

Political Science 287/487: Theories of Political Economy
Instructor: James Johnson (jd.johnson@rochester.edu)
Fall 2015 ~ T-Th 9:40-10:55 * Bausch & Lomb 270
Office Hours Th 3:30-5:00 * Harkness Hall 312 (x5-0622)

"There is little discussion either of the feasibility or desirability of workplace democracy today. ... [Y]et the institution of employment, one of the most central institutions of our society, remains undemocratic." ~ Carole Pateman (2010)

This class is an intellectual experiment prompted by an actual political-economic experiment. Several American cities, including Rochester, are exploring the use of worker cooperatives – firms that are owned and democratically controlled by the people who work in them – both as a remedy for both economic hardship and in hopes of empowering local communities politically. This experiment prompts a whole set of questions at the intersection of political theory and economics. The course occupies that intersection. Mostly I am interested in whether the expectations reformers are placing on worker coops are plausible.

Grading: I do not care what grade you get in the course. I would like you to do well, but that really depends on you. If you do the required work, it is very likely a good grade will follow. If not, it is almost certain that a good grade will not follow. *Please note!* There is no party line in the course, meaning I do not care if you agree or disagree with me, with one another, or with any (or all?) of the readings. I care about your willingness to stick your neck out, to think critically, and to articulate your views clearly both orally and in writing.

Participation: The course will be run primarily as a seminar. Given the nature of the undertaking it is imperative that students be *active* participants in class. That means that I expect students not only to keep up with the reading, but also to read with care and to demonstrate this in class discussions. I encourage this effort in the following way. Each day, at the start of class, I ask one student (selected at random) to initiate and help direct the discussion for that day. This will require that she or he be able to summarize and raise critical questions about the major points of the assigned readings. Each student should anticipate being asked to do this more than once during the course of the semester but, as should be clear, you will receive no forewarning of when that will be.

The point of this scheme is that I expect *all* students to be active participants. I expect students to come to class prepared. That means that you should not only have done the assigned reading, you also should have thought about it, and have comments, criticisms, and so forth. Participation is important! The regularity of your participation and especially your willingness to stick your neck out in seminar discussion will constitute 20% of your grade for the course.

Policy on Attendance: Given the nature of the class attendance is not optional. If you need to miss class for some reason, please let me know.

Policy on Electronic Devices: My policy on electronic devices in class (meaning *any* screen connected to silicon chips) is restrictive. *No cell phones, laptops or tablets in class!* If you have readings, notes etc on your device, download them for reference prior to class.

Written Assignments: Beyond classroom participation there are two formal written assignments for the course.

(1) A case study of one or more worker cooperatives or institution/organization(s) operating to facilitate the formation and operation of cooperatives. See the final page of the syllabus for a list of possible subjects for this assignment. But you are certainly free to identify other possibilities. If you do so you should speak with me about your plans. I will discuss this assignment in more detail in class Tuesday, September 29th. This assignment is due Thursday, October 22nd. Your grade on this assignment will constitute 30% of your overall course grade.

(2) A final paper on a topic related to the topics we cover in the course. I am less interested in the number of pages you submit than in the quality of the argument and evidence you bring to bear on your chosen topic. But since you will undoubtedly obsess about page lengths, think in the area of 15-20 pages. You should speak to me about the subject of your paper no later than Thursday, November 12th. The paper is due December 15th. Your grade on this assignment will constitute 50% of your overall course grade.

Policy on late assignments: Except in the most dire circumstances I very much frown upon late assignments. I will deduct one third of a letter grade for every day either the case study or the final paper are late. (This means if your grade would have been a B+, one day late gets you a deduction to B, two days a deduction to B-, etc.). If you anticipate a problem getting an assignment in on time (due to, say, religious holidays, travel for athletic teams, etc.) please speak to me in advance.

Statement on Academic Honesty: I operate on the assumption that students are familiar with and abide by the College policies on Academic Honesty. If you are not familiar with them please go to the Board on Academic Honesty web page and make yourself familiar. You can find that page here: <http://www.rochester.edu/College/honesty/>.

