Political economy of post-communist world

IR 216
Monday, Wednesday, Friday, 10–10, 50
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Communism, since its inception, should have created a completely new, better world and a better man. The whole communist world was supposed to become uniform. However, the creation of uniformity failed and instead of this, the states went their own ways. Each of the states used different tactics in its transition from socialist society. The process resulted into a variety of social and political regimes, from such authoritative regimes with non-market economies as in Uzbekistan, Turkmenistan or Belarus on one side to market economy democracies in Central Europe. It is based on the assumption that the changes in the state’s economy are never purely economic and that broader explanation tools must be employed.

The course combines topical and territorial approaches. Therefore, the first classes of each section (communism, transformation, post-communism) cover general topics in a comparative perspective while others elaborate the specific situation in the countries/regions. Nevertheless, it is not our aim to investigate the situation in each country in detail. We will also follow current events in the broad area so students are encouraged to follow news from the region. The topic of each of the classes may change in accordance to our needs; however, the weekly topics are firm.

Course objectives
Students should have knowledge of the transition process in the communist countries after absolving this course. We will discuss various topics, ranging from the nature of the communist economies themselves (what was different, what was the same as in market economies), through possible explanations (note, not exhaustive), why the transition towards a market economy went in the way it went, and what were and are the relations among the post-communist states.

After absolving this course, students should be able to:

- Understand the interrelations between economy and politics in the post-communist world
- Critically evaluate narratives, political and economic turnarounds
• Orient themselves in the pros and cons of the transformation strategies in their broad perspectives.
• Analyze the current events from a deeper perspective.

Course requirements:
Each section (communism, transformation, post-communism) will be finalized with the short test based on the readings and the discussions. Participation in the discussions is expected and its part of the evaluation. Students will also submit a final paper of approximately 6000 words. The proposals of the final papers (up to one page long) must be concluded until February 11, 2013. Its topic should cover more than two countries. Papers should follow the rules of academic work, using footnotes etc. Structure, clarity, persuasiveness of the argument, factual accuracy or sources used will be among the most important criteria for evaluation. The deadline for the submission of the final paper is May 6, 2013 (email or paper form). Students are also required to write one book review (up to 2000 words) of a book you choose (not from the required books). The book must cover topics on more than two countries. Ability to highlight the book’s strengths and weaknesses, clarity of the argument and the ability to “get” the main idea will be considered. The deadline for the review is April 15, 2013.

• Tests: 10%
• Final exam 20%
• Participation: 10%
• Final paper: 50%
• Book review 10%

Note that ignoring any part of the evaluation (with the exception of participation) leads to “fail” grade. The scale is 100-90% – A, 89-80 – B, 79–70 – C, 69 – 60 – D, less than 60 – F.

Prerequisites
No previous training in economy or other fields is required.

Academic honesty
All the texts submitted should follow the rules of academic honesty. Please, be sure that any sources used are quoted properly and that all the sources used are mentioned in the bibliography etc. Any violation of these rules will result in sanctions according to the University of Rochester:

Readings
All obligatory readings may be obtained from the licensed databases (usually Proquest, Ebsco or Ebrary) of the University of Rochester (with the exception of Drahokoupil, Myant). Students are expected to find and download them individually. Additional materials will be placed to Blackboard along with the slides from the classes. Obligatory readings for each class are adjoined to their respective classes. The list of further readings follows the list of classes.

Required reading:
Drahokoupil Jan, Myant Martin, Transition Economies: Political Economy in Russia, Eastern Europe and Central Asia, John Wiley and son, 2011. (purchase suggested)


White, Stephen, Communism and Its Collapse. Routledge, 2001 (online-ebrary)

Further readings
There is huge a number of books and papers dealing with the topic. I suggest the following academic journals: Problems of Post Communism, Europe-Asia Studies, Communist and Post-Communist Studies, and many others. Factiva database is extremely useful for daily press. There are also some analytical webpages dealing with the area (Jamestown foundation, Radio Free Europe etc.). The list will be constantly updated, therefore, students are encouraged also to contribute to it.


