

Political Science 534

Socialism and Transitions to the Market

Spring 2017

Instructor: Professor Gehlbach, 201C North Hall, 263-2391, gehlbach@polisci.wisc.edu

Lecture Time and Location: Tuesday/Thursday, 9:30-10:45, Van Hise 587

Office hours: Tuesday 1:30–3:30. Please see <http://scottgehlbach.net/contact> to schedule an appointment.

Course Website: Available at Learn@UW.

Classlist: polisci534-1-s17@lists.wisc.edu

Overview

This course provides an overview of state socialism, or “communism”—the political and economic system that governed much of the world’s population from 1945 to 1989—and the transition from that system to alternative modes of governance. Lectures and assigned readings will emphasize the experience of Eastern Europe and the (former) Soviet Union, where communism as a system has disappeared most completely, but many of the lessons of transition apply also to China, Vietnam, North Korea, and Cuba. A non-trivial portion of the course covers the nature of communism, as both the tasks and obstacles of transition are determined in part by the character of the previous system. However, the bulk of the material addresses postcommunist policies, institutions, and outcomes.

Reading

There are two assigned books for this course:

Spufford, Francis. 2010. *Red Plenty*. Minneapolis, MN: Graywolf Press.

Treisman, Daniel. 2011. *The Return: Russia’s Journey from Gorbachev to Medvedev*. New York: Free Press.

You will find copies at the University Bookstore and elsewhere. Other readings, listed below, are posted on the course website. I expect all reading for the week to be completed before class on Tuesday—with the exception of the first week of class, when reading should be completed by Thursday.

Grading

Your grade in the course will be based on the following elements:

- (30 percent) Class participation

- (30 percent) Midterm exam
- (40 percent) Paper

The participation grade will be based on attendance, contributions to the class discussion, and performance on weekly quizzes, in equal proportion. Quizzes will be given each Tuesday at the start of class. (Please do not be late for class.) In addition, I will give a quiz toward the beginning of the semester on the geography of (post)communism. At the end of the semester, I will throw out your lowest quiz score.

The midterm exam (**in class, March 16**) will combine multiple-choice, identification, and essay questions. I will have more to say about the paper (due at the **start of class, May 4**) later in the semester.

If you feel that any assignment has been unfairly or improperly graded, then you may request that it be regraded. Your request should be accompanied by a cover letter indicating the source of your concern. I will regrade the *entire* assignment in question, meaning that your revised grade may be either higher or lower than what you originally received, depending on the nature of any errors in the original grading.

Special accommodations

The University of Wisconsin–Madison, and I personally, support the right of all enrolled students to a full and equal educational opportunity. The Americans with Disabilities Act (ADA), Wisconsin State Statute (36.12), and UW-Madison policy (Faculty Document 1071) require that students with disabilities be reasonably accommodated in instruction and campus life. Reasonable accommodations for students with disabilities is a shared faculty and student responsibility. Please inform me by the end of the third week of the semester, or as soon as possible after a disability has been incurred or recognized, if you need instructional accommodations. I will work either directly with you or in coordination with the McBurney Center to identify and provide reasonable instructional accommodations. Disability information, including instructional accommodations as part of a student’s educational record, is confidential and protected under FERPA.

Electronic devices

A substantial body of research (see, e.g., <http://tinyurl.com/z64r3ve>) demonstrates that students learn more when laptops and tablets are not allowed in the classroom. This is the policy of this course. (Consistent with the discussion above, I will make reasonable accommodations for students with disabilities.) In addition, I ask that phones be placed in silent mode and out of view during class.

Conflicts

I will give the midterm examination only at the scheduled date and time (**in class, March 16**). If you anticipate being unavailable when the paper is due (**start of class, May 4**)—for

example, because you will be on university-sponsored travel away from Madison—you should turn in your paper in advance.

Resources

Your first resource if you have a question about the class is the course website, where I will post this syllabus, other handouts, and links to various resources. For certain questions, you will also find your classmates to be an important resource: I have placed a link to the classlist on the course website. For any other matters, please turn to me, either in office hours (which will be appropriate in most cases) or by email (if there is a pressing issue). The material in this course is cumulative, so please do not hesitate to contact me if something is unclear.

