# MOSCOW STATE INSTITUTE OF INTERNATIONAL RELATIONS (MGIMO-UNIVERSITY)

# School of Governance and Politics Department of Political Theory

"Approved"

Dean of the School of Governance and Politics

\_Henry T. Sardaryan

# THE POWER AND THE MARKET: GENESIS OF SYMBIOSIS AND TRENDS OF DEVELOPMENT

The course "The Power and the Market: Genesis of Symbiosis and Trends of Development" is developed in compliance with MGIMO-University Educational Standard for Master's Program on Political science, program track «GR and international lobbying» (dual program of University of Florence and MGIMO-University).

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Kirill Ye. Koktysh, PhD, Associate Professor

The program is approved by Political Theory Department (protocol № <u>7</u> , date of approval: <u>73, April</u> 2019).
Head of Political Theory Department  Professor Tatiana Alekseeva (Doctor in Phil.)
Director of MGIMO-University Library
Marina Resetnikova

<sup>@</sup> Koktysh K. Ye., 2019

<sup>@</sup> MGIMO-University, 2019

#### Part 1. Course description

#### 1.1. General information

Full course title: The Power and the Market: Genesis of Symbiosis and Trends of

Development

**Type of course**: Elective

Level of education: Master Degree program

Year of study:

Number of ECTS credits allocated: \_\_\_

Lecturer: Kirill Ye. Koktysh, PhD, Associate Professor

Office hours:

# 1.2. Course aims and expected outcomes

The course is aimed at the basic introduction to a sensitive matter of what the market of power and the power of market are: how they work, how they can merge, and with what results to a political system. Course takes both theoretical and historical dimensions, so students are supposed to get an understanding of the nature of the process of exchange of social capitals and problems of their calculation, get an acquaintance with basic theories, and learn the historical background that actually formed the modern reality.

The course is a logical continuation of a block of disciplines that shapes students' understanding of modern mechanisms of state and business management, decision-making and rule-establishing process in the state and corporate environment, as well as contemporary trends in political life.

Proposed methods of structural political analysis and interdisciplinary approach will enrich students with practice-oriented skills. Acquired intellectual baggage should enable them to define acting mechanisms of the decision-making process in mixed environments, identify key stakeholders, map the possible conflicts of interests, and predict the probable trends and scenarios.

#### **Learning outcomes:**

At the end of the course, a student is expected to:

#### know:

the basic types of social capitals and models of their exchange;

historical and contemporary models of symbiosis of business and power;

#### be able to:

identify type of acting social contract;

reveal existing imbalances;

#### gain skills in:

mapping stakeholders and key contradictions between them;

identify ying trends and crafting own strategy.

#### 1.3. Course requirements and grading plan

Students are supposed to attend no less than 90% of seminars and lectures and be fully prepared for class discussions. Moreover, students are expected to read suggested materials that may assure their ability to make necessary and useful contribution to in-class discussions. Furthermore, students are supposed to prepare and present at least one case-study (social capitals markets, type of social contract, etc.), thus demonstrating their ability to use given methodology tools.

# Grading plan:

10% - in-class test (the exact date of the test is decided by lecturer, students are informed about the date in advance);

40% - participation in class discussion;

30% - in-class individual presentation (presentation should include an independent research conducted by a student; presentation take no more than 15 minutes);

20% - oral final discussion on the given list of topics ("zachyot")

# 2. Course content

# 2.1. Forms of work

Forms of work	Academic hours	Credits
Total	84	2
Total for lectures, seminars	18	
Lectures	6	
Seminars	12	
Homework	66	
(self-preparation, presentation-		
related research)		
Course assessment	Work at seminars,	
	In-class	
	presentations,	
	Final oral discussion	

# 2.2. Discipline contents

Units and topics	Academic hours			
	Lectures	Seminars	Homework	Per
				topic
1. Political institution: what it is	2	0	2	4
and how it works. Types of				
political institutions. Phenomena				
of social capitals and political				
process.				
2. Power, influence and money:	2	0	2	4
different "root tools" of different				
types of political institutions.				
"Exchange rate" of social				
capitals.				

