

UNIVERSITY OF WISCONSIN-MADISON
Department of History
Semester I, 1988-1989

History 327

Capitalism, Socialism and Democracy
in America Since 1890

Mr. Hollingsworth

A major concern of this course is to analyze the changing nature of American capitalism during the twentieth century and to analyze how it is distinctive as well as similar to that in other highly industrialized, capitalist societies. The course will devote particular attention to class relationships, focusing on the distinctive characteristics of the working-class and capital in the United States. The course will be especially concerned with why the relations between labor and capital in the United States are different from that in other highly industrial societies. The course will also attempt to understand why class relationships have varied from one industrial sector of the economy to another (e.g. steel, automotive, aircraft, computer, agriculture, etc.) and why these relationships have varied over time within the same sector.

Lectures and readings will devote particular attention to the changes in the institutional arrangements which have altered the nature of American capitalism since the late nineteenth century. In addition, the lectures will explore how various institutional arrangements in American society have influenced the performance of the economy.

Finally, the lectures will analyze (1) the political and economic institutions which have emerged in the United States since 1890, and (2) how these institutional arrangements have influenced various types of social and economic policies which have been implemented since the Second World War.

Students in the course should emerge with a good understanding of the (1) inherent tensions between democratic and capitalist institutions, (2) the persisting crises which are inherent in capitalist systems, and (3) why the American economy is performing as it is.

The first part of the course will focus on the social, economic, and political arrangements which had become highly institutionalized by 1945. The second part will focus on how these institutional arrangements placed constraints on the formation and implementation of public policies after 1945. In addition, substantial attention will be devoted throughout the course to analyzing what classes and groups have benefitted by the social, economic, and political arrangements in the United States since 1890.

There is no single textbook which covers the materials in the course. However, each student is advised to purchase James Weinstein, The Corporate Ideal in the Liberal State. Those students who have a deficient background in American history should obtain a general textbook on twentieth century American history and read it along with the specific assignments during the course. Many textbooks will do, but I recommend the following: Norton Chaudacoff, et al. A People and A Nation (Houghton, Mifflin Co.), and John Blum, et al., The National Experience (Harcourt, Brace).

The bulk of the reading will consist of photo-copied essays which you should purchase from one of the photoduplication shops near the campus. These will be prepared in a packet, and the shop which has prepared these will be announced at the beginning of the semester.

As this is a four credit course, there will be frequent discussion sections which each student is expected to attend.

There will be two written assignments during the semester, each being a take-home examination on which you will have several days to work. (It has been my experience that students learn much more from take-home examinations than from in-class exams.) Each take-home examination should be carefully written in essay form and demonstrate a mastery of the subject matter. The first examination will be given on October 27 and will be due November 3. The second exam will be given on December 15 and will be due on December 21. Except in the case of extreme emergency, there will be no incompletes in the course. All work must be completed by the dates indicated above.

It is expected that students can and will express their ideas in clear, English prose. Students having difficulty doing so, or having uncertain writing skills, should make use of the campus writing lab and/or should make use of office hours to discuss their difficulties.

Mr. Hollingsworth and the instructor in your discussion section will be happy to meet with you in order to discuss course materials. Please keep in mind that office hours are held for your benefit, and we hope that you will take advantage of them! However, it is advisable not to take advantage of office hours only at the end of the semester.

Grading Policy:

Class Participation (20 percent)
First Take Home Examination (35 percent)
Second Take Home Examination (45 percent)

Lecture Schedule and Reading Assignments:

Part I: The Failure of Social Democracy and the Structure of American Society, 1890-1945.

September 6: Introduction

1. Rogers Hollingsworth and Robert Hanneman, "Working Class Power, and the Political Economy of Western Capitalist Societies" (Packet)

September 8: The Problem of American Exceptionalism

2. Introductory Essay to Werner Sombart's Why Is There No Socialism in the United States? (Packet)

September 13, 15, 20: The Structure of American Business in the Late 19th and Early 20th Centuries

3. Alfred Chandler, "The Beginnings of Big Business in America" (Packet)
4. Alfred Chandler, "The United States: The Seedbed of Managerial Capitalism" (Packet)
5. Alfred Chandler, "Organizational Innovations" (Packet)

September 22, 27, 29: The Structure of Labor Unions and Labor-Management Relations in the Late 19th and Early 20th Centuries: The Problem of Control

6. John Laslett, "Socialism and American Trade Unionism" (Packet)
7. Melvin Dubofsky, "The Origins of Western Working Class Radicalism" (Packet)
8. John Herling, "Labor Unions in America" (Packet)
9. Melvyn Dubofsky, "Socialism and Syndicalism" (Packet)
10. Katherine Stone, "The Origins of Job Structures in the Steel Industry" (Packet)
11. Harry Braverman, Labor and Monopoly Capital, "Scientific Management" Chapter 4 (Packet)
12. Stuart Brandes, "American Welfare Capitalism" (Packet)
13. David Brody, "American Welfare Capitalism" (Packet)
14. Michael Piore and Charles Sabel, "The Lost Opportunity of Welfare Capitalism" (Packet)