Academic Integrity

I have zero tolerance for academic misconduct, and I will respond very severely to any incidents of cheating and plagiarism. You may review the range of possible penalties at:

<https://students.wisc.edu/student-conduct/academic-misconduct-sanctions>

I have a strong preference for penalties at the upper end of the scale. If you have any questions about what constitutes plagiarism, you should ask me before turning in your paper. I have posted a useful document from the Writing Center on avoiding plagiarism on the course website.

Graduate Students

If you are a graduate student planning to take this course for graduate credit, please meet with me the first week of the semester so that we may develop a list of additional readings. Your grade in the course will be based on the following work, which is different from that listed above:

- (25 percent) Class participation
- (25 percent) Midterm exam
- (50 percent) Paper

The research paper, approximately 25 pages in length, should be clearly related to the material in the course. Please meet with me no later than one month before the end of the semester to discuss your topic. I reserve the right to decide that a topic is inappropriate for this course.

Schedule and Assigned Reading

I Orientation and Introduction to Material

January 17/19

Ferguson, Niall. 2006. *War of the World: Twentieth-Century Conflict and the Descent of the West*. New York: Penguin Press. Ch. 6.

II The Classical Socialist System

January 24/26

Red Plenty, Parts One and Two

January 31/February 2

Red Plenty, Parts Three and Four

February 7/9

Red Plenty, Parts Five and Six

III Breakdown

February 14/16: Heterogeneity and Collapse

The Return, Chapters 1, 2, 5

Solnick, Steven L. 1996. “The Breakdown of Hierarchies in the Soviet Union and China: A Neoinstitutional Perspective.” *World Politics*. 48:209–238.

February 21/23: Legacies

Andrew C. Janos. 2000. *East Central Europe in the Modern World: The Politics of the Borderlands from Pre- to Postcommunism*. Stanford: Stanford University Press. pp. 344–60.

Boycko, Maxim and Robert J. Shiller. “Popular Attitudes toward Markets and Democracy: Russia and United States Compared 25 Years Later.” *American Economic Review*. 106(5):224–229.

Alexievich, Svetlana. 2016. *Secondhand Time: The Last of the Soviets*. New York: Random House. pp. 91–106.

Pop-Eleches, Grigore and Joshua A. Tucker. “Communism’s Shadow: Post-communist Legacies, Values, and Behavior.” 2011. *Comparative Politics*. 43(4):379–408.

IV Tasks of Transition and Initial Outcomes

February 28/March 2: Micro- and Macroeconomy

Fischer, Stanley, and Alan Gelb. 1991. "The Process of Socialist Economic Transformation." *Journal of Economic Perspectives*. 5:91-105.

Stone, Randall. W. 2002. *Lending Credibility: The International Monetary Fund and the Post-Communist Transition*. Princeton: Princeton University Press. Chapters 1, 6.

March 7/9: Privatization and Political Economy

The Return, ch. 6

Appel, Hilary. 2004. *A New Capitalist Order: Privatization & Ideology in Russia & Eastern Europe*. Pittsburgh, PA: University of Pittsburgh Press. Chs. 3-4.

Frye, Timothy. 2010. *Building States and Markets After Communism: The Perils of Polarized Democracy*. New York: Cambridge University Press. 1-8, 168-191.

March 14/16: Initial Outcomes

Svejnar, Jan. 2002. "Transition Economies: Performance and Challenges." *Journal of Economic Perspectives*. 16:3-28.

Guriev, Sergei and Ekaterina Zhuravskaya. 2009. "(Un)Happiness in Transition." *Journal of Economic Perspectives*. 23(2): 143-168.

MIDTERM EXAM IN CLASS MARCH 16.

March 28/30: Other Models of (Non)Transition

Montinola, Gabriella, Yingyi Qian, and Barry R. Weingast. 1995. "Federalism, Chinese Style: The Political Basis for Economic Success in China." *World Politics*. 48(1):50-81.