3. "Voice", "exit", "loyalty": types of social contracts.  Correlation between type of dominating institution and type of contract.	2	2	12	16
4. Exchange markets of social capitals of 19 <sup>th</sup> century: Free trade as key to the world power.	0	2	12	14
5. Exchange markets of social capitals of 20 <sup>th</sup> century: American corporatism as key to the world power.	0	4	14	18
6.1. Emerging exchange markets of social capitals of 21st century:  Confucianism vs Western approaches	0	2	12	14
6.2. Emerging exchange markets of social capitals of 21st century: BRICS and Indian concept of moral economy	0	2	12	14
Total	6	12	66	84

## 2.3. Course in briefs

# Unit 1. Political institutions and social capitals

Institution as a set of fixed rules (North). What makes the rules stable? Different understandings of what merit is. Social status as a measure of merit. Types of institutions: decision-making, rule-making, commercial. George Dumezil and his concept of symbolic political figures – chieftain, priest, merchant.

What political metaphor is? (Lakoff). Metaphor as a tool of goal-setting. Ontological, axiological and practical dimensions of metaphor. Type of metaphors. Political power of metaphor.

What social capital is? Social capitals according to Pierre Bourdieu (education, social status, culture and knowledge). Social capitals according to Robert Putnam (interpersonal trust). Relative value of social capitals in internal turnout in different types of corporations.

# **Topic 1. Political institutions and social capitals**

# Issues for further discussion:

- 1. Institutional rational choice.
- 2. Epistemological "path-dependence" of metaphor.
- 3. Means of obtaining social status in different political systems.
- 4. Culture as mean of valuation of different types of social capitals.
- 5. Hierarchy of social capitals and type of development.

#### Compulsory readings

- 1. Arrighi, Giovanni The long twentieth century: money, power, and the origins of our times. London: Verso, 2010.
- North D.C. Institutions, Institutional Change and Economic Performance.
   Cambridge: Cambridge University Press; 1990. Database: eBook Academic Collection (EBSCOhost)

1.

# Additional readings

- 1. George Lakoff and Mark Johnson. Metaphors We Live By. The University of Chicago Press, 1980.
- 2. Бурдье Пьер, Социальное пространство: поля и практики: Пер. с фр. / Сост., общ. ред. пер. и послесл. Н.А. Шматко. СПб. : Алетейя; М. : Институт экспериментальной социологии, 2005.

- 3. Бурдье Пьер, Социология социального пространства / Пер. с фр., общ. ред. Н.А. Шматко. СПб.: Алетейя; М.: Ин-т эксперим.социологии: Алетейя, 2005.
- 4. Дюмезиль Ж. Верховные боги индоевропейцев. М., 1986.
- 5. Патнэм Р. Чтобы демократия сработала. Гражданские традиции в современной Италии. М.: Ad Marginem, 1996.

#### Unit 2. Power, influence and money

Basic metaphors of different types of institutions: security, public goods, commodity. "Great power to give names": change of system of values with change of metaphor. Means of metaphor's promotion, limits of their expansion.

Variations in hierarchies of corporate social capitals and determined (intensive or extensive) types of development.

Political architecture as combination of basic types of political institutions. "Exchange rate" of social capitals (Etziony). Overvaluation and devaluation of social capitals. Merges and acquisitions of different types of corporations and consequences. Effect of simulacrum (Jean Baudrillard).

#### **Topic 1. Power, influence and money**

## Issues for further discussion:

- 1. Dilemmas of moral economy.
- 2. Bargaining between corporations of different type: structure of possible.
- 3. The emergence of simulacrum.
- 4. Historical cases of intensive/extensive types of development, key drivers.

