Political Science 254  
The Political Economy of Post-Communism  
Spring 2008

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_Course Time and Location:_ Monday/Wednesday/Friday 10:00-10:50, Dewey 4162.

_Office Hours:_ Wednesday 1:00-3:00

_Overview_

Post-communist transition is a historical event leading from a centrally planned to a  
market-driven economy. The course will focus on structural adjustment policies,  
stabilization, privatization, liberalization, and the political economy of transition to a  
market. The primary focus is on transitions from communism in Eastern Europe and the  
former Soviet Union, though many of the topics are relevant to China and other countries.  
Special attention will be given to the links between the economic and political aspects of  
post-communist changes. A substantial portion of the course will cover the nature of the  
socialist system, as the tasks and character of the transition depend on the nature of the  
communist system. Still, most of the material will focus on the process of post-  
communist transition to a market economy and democracy.

_Course Requirements_

Your grade in the course will be based on your performance on an in-class midterm exam,  
a final exam, a country presentation, pop quizzes, and a paper:

- Midterm exam: 25 percent  
- Final exam: 35 percent  
- Country presentation: 10 percent  
- Pop quizzes: 10 percent  
- Paper: 20 percent

I will give you more details about the exams and the paper later in the semester. A little  
more information on the pop quizzes and the presentation.
• **Pop quizzes:** Periodically, I will give you pop quizzes at the beginning of class on that day’s reading. If you have not read the material, the questions will be difficult to answer. For your final quiz grade, I will throw out your lowest score and average the remaining scores.

• **Country presentations:** I will assign everyone in class to one post-communist country. I will try to assign you to a country you prefer to follow. In March or April you will give a short presentation on the country in the 1989-present period. Also, one or two questions in the midterm and the final exam will ask you to apply your knowledge to your country. Checking regularly the news in your country will definitely help you.

**Reading**

There are two textbooks for this course, available at the University Book Store:


The remaining readings will be included in the course readings on reserve.

In addition to assigned readings, students are encouraged to regularly read RFE/RL reports on the former Soviet Union and Eastern Europe, which are distributed five days per week by e-mail. This is one of the best sources available in English, and there is no charge for the service.

No reading.

I The Socialist System

**Week 1**

The Classi Five-Block Socialist System, Block I: Power and Ideology

Kornai 3, 4 (numbers refer to chapters)

**Bloc II: Property, Block III: Coordination**

Kornai 5, 6.1-6.5
Week 2

Bloc IV: Motivation of Actors
Kornai 7, 8.1, 8.4-8.9

Block V: Economic Phenomena
Kornai 9.1-9.5, 9.8-9.9; 10.1-10.2

Week 3


Collapse and Reform
Kornai 16, 24.1-24.2

Week 4

Film

II Transition

Simultaneous Political and Economic Transitions


Week 5

Tasks of Transition and Sequence of Economic Reforms


Liberalization, Stabilization, and the Output Fall

Week 6

Contracts, courts and property rights


Thomas F. Remington, Politics in Russia (New York: Addison-Wesley Longman, 1999), Chpt. 7.


Week 7

Privatization


Shleifer, Andrei, and Daniel Treisman. (MIT Press, Cambridge Massachusetts 2000), Without a Map, Ch. 1

Week 8

Film

Privatization, Corporate Governance, and Enterprise Restructuring


Week 9

Government Collapse and Economic Performance

Organized Crime


Corruption

Hellman, Joel S., Geraint Jones and Daniel Kaufmann, 'Seize the State, Seize the Day': State Capture, Corruption, and Influence in Transition. (Washington, DC: World Bank Institute, 2000)

Week 10

Democracy and reform


**Week 11**

**Democracy and Reform Continued**

Student Presentations

China