Malesky, Edmund and Jonathan London. 2014. "The Political Economy of Development in China and Vietnam." *Annual Review of Political Science*. 17:395-419.

Haggard, Stephan and Marcus Noland. 2011. *Witness to Transformation: Refugee Insights into North Korea*. Washington, DC: Peterson Institute for International Economics. Chapter 3.

V Institutions

April 4/6: Business-State Relations

Shleifer, Andrei. 1997. "Government in Transition." *European Economic Review*. 41:385-410.

- Markus, Stanislav. 2015. *Property, Predation, and Protection: Piranha Capitalism in Russia and Ukraine*. New York: Cambridge University Press. pp. 47–75.
- Guriev, Sergei and Andrei Rachinsky. 2005. “The Role of Oligarchs in Russian Capitalism.” *Journal of Economic Perspectives*. 19:131–150.
- Earle, John S. and Scott Gehlbach. 2015. “The Productivity Consequences of Political Turnover: Firm-Level Evidence from Ukraine’s Orange Revolution.” *American Journal of Political Science*. 59(3):708–723.
- Treisman, Daniel. 2016. “Russia’s Billionaires.” *American Economic Review*. 106(5):236–241.

April 11/13: Rule of Law

- Hendly, Kathryn, Barry W. Ickes, Peter Murrell and Randi Ryterman. 1997. “Observations on the Use of Law by Russian Enterprises.” *Post-Soviet Affairs*. 13(1):19–41.
- Volkov, Vadim. 1999. “Violent Entrepreneurship in Post-Communist Russia.” *Europe-Asia Studies*. 51:741–754.
- Frye, Timothy, and Ekaterina Zhuravskaya. 2000. “Rackets, Regulation, and the Rule of Law.” *Journal of Law, Economics, and Organization*. 16:478–502.
- Gans-Morse, Jordan. 2017. “Demand for Law and the Security of Property Rights: The Case of Post-Soviet Russia.” *American Political Science Review*. Forthcoming.

April 18/20: Elections and Media Control

- Enikolopov, Ruben, Maria Petrova, and Ekaterina Zhuravskaya. 2011. “Media and Political Persuasion: Evidence from Russia.” *American Economic Review*. 101(7):3253–3285.
- King, Gary, Jennifer Pan, and Margaret E. Roberts. “Reverse Engineering Chinese Censorship: Randomized Experimentation and Participant Observation.” 2014. *Science*. 345(6199):1251722.
- Gehlbach, Scott and Konstantin Sonin. 2014. “Government Control of the Media.” *Journal of Public Economics*. 118:163–171.
- Frye, Timothy, Ora John Reuter, and David Szakonyi. 2014. “Political Machines at Work: Voter Mobilization and Electoral Subversion in the Workplace.” *World Politics*. 66(2):195–228.

April 25/27: Political Transitions

- Hellman, Joel S. 1998. “Winners Take All: The Politics of Partial Reform in Postcommunist Transitions.” *World Politics*. 50: 203–234.

- Fish, M. Steven. 2005. *Democracy Derailed in Russia: The Failure of Open Politics*. New York: Cambridge University Press. Ch. 7.
- Darden, Keith and Anna Grzymala-Busse. 2006. "The Great Divide: Literacy, Nationalism, and the Communist Collapse." *World Politics*. 59(1):83–115.
- Nalepa, Monika. 2010. *Skeletons in the Closet: Transitional Justice in Post-Communist Europe*. New York: Cambridge University Press. Chapter 1.

VI End of Transition? End of Socialism?

May 2/4

The Return, ch. 10

Kornai, Janos. 2006. "The Great Transformation of Central Eastern Europe." *Economics of Transition*. 14:207–244.

Stiglitz, Joseph E. 1994. *Whither Socialism?* Chapter 14.

Shalizi, Cosma. 2012. "In Soviet Union, Optimization Problem Solves You." Red Plenty: A Crooked Timber Book Event. Available at http://www.crookedtimber.org/categories/red_plenty_seminar. pp. 21–45.

PAPER DUE START OF CLASS MAY 4.