I will provide specific instructions for each course assignment. In any event, I take a very dim view of cheating and plagiarism and will refer any and all suspected instances to the Board on Academic Honesty. The easiest way to avoid such unpleasantness is to not succumb to temptations to cheat, plagiarize, bend the rules, exploit loopholes, and so forth. As a default, if you are unsure about whether something is “allowed” ask me.

Students with Disabilities: If you have a documented disability of any sort that you believe will impact your ability to meet the expectations laid out above I encourage you to speak with me in person as early in the term as is possible.

Readings

The required reading for this course is difficult and there is a lot of it. It is imperative that you do the reading and that you do so *prior* to class. I have ordered books (marked *) at the University Bookstore. All are readily available from your preferred e-purveyor. I will make other readings available on Blackboard.

Thinking About Political-Economic Development

* Sen, Amartya. 1999. *Development as Freedom*. Knopf.

Western NY as a Developing Country?

Mishel, Lawrence, Josh Bivens, Elise Gould and Heidi Shierholz. 2012. *The State of Working America* (12th Edition). Cornell University Press. [Chapters 2,6,7]
<http://www.stateofworkingamerica.org/subjects/overview/?reader>

Kneebone, Elizabeth, Carey Nadeau, and Alan Berube. 2011. *The Re-Emergence of Concentrated Poverty: Metropolitan Trends in the 2000s*. Metropolitan Policy Program. Brookings Institution. http://www.brookings.edu/~media/research/files/papers/2011/11/03-poverty-kneebone-nadeau-berube/1103_poverty_kneebone_nadeau_berube.pdf

Kneebone, Elizabeth. 2014. *The Growth and Spread of Concentrated Poverty, 2000 to 2008-2012*. Policy Brief. Brookings Institution.
<http://www.brookings.edu/research/interactives/2014/concentrated-poverty#/M10420>

Jargowsky, Paul. 2015. *The Architecture of Segregation: Civil Unrest, the Concentration of Poverty & Public Policy*. Century Foundation.
http://www.tcf.org/assets/downloads/Jargowsky_ArchitectureofSegregation.pdf

Doherty, Edward. 2013. *Poverty and the Concentration of Poverty in the Nine-County Greater Rochester Area*. Rochester Area Community Foundation.
<http://roc.democratandchronicle.com/assets/pdf/A22162251210.PDF>

Doherty, Edward. 2015. *Benchmarking Rochester's Poverty: A 2015 Update and Deeper Analysis of Poverty in the City of Rochester*. Rochester Area Community Foundation.
<http://www.racf.org/Portals/0/Uploads/Documents/Poverty%20Report%20Update%202015-0108.pdf>

Cohen, Cathy and Michael C. Dawson. 1993. "Neighborhood Poverty and African American Politics," *American Political Science Review* 87:286-302.

Anderson, Elizabeth. 2011. "Why Racial Integration Remains an Imperative," *Poverty & Race* 20(4): 1-2,17-19.

Democracy: Publics, Problems, and Pragmatism I

* Dewey, John. 1927. *The Public and Its Problems*. Swallow Press.

Dewey, Jon. 1939. "Creative Democracy: The Task Before Us," in *The Political Writings* Ed. Debra Morris & Ian Shapiro. Hackett.

Knight, Jack and James Johnson. 2007. "The Priority of Democracy: A Pragmatist Approach to Political-Economic Institutions and the Burden of Justification." *American Political Science Review* 101: 47-61.

Democracy: Publics, Problems, and Pragmatism II

* Unger, Roberto Mangabeira. 2009. *The Left Alternative*. Verso.
http://robertounger.com/english/pdfs/left_alternative/complete_text.pdf

Rogers, Joel. 2012. "Productive Democracy." In *Renewing Democratic Deliberation in Europe*. Edited by J. De Munck, *et. al.* Peter Lang.

Worker Cooperatives: A Potential Partial Remedy to Pressing Problems?