## Compulsory readings

1. Arrighi, Giovanni The long twentieth century: money, power, and the origins of our times. London: Verso, 2010.

2. North D.C. Institutions, Institutional Change and Economic Performance.

Cambridge: Cambridge University Press; 1990. Database: eBook Academic Collection (EBSCOhost)

## Additional readings

- Etzioni A. Modern Organizations. Englewood Cliffs, N.J.: Prentice-Hall, 1964.
- 2. Etzioni A. The Moral Dimension: Toward a New Economics. N. Y.: The Free Press. 1988.
- 3. Бодрийяр Ж. Симулякры и симуляция = Simulacres et simulation : [ориг. изд. 1981] / пер. О. А. Печенкина (2008). Тула : Тульский полиграфист, 2013.
- 4. Бурдьё Пьер, Практический смысл / Пер. с фр.: А.Т. Бикбов, К.Д. Вознесенская, С.Н. Зенкин, Н.А. Шматко; Отв. ред. пер. и Послесл. Н.А. Шматко. СПб.: Алетейя, М.: «Институт экспериментальной социологии», 2001 г.
- 5. Сергеев В.М. Сетевые аспекты проблем обучения в социальных науках : монография : учеб.-метод. пособие для гуманит. вузов и фак. / В. М. Сергеев, А. А. Казанцев, К. Е. Коктыш ; МГИМО(У) МИД России. Москва : Проспект, 2010.

# Unit 3. "Voice", "exit", "loyalty": types of social contracts.

Hirschman theory of social contracts. Types of contracts: "voice", "exit", "loyalty". Value of different social capitals withing the framework of different social contracts. Correlation between type of social contract and type of dominating political institution.

Corruption of social contracts and their renewal. Growth: trends and limits withing different types of social contracts.

Material and non-material assets. Types of contracts and means to value different types of assets.

# Topic 1. "Voice", "exit", "loyalty" types of social contracts Issues for further discussion:

- 1. Renaissance as revaluation of non-material assets.
- 2. Privatization of power versus nationalization of business: case studies.
- 3. Type of social contract in post-war Sweden/Italy/Great Britain/USA

#### Compulsory readings

- 3. Arrighi, Giovanni The long twentieth century: money, power, and the origins of our times. London: Verso, 2010.
- 4. North D.C. Institutions, Institutional Change and Economic Performance.

  Cambridge: Cambridge University Press; 1990. Database: eBook Academic Collection (EBSCOhost)

1.

#### Additional readings

- 1. Хиршман Альберт. Выход, голос и верность: Реакция на упадок фирм, организаций и государств. М.: Новое издательство, 2009. 156 с.
- 2. Сергеев В.М. Сетевые аспекты проблем обучения в социальных науках : монография : учеб.-метод. пособие для гуманит. вузов и фак. / В. М. Сергеев, А. А. Казанцев, К. Е. Коктыш ; МГИМО(У) МИД России. Москва : Проспект, 2010.

# Unit 4. Exchange markets of social capitals of 19th century

Hobbes conception of property and sense of existence of power. James Mill, his conceptualization of colonialism and liberty. John Stuart Mill and Manchester school: conceptualization of free trade. Free trade and economic calculation of consequences (Fergusson). Expansion of merchant metaphor, transformation of international law and emergence of British Empire. "Metaphysical essence of world market" (Arrighi) and structure of bargaining between business and powers.

# Topic 1. Exchange markets of social capitals in the 19th century

#### Issues for further discussion:

- 1. British conception of state and business symbiosis.
- 2. French conception of state and business.
- 3. German conceptualization of state and business.

#### Compulsory readings

- 5. Arrighi, Giovanni The long twentieth century: money, power, and the origins of our times. London: Verso, 2010.
- 6. North D.C. Institutions, Institutional Change and Economic Performance.