October 4: The Political Economy of Agrarian America

15. Lawrence Goodwyn, "The Alliance Develops A Movement Culture" (Packet)

October 6: Socialism in America

16. James Weinstein, "The Problems of the Socialist Party" (Packet)
17. Daniel Bell, "The Decline of American Socialism" (Packet)

October 11: The Structure and Formation of American Political Machines

18. Readings by James Bryce, Jane Addams, Lincoln Steffens, and Robert Merton (Packet)

October 13, 18: Capitalists and American Politics, 1900-1920

19. James Weinstein, The Corporate Ideal in the Liberal State (purchase at University Bookstore) Chapters 1-4, 6, 8
20. Samuel P. Hays, "The Politics of Reform in Municipal Government" (Packet)
21. Thomas McCraw, "Rethinking the Trust Question" (Packet)

October 20: American Capitalism during the 1920s

22. Ellis Hawley, "Herbert Hoover and American Capitalism" (Packet)
23. Philippe C. Schmitter and Donald Brand, "Organizing Capitalists in the United States" (Packet)

October 25, 27: The Crisis of American Capitalism and the Second World War

24. Barton Bernstein, "The New Deal" (Packet)
25. Theda Skocpol, "Political Response to Capitalist Crisis" (Packet)
26. Ellis Hawley, "The New Deal and Business" (Packet)
(Re-read the paper by Schmitter and Brand)
27. Jil Quadango, "Welfare Capitalism and the Social Security Act of 1935"
(Packet)
28. Exchange between Quadango and Skocpol

November 1, 3: EXAMINATION

Part II: American Political Economy Since 1945

November 8: The Changing Structure of the American Corporation:
Conglomerates and Mergers

29. Alfred Chandler, Strategy and Structure (Packet)
30. Gardner Means, Economic Concentration (Packet)
31. Willard Mueller, "Conglomerate Mergers" (Packet)

November 10: The Dynamics of Multinational Corporations

32. Harry Magdoff, "The Multinational Corporation and Development" (Packet)
33. Stephen Hymer, "The Multinational Corporation and Uneven Development"
(Packet)

November 15: American Labor in Advanced Capitalism

34. Andre Gorz, "Workers' Control Is More Than Just That" (Packet)
35. Stanley Aronowitz, "Trade Unionism and Workers Control" (Packet)
36. "The Alienation of Work" (Packet)
37. Thomas Kochan and Michael Piore, "Will the New Industrial Relations
Last?" (Packet)
38. Michael Piore and Charles Sabel, Re-read assignment 14 of September 29

November 17: The Political Economy of Banks in the U.S.

39. David Kotz, "The Exercise of Finance Control" (Packet)
40. Michael Soref, "The Finance Capitalists" (Packet)

November 22, 29, December 2: The Politics of Growth

41. Alan Wolfe, "The Rise and Fall of Growth Politics" (Packet)
42. Edward Tufte, "The Electoral Cycle and Economic Policy" (Packet)
43. Charles Sackray, "The Poverty of Urban Black People" (Packet)
44. Clair Brown, "Unemployment Theory and Policy" (Packet)
45. Wallace Peterson, "Military Spending and the National Economy" (Packet)
46. Michael Reich and David Finkelhor, "The Military Industrial Complex" (Packet)
47. Michael Reich, "Military Spending and Production for Growth" (Packet)
48. E. Richard Brown, "A Half Century of Medicine in a Corporate Capitalist Society"
49. J. Rogers Hollingsworth, "The Political Economy of Medicine"

December 6: Political and Economic Power in America

50. G. William Domhoff, "The Upper Class as a Governing Class" (Packet)
51. G. William Domhoff, "How the Power Elite Shaped Social Legislation" (Packet)
Re-read Gardner Means, "Concentration in the Economy," assignment of November 8 (Packet)
52. David Vogel, "The Power of Business in America" (Packet)
53. Adolf Berle, "The Fission of Property" (Packet)

December 8: The Welfare State and Distributional Issues

54. Thomas Weisskopf, "Capitalism and Inequality" (Packet)
55. Richard Edwards, "The Politics of Welfare" (Packet)
56. Wallace Peterson, "The Distribution of Income and Wealth" (Packet)
Re-read Hollingsworth and Hanneman, "Leftist Governments, Working Class Power, and the Political Economy of Advanced Capitalist Societies" (Packet)

December 13: The Governance of the American Economy

57. Hollingsworth and Lindberg, "The Governance of the American Economy" (Packet)

December 15: The Changing Nature of the American State

58. "The Expanding Role of the State and Its Fiscal Crisis" (Packet)