearer by its contrast with the alternative).

Indeed, these conceptual tool-kits are open to new applications – in thesis work or other outlets. Through introducing the scholarship of followers and critics, the course should help students to witness and learn the ways of application and concept development „in action”.

Requirements and grading

MA students:

Presence and active participation in in-class discussions / absence only in case of illness substantiated by medical documents. (15% of final grade)

1 in-class presentation (20 minutes). The presentation may a) point to connections between the required and recommended readings, and/or b) offer criticism, c) highlight the readings’ relevance for a current problem, and d) ask one related question to be discussed with the participants of the course. (15% of final grade)

1 in-class closed book mid-term exam (60 minutes). The exam will test familiarity with the key terms and concepts covered by the required readings during the weeks 1 to 6. (35% of final grade)

1 in-class closed book final exam (60 minutes). The exam will test familiarity with the key terms and concepts covered by the required readings during the weeks 7 to 11 (35% of final grade).

PhD students:

Presence and active participation in in-class discussions / absence only in case of illness substantiated by medical documents. (15% of final grade)
1 in-class presentation (20 minutes). The (preferably powerpoint) presentation must reflect on one of the class topics. The presentation may a) point to connections between the required and recommended readings, and/or b) offer criticism, c) highlight the readings’ relevance for a current problem, and d) ask one related question to be discussed with the participants of the course. (15% of final grade)

1 term essay paper, length 3000 words all included. Topics are to be discussed with the instructor. The presentation may a) point to connections between the required and recommended readings, and/or b) offer criticism, c) and/or highlight the readings’ relevance for a current problem. (70% of final grade)

Topics, required and recommended readings

Week 0
Introduction: course content and requirements

Week 1
Class 1: Greed and money-making - from vice to virtue
Required readings:

Recommended readings:

Class 2: Economic expansion and political order
Required readings:

Week2
Class 1: Four theses on markets and society
Required readings:


Class 2: Applications
Required readings:

**Week 3**

**Class 1:** The „satanic mill” and the social fabric

**Required readings:**


**Recommended readings:**


**Class 2:** The double movement

**Required readings:**

Polanyi, *The Great Transformation*, pp. 130-162

**Recommended readings:**


**Week 4**

**Class 1:** The Great Depression, deadlock of liberal capitalism, and the Fascist solution

**Required readings:**


**Recommended readings:**

Nancy Fraser, „Can Society be Commodities All the Way Down? Post-Polanyian Reflections on Capitalist Crisis.” *Economy and Society* 43. 4: pp. 541-558.

**Class 2:** The collectivist road to totalitarianism

**Required readings:**


**Recommended readings:**
Hayek, *The Road to Serfdom*, pp. iii-xxi.

**Week 5**

**Class 1:** Socialists, Nazis, and other roads to serfdom

**Required readings:**

Hayek, *The Road to Serfdom*, pp. 56-71; 88-100, 167-180.

**Recommended readings:**


**Class 2:** Hayek and Polanyi

**Required readings:**


**Recommended readings:**


**Week 6**

**Class 1:** The post-WWII welfare state against liberty

**Required readings:**


**Recommended readings:**


**Class 2:** The rhetoric of reaction and the practice of neoliberal revolution

**Required readings:**


**Week 7**

**Class 1:** MIDTERM EXAM FOR MA STUDENTS – PHD STUDENTS DON’T HAVE TO ATTEND
Class 2: Economic and political mechanisms of recuperation from repairable lapses

Required readings:


Week 8

Class 1: A theory of loyalty

Required readings:


Recommended readings:


Class 2: Applications of exit, voice, and loyalty

Required readings:


Recommended readings:


Week 9

Class 1: Advantages of backwardness

Required readings:


Recommended Readings:


Class 2: Ideology and socioeconomic systems: Gerschenkron contra Hirschman
Required readings:


Recommended readings:


Week 10

Class 1: The tunnel effect

Required readings:


Class 2: Applications

Required readings:


Week 11

Class 1: Authoritarianism and development

Required readings:

Albert O. Hirschman, „The Turn to Authoritarianism in Latin America and the Search for Its Economic Determinants.” *In his Essays in Trespassing*, pp. 98-135.

Class 2: Applications

Required readings:


Week 12

Class 1: Wrapping up

Class 2: FINAL EXAM FOR MA STUDENTS – PHD STUDENTS DON’T HAVE TO ATTEND