  Cambridge: Cambridge University Press; 1990. Database: eBook Academic Collection (EBSCOhost)

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## Additional readings

- 1. Mill James. The History of British India, 3 vols., 1817.
- 2. Милль Дж. С. О свободе / Пер. с англ. А. Фридмана // Наука и жизнь. 1993. № 11. С. 10-15; № 12. С. 21-26.
- 3. Samuel Hollander, The Economics of John Stuart Mill. University of Toronto Press, 1985
- 4. Ferguson, Niall. Empire: How Britain Made the Modern World. London: Allen Lane, 2003

# Unit 5. Exchange markets of social capitals of 20th century

American corporatism versus British free trade: how support of protection paved the way for the USA for global domination. Transnational corporations and structure of their bargaining with sovereign states. American concept of liberty. Economic dimension of the Woodrow Wilson's concept of freedom of nations.

Marshall' plan and structure of bargaining between the USA and European countries. Churchill and Truman bargaining with Saudi Arabia. Post-war system of American world domination.

President Trump and the end of the "global era". Change of deal between state and business in the USA. Structure of the new deal.

# Topic 1. Exchange markets of social capitals after World War I Issues for further discussion:

- 1. How the USA struggled the British domination?
- 2. The evolution of Woodrow Wilson's stance towards empire: from "optimum from" to "prison of nations".
- 3. Structure of American gain with the collapse of continental empires.
- 4. Structure of American deal with newly emerged European states.

# Topic 2. Exchange markets of social capitals after World War II *Issues for further discussion:*

- 1. Marshall plan: what was the gain of American business?
- 2. "Oil deal" with the Saudi Arabia.
- 3. Structure of Italian win under the Marshall plan.
- 4. Structure of British lost under the Marshal plan.

# Compulsory readings

- 7. Arrighi, Giovanni The long twentieth century: money, power, and the origins of our times. London: Verso, 2010.
- 8. North D.C. Institutions, Institutional Change and Economic Performance.

  Cambridge: Cambridge University Press; 1990. Database: eBook Academic Collection (EBSCOhost)

# Additional readings

1.

Григорьев О. В. Эпоха роста. Лекции по неокономике. Расцвет и упадок мировой экономической системы. / Олег Григорьев. – М.: Карьера Пресс, 2014. – 448 с.

- 2. Уткин А. И. Дипломатия Вудро Вильсона. М.: Международные отношения, 1989. 322 с.
- 3. Etzioni A. Winning Without War. Garden City, N.Y.: Doubleday, 1964.
- 4. Niall Fergusson. Colossus: The Rise and Fall of the American Empire. Gardners Books, 2004.

## Unit 6. Emerging exchange markets of social capitals of 21st century

China and Confucianism: art of balance against Western approaches. Structure of ontology. Deduction and revealing the imbalances. China's deal between state and business of Deng Xiaoping and of Xi Jìnpíng. Belt and Road initiative and Chinese deals with sovereign states. American-Chinese trade war under president Trump.

India: induction and art of re-conceptualization. Re-thinking of the BRICS metaphor according to actual political needs. BRICS metaphor and deal with national business. Indian concept of moral economy.

# Topic 1. Exchange markets of social capitals of 21<sup>st</sup> century: China *Issues for further discussion:*

- 1. Synthesis of Confucianism and Marxism of Mao Zhedong.
- 2. Transformation of ideology by Deng Xioping.
- 3. Chinese initiative of Belt and Road: new role of Europe?

# Topic 2. Exchange markets of social capitals of 21<sup>st</sup> century: India *Issues for further discussion:*

- 1. Buddhism, Hinduism and other pillars of Indian modernization.
- 2. Indian mechanisms of harmonization of private and common interests.
- 3. Structure of deal between state and business in India.

#### Compulsory readings

9. Arrighi, Giovanni The long twentieth century: money, power, and the origins of our times. London: Verso, 2010.

10.North D.C. Institutions, Institutional Change and Economic Performance.