Riley, David. 2015. "To Fight Poverty, City Eyes Co-op Businesses," *Democrat & Chronicle* (8 February).
<http://www.democratandchronicle.com/story/news/2015/02/08/rochester-democracy-collaborative-cooperative-businesses-worker-poverty/23090949/>

Palmer, Tim. 2015. *US Worker Cooperatives: A State of the Sector*. Democracy at Work Institute. <http://institute.usworker.coop/resources/us-worker-cooperatives-state-sector>

Kerr, Camille. 2015. A Brief Visual Guide to Understanding Employee Ownership Structures. Democracy at Work Institute.
<http://institute.usworker.coop/sites/default/files/resources/EOStructures.pdf>

Tonnesen, Sara. 2012. "Stronger Together: Worker Cooperatives as a Community Economic Development Strategy," *Georgetown Journal on Poverty Law & Policy* XX: 187-209.

Rogers, Joel. 2013. "Using State and Local Policies," *The Good Society* 22: 91-109.

Alperovitz, Gar, Ted Howard and Thad Williamson. 2010. "The Cleveland Model." *The Nation* (11 February). <http://www.thenation.com/article/cleveland-model>

Epstein, Keith. 2015. "Rebuilding the Rust Belt," *Politico Magazine* (19 February).
<http://www.politico.com/magazine/story/2015/02/what-works-cleveland-115324.html#.VdNqZ0WPib8>

Institutional Mechanisms: Markets, Firms, States

* Lindblom, Charles. 2002. *The Market System*. Yale University Press.

Coase, Ronald. 1937. "The Nature of the Firm," *Economica* 4: 386-405.

Lazonick, William. 2010. "Innovative Business Models and Varieties of Capitalism: Financialization of the U.S. Corporation," *Business History Review* 84: 675-702.

Block, Fred. 2014. "Democratizing Finance," *Politics & Society* 42: 3-28.

Nembhard, Jessica Gordon. 2013. "Community Development Credit Unions: Securing and Protecting Assets in Black Communities," *Review of Black Political Economy* 40:459-490.

Mazzucato, Mariana. 2015. "The Innovative State," *Foreign Affairs* 94:61-8.

Governing the Firm

* Dow, Gregory. 2003. *Governing the Firm: Workers Control in Theory & Practice*. Cambridge University Press.

Problems of Implementation & Transition

Bowles, Samuel and Herbert Gintis. 1993. "A Political and Economic Case for the Democratic Enterprise," *Economics & Philosophy* 9:75-100.

Elster, Jon. 1989. "From Here to There; or, If Cooperative Ownership Is So Desirable, Why are There So Few Cooperatives?" *Social Philosophy and Policy* 6: 93-111.

Fleurbaey, Marc. 2008. "Workplace Democracy as a Public Good," *Revue de Philosophie Économique* 9:110-28.

* Ostrom, Elinor. 1990. *Governing the Commons*. Cambridge University Press.

Arguing Over Workplace Democracy: Philosophy & Politics

* Dahl, Robert. 1985. *A Preface to Economic Democracy*. Berkeley: University of California Press.

Mayer, Robert. 2000. "Is There a Moral Right to Workplace Democracy?" *Social Theory and Practice* 26: 301-25.

Malleson, Tom. 2013. Making the Case for Workplace Democracy: Exit and Voice as Mechanisms of Freedom in Social Life," *Polity* 45:604-29.

Bachrach, Peter and Aryeh Botwinick. 1992. *Power & Empowerment*. Temple University Press. Chapters 2-3, 5-8.

Might Cooperatives "Improve" Workers? Does It Matter?

Mansbridge, Jane. 1999. "On The Idea That Participation Makes Better Citizens." *Citizen Competence and Democratic Institutions*. Edited by K. Soltan & S. Elkin. Penn State Press.

Warren, Mark. 1992. "Democratic Theory & Self-Transformation," *American Political Science Review* 86:8-23.

Greenberg, Edward. 1981. "Industrial Self-Management and Political Attitudes," *American Political Science Review* 75: 29-42.