Syllabus

Week 1: Introduction
1. January 16 Course objectives, introduction – readings assigned
2. January 18 Communism, socialism, people's democracy, command economy basic terminology, its specifics,

Week 2: What was Communism?
The main objective of the week’s work is to discuss the main features of communist regimes. It gives a basic understanding of the phenomena of communism and socialism.
3. January 21 Martin Luther King Day – No classes
4. January 23 Marxism, Marxism-Leninism
   a. Communist manifesto,
5. January 25 Political economy of communism-basic relations

Week 3: How it developed?
The week deals with the problems of setting the communist regimes, their varieties, and reforms. Why did the reforms collapse? What was so-called “Gulash socialism” or “Socialism with a human face”? How to understand the soft budget constraints?

6. January 28 Installment of communist regimes in the Soviet Union, Eastern Europe and Asia
7. January 30 Reforms, New Economic mechanism, Prague spring
8. February 1 Teng Xiao-peng reform
Week 4: How did Communism collapse?
Real existing socialism, perestroika, glasnost.

9. **February 4 Economic stagnation**

10. **February 6 Perestroika**

11. **February 8 Why the system crashed?**

Week 5: Transformation – theoretical framework
What was the theoretical basis for transformation? What was the previous experience?

12. **February 11 Test – Political economy of communism (based on the weeks 1-4)**

13. **February 13 Washington consensus**

14. **February 15 Politics and economy**

Week 6: Transition
Practical implementation of the reforms.

15. **February 18 Strategies of reforms**

16. **February 20 Privatization, stabilization, liberalization – why some states chose**

17. **February 22 National roads towards capitalism**
Week 7: Reforms and democracy
Do reforms need democracy? To what extent?

18. February 25 Reform and democracy

19. February 27 Reform and democracy

20. March 1 Informal structures

Week 8: Specifics of European post-Soviet economies

21. March 4 Russia’s economic transition

22. March 6 Ukraine

23. March 8 Belarus

Week 9: Spring break
No classes during the period.

Week 10: Specifics of post-communist economies
24. March 18 Caucasus

25. March 20 Central Asia – from communist past to oriental despotism

26. March 22 Post-Soviet integration

Week 11: Politics in the post-communist world

27. March 23 Test – post-communist transition (based on the weeks 5–10)

28. March 25 Peculiarities of the post-communist systems

29. March 27 Corruption, informal practices

Week 12 Role of state in the economies

30. April 1 State capture

31. April 3 Welfare states


32. April 5 Social policies in post-communism


Week 13: Integration and disintegration

33. April 8 Integration and fragmentation,


34. April 10 The Role of the EU in Eurasia


35. April 12 The role of Russia in the post-Soviet space


Week 14: Financial crisis

36. April 15 Russia – a normal country?


37. April 17 Ukraine – economic slump

38. April 19 Central Europe

Week 14: Is transition over?

39. April 22 China, Vietnam

40. April 24 Energy as a policy tool?

41. April 26 is transition over?
   a. Konstantin Sonin The end of economic transition Lessons for future reformers and students of Reform, *Economics of Transition*, Volume 21(1) 2013, 1–10

Week 15

42. April 29 post-communist nostalgia

1. May 1 conclusions of the course – Does politics influence economy or vice-versa?
   a. No assigned readings
Suggested internet sources:

Analytical
- Central Asia Caucasus Analyst: http://www.cacianalyst.org/
- The Jamestown Foundation (news and analyses) http://www.jamestown.org/programs/edm/
- Eurasianet.org

News
- Ria Novosti (English version) http://en.ria.ru/

Supportive materials
- Oligarchic democracy? http://www.osw.waw.pl/sites/default/files/Prace_42_EN.pdf

Video sources
- Interview with Mikhail Saakashvili, http://www.youtube.com/watch?v=PxZWpoNs5E0
- The lost world of communism http://www.youtube.com/watch?v=3dFdKjht3k
- Stephen Blank lecture on Central Asia http://www.youtube.com/watch?v=CS1RXZr81KM
- Sergei Plekhanov: Russia and the West After the Cold War, http://www.youtube.com/watch?v=ciJPe9oFsTU

In Russian