17.158
Political Economy of Western Europe

Course Description

Examines role of European states in postwar period of rapid economic growth and current crisis. Includes analysis of different state traditions ("etatist," liberal, authoritarian); government's role in decline of some economies and rise of others; why and where Keynesianism, indicative planning, and state enterprises were introduced; alternative conceptions of contemporary economic problems (new international division of labor? too few producers? oil shock?); and of policies to deal with them (industrial policy? monetarism? protectionism?).

Requirements

Students must do all the reading before attending the class. The course focuses on reading and discussion. The assignments are either

1. two short papers (12-15 pages each) or
2. a major research paper.

Grading

Grading is based mainly on the essays, with some consideration of class participation.

The course focuses on reading and discussion. The assignments are either (1) two short papers (12-15 pages each) or (2) a major research paper. The short paper topics will be distributed Class #6 [due Class #8] & Class #10 [due Class #12].
## Class #1

### Introduction

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## Class #2

### National Traditions of State and Economy: Britain

Samuel Beer, *British Politics in the Collectivist Age*, (Knopf, 1965) chapters 1-3;

Tony Cutler, Karel Williams, and John Williams, *Keynes, Beveridge and Beyond*, (Routledge & Kegan Paul, 1986), Introduction and chapter 1;

Donald Winch, “*Keynes, Keynesianism, and State Intervention,*” and Margaret Weir, “*Ideas and Politics: The Political Sources of Economic Policy,*” both in Peter Hall (ed.), *The Political Power of Economic Ideas: Keynesianism across nations*, (Princeton University Press, 1989) chapters 3, 5;


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## Class #3

### National Traditions of State and Economy: France


Richard Kuisel, *Capitalism and the State in Modern France*, (Cambridge University Press, 1981), chapters 1, 5, 10;

French Documents (xerox);

Class #4  National Traditions of State and Economy: Germany


Gary Herrigel, Industrial Construction, the Sources of German Industrial Power, (Cambridge University Press, 1996), chapters 1-3;


Christopher Allen, “The Underdevelopment of Keynesianism in the FRG,” and Harold James, “What is Keynesian about Deficit Spending,” both in Peter Hall (ed.), The Political Power of Economic Ideas: Keynesianism across Nations, (Princeton University Press, 1989) chapter 9, 10;

Class #5  National Traditions of State and Economy: Italy


Richard Locke, Remaking the Italian Economy, (Cornell University Press, 1995), Chapters 1, 2, 6.

Class #6  Building the Boom: Economic Growth in the Postwar Era


Andrea Boltho (ed.), The European Economy: Growth and Crisis, (Oxford University Press, 1982), chapters Introduction, 1, 10;

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<tr>
<th>Class #7</th>
<th><strong>Building the Boom: The International System and Economic Reconstruction</strong></th>
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<td>Fred L. Block, The Origins of International Economic Disorder: a study of United States international monetary policy from World War II to the present, (University of California Press, 1977) chapters 1-5;</td>
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<td>Alan S. Milward, The European Rescue of the Nation-State, (Routledge, 2000), chapters 1, 2, 4.</td>
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<th>Class #8</th>
<th><strong>From the Golden 1960s to the Crisis of the 1970s: Politics and Economy from the “Trente Glorieuses” to Stagflation</strong></th>
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<th>Class #9</th>
<th><strong>European Capitalism today: Making Europe</strong></th>
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<td>Joseph Weiler, <em>The Constitution of Europe: Do the new clothes have an emperor?</em>, (Cambridge University Press, 1999), chapters 1, 2;</td>
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<td>Giandomenico Majone, (ed), <em>Regulating Europe</em>, (Routledge, 1996) chapters 1-4;</td>
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**Class #10 Varieties of Capitalism**

Peter Hall and David Soskice, *Varieties of Capitalism*, (Oxford University Press, 2001), Introduction;


**Class #11 Globalization and the Future of the Welfare State**


**Class #12 Globalization and European Politics**

Kathleen Thelen, “Varieties of Labor Politics in the Developed Democracies,” in Peter Hall and David Soskice, *Varieties of Capitalism*, (Oxford University Press, 2001), chapter 2;