Cambridge: Cambridge University Press; 1990. Database: eBook Academic Collection (EBSCOhost)

#### Additional readings

- 1. Confucius. The Lun Yu. Режим доступа: [http://www.confucius.org/flipbook-eng/mobile/index.html]
- 2. Лукьянов А. Е. Лао-цзы и Конфуций: Философия Дао. М.: Восточная литература, 2001. 384 с.
- 3. Сергеев В.М. БРИК политическая реальность посткризисного мира? Новые возможности для России // В.М. Сергеев, Е.С. Алексеенкова, К.Е. Коктыш, К.Е. Петров, Е.С. Чимирис, А.С. Орлова. М., МГИМО МИД РФ, Аналитические доклады, 2010. Режим доступа: [https://mgimo.ru/files2/y02 2011/180840/ad-24.pdf]

## 3. Methodical provisions

#### 3.1. Presentation topics.

Students choose topics for presentation by their own and with advice and consent of lecturer. Possible topics should cover historical and contemporary deals between state and business in different countries.

# 3.2. Questions for final oral discussion.

- 1. Types of political institutions, social capitals and political architectures.
- 2. Tools to value material and non-material assets in architectures of differere types.
- 3. Type of social contract and actual markets.
- 4. Economic and political dimensions of the free trade conception.
- 5. Definition of liberty by J.S. Mill and structure of deal between British merchant and local authorities.
- 6. Re-conceptualization of what liberty is with Woodrow Wilson concept of nation. What was the American gain?

- 7. Marshall plan and American post-war domination.
- 8. Structure of trade conflict between the USA and China.
- 9. President Trump and the "pause" in the "revolving door practice".
- 10. Why Trump cancelled global projects of president Obama? Who wins?
- 11. Concept of balance against concept of national interests: strengths and weaknesses.
- 12. Brining non-material assets (as moral economy) into capitals turnout: mechanisms of growth.

## 3.3. Assessment of different types of works

Type of work	<b>Grading system</b>	Criteria	
in-class test	A (90-100%)	Student answered correctly 9 or more	
		questions out of 10.	
	B, C (75-89%)	Student answered correctly 7-8	
		questions out of 10.	
	D, F (60-74%)	Student answered correctly 5-6	
		questions out of 10.	
	E (less than 60%)	Student answered correctly less than 5	
		more questions out of 10.	
participation in	A (90-100%)	Outstanding presentation of	
class discussion,		independent work, active participation	
in-class individual		and critical participation in the	
presentation		discussion	
	B (82-89%)	Outstanding presentation of	
		independent work with limited	
		participation in the discussion.	
	C (75-81%)	Standard (sufficient) presentation with	
		limited participation in the discussion.	
	D (67-74%)	Standard presentation with no	

		participation in the discussion.	
	E (60-66%)	Standard presentation with visible	
		errors and no participation in the	
		discussion.	
	F (less than 60%)	Lack of understanding of the subject in	
		the presentation and discussions	
final oral	A (90-100%)	Thought-provoking and informed	
discussion on the		answers to the questions in the ticket	
given list of topics		and two additional questions.	
("zachyot")			
	B (82-89%)	Student gives correct answers to	
		questions in the ticket and two	
		additional questions.	
	C (75-81%)	The correct answers to the questions in	
		the ticket and to two additional	
		questions are given, provided there are	
		inaccuracies and occasional gaps in	
		knowledge.	
	D (67-74%)	The right answers for ticket questions	
	,	are combined with inaccurate answers	
		to additional questions.	
	E (60-66%)	The correct answer to one of the ticket	
	, , ,	questions and one additional question.	
	F (less than 60%)	Incorrect answers to ticket questions	
	, , , , , , , , , , , , , , , , , , , ,	and additional questions.	
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## 4.1. Bibliography