Mellizo, Phillip, et. al. 2014. "Workplace Democracy in the Lab," *Industrial Relations Journal* 45:313-28.

Dal Bó, Pedro, et. al. 2010. "Institutions & Behavior: Experimental Evidence on the Effects of Democracy," *American Economic Review* 100:2205-2229.

Elster, Jon. 1986. "The Market and the Forum: Three Varieties of Political Theory." In *Foundations of Social Choice Theory*. Edited by J. Elster & A. Hylland. Cambridge University Press.

Chan, Joseph & David Miller. 1991. "Elster on Self-Realization in Work & Politics," *Ethics* 102:96-102.

Precedent? American and African American

* Blasi, Joseph, Richard Freeman and Douglas Kruse. 2014. *The Citizen's Share: Putting Ownership Back Into Democracy*. Yale University Press.

* Nembhard, Jessica Gordon. 2014. *Collective Courage: A History of African American Cooperative Economic Thought and Practice*. Penn State University Press.

Schedule

September

1 Introduction

3 *Sen

8 *Sen

10 Mischel; Kneebone (2); Jargowsky

15 Doherty (2); Cohen-Dawson;
Anderson

17 *Dewey (2)

22 Knight & Johnson; Rogers

24 *Unger

29 Catch-Up (Discuss Case Studies)

October

1 Riley; Palmer; Kerr Tonneson

6 *Fall Break - No Class*

8 Rogers; Alperowitz; Epstein

13 *Lindblom

15 Coase; Lazonick

20 Block; Nembhard

22 Mazzucato – *Case Study Due*

27 *Dow (Chapters 1-7)

29 *Dow (Chapters 8-12)

November

3 Elster; Fleurbaey; Bowles-Gintis

5 *Ostrom (Chapters 1-3)

10 *Ostrom (Chapters 4-6)

12 Catch-Up (Discuss Papers)

17 *Dahl

19 Mayer; Malleon; Bachrach-
Botwinick

24 Mansbridge; Warren; Greenberg

26 *Thanksgiving – No Class*

December

1 Mellizo; Dal Bó; Elster; Chan-Miller

3 *Blasi *et al*

8 *Nembhard

10 Catch-Up

15 *Final Paper Due*

Possible Subjects for Case Study Assignment

Arizmendi Association of Coops (San Francisco, CA) ~ <http://arizmendi.coop/>

Beyond Care (Brooklyn, NY) ~ <http://beyondcare.coop/>

Cincinnati Union Co-op Initiative (Cincinnati, OH) ~ <http://www.cincinnatiunioncoop.org/>

Cooperative Home Care Associates (Bronx, NY) ~ <http://www.chcany.org/>

Democracy at Work Institute (Oakland, CA) ~ <http://institute.usworker.coop/>

Democracy Collaborative (Washington, DC – Cleveland, OH) ~ <http://democracycollaborative.org/>

Equal Exchange (Massachusetts-Minnesota-Oregon) ~ <http://equalexchange.coop/>

Evergreen Cooperatives (Cleveland, OH) ~ <http://evergreencooperatives.com/>

Federation of Southern Cooperatives ~ <http://www.federationsoutherncoop.com/>

Green Worker Cooperatives (South Bronx, NY) ~ <http://www.greenworker.coop/>

ICA Group (New York, NY) ~ www.ica-group.org

Isthmus Engineering & Manufacturing (Madison, WI) ~ <http://www.isthmuseng.com/>

New Era Windows (Chicago, IL) ~ <http://newerawindows.com/>

New York City Network of Cooperatives (New York, NY) ~ <http://www.nycworker.coop/#categories>

Once Again Nut Butter (Nunda, NY) ~ <https://www.onceagainnutbutter.com/>

Small World Foods (Rochester, NY) ~ <http://www.smallworldfood.com/>

Wellspring Collaborative (Springfield, MA) ~ <http://wellspring.coop/>

University of Wisconsin Center for Cooperatives (Madison, WI) ~ www.uwcc.wisc.edu

The Working World (New York, NY) ~ <http://www.theworkingworld.org/us>