#### Compulsory readings

- 1. Arrighi, Giovanni The long twentieth century: money, power, and the origins of our times. London: Verso, 2010.
- North D.C. Institutions, Institutional Change and Economic Performance.
   Cambridge: Cambridge University Press; 1990. Database: eBook Academic Collection (EBSCOhost)

#### Additional readings

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- 3. Etzioni A. The Moral Dimension: Toward a New Economics. N. Y.: The Free Press, 1988.
- 4. Etzioni A. Winning Without War. Garden City, N.Y.: Doubleday, 1964.
- 5. Ferguson, Niall. Empire: How Britain Made the Modern World. London: Allen Lane, 2003
- 6. Fergusson, Niall. Colossus: The Rise and Fall of the American Empire. Gardners Books, 2004.
- 7. George Lakoff and Mark Johnson. Metaphors We Live By. The University of Chicago Press, 1980.
- 8. Mill James. The History of British India, 3 vols., 1817.
- 9. Samuel Hollander, The Economics of John Stuart Mill. University of Toronto Press, 1985
- 10. Бодрийяр Ж. Симулякры и симуляция = Simulacres et simulation : [ориг. изд. 1981] / пер. О. А. Печенкина (2008). Тула : Тульский полиграфист, 2013.

- 11. Бурдьё Пьер, Практический смысл / Пер. с фр.: А.Т. Бикбов, К.Д. Вознесенская, С.Н. Зенкин, Н.А. Шматко; Отв. ред. пер. и Послесл. Н.А. Шматко. СПб.: Алетейя, М.: «Институт экспериментальной социологии», 2001 г.
- 12. Бурдье Пьер, Социальное пространство: поля и практики: Пер. с фр. / Сост., общ. ред. пер. и послесл. Н.А. Шматко. СПб.: Алетейя; М.: Институт экспериментальной социологии, 2005.
- 13. Бурдье Пьер, Социология социального пространства / Пер. с фр., общ. ред. Н.А. Шматко. СПб.: Алетейя; М.: Ин-т эксперим.социологии: Алетейя, 2005.
- 14. Григорьев О. В. Эпоха роста. Лекции по неокономике. Расцвет и упадок мировой экономической системы. / Олег Григорьев. М.: Карьера Пресс, 2014. 448 с.
- 15. Дюмезиль Ж. Верховные боги индоевропейцев. М., 1986.
- 16. Лукьянов А. Е. Лао-цзы и Конфуций: Философия Дао. М.: Восточная литература, 2001. 384 с.
- 17. Милль Дж. С. О свободе / Пер. с англ. А. Фридмана // Наука и жизнь. 1993. № 11. С. 10-15; № 12. С. 21-26.
- 18.Патнэм Р. Чтобы демократия сработала. Гражданские традиции в современной Италии. М.: Ad Marginem, 1996.
- 19.Сергеев В.М. БРИК политическая реальность посткризисного мира? Новые возможности для России // В.М. Сергеев, Е.С. Алексеенкова, К.Е. Коктыш, К.Е. Петров, Е.С. Чимирис, А.С. Орлова. М., МГИМО МИД РФ, Аналитические доклады, 2010. Режим доступа: [https://mgimo.ru/files2/y02\_2011/180840/ad-24.pdf]
- 20. Сергеев В.М. Сетевые аспекты проблем обучения в социальных науках : монография : учеб.-метод. пособие для гуманит. вузов и фак. / В. М. Сергеев, А. А. Казанцев, К. Е. Коктыш ; МГИМО(У) МИД России. Москва : Проспект, 2010.

- 21. Уткин А. И. Дипломатия Вудро Вильсона. М.: Международные отношения, 1989. 322 с.
- 22. Хиршман Альберт. Выход, голос и верность: Реакция на упадок фирм, организаций и государств. М.: Новое издательство, 2009. 156 с.

# 5. Material and technical support

Technical equipment is necessary for this course. Computer, projector, Microsoft PowerPoint sofware are needed for both lectures and seminars. Students may need access to Internet.