SOCIOLOGY 345
REGULATION

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Wed: 5:30-8:20, Eliot 317
Office hours: by appointment
Fall 2009

Course description: How can we construct a regulatory state in the 21st century without simply going backwards, repeating what look like the past’s mistakes, or getting mired in antiquated debates over “market” versus “state?” The collapse of financial markets and the risks it poses for growth and well-being have dramatically signaled the limits of the neo-liberal project. Regulating capitalism is firmly back on the agenda. This course addresses the problem of regulation and its design from a historical and interdisciplinary perspective. It will begin with the Chicago School critique of economic regulation. It will use that critique as a foil for critically reexamining both the rise of regulation in the Progressive and New Deal eras and the “deregulation” movement of the late 20th century. It will then focus on the startling array of regulatory forms currently under consideration, ranging from regulation by information, private and public certification schemes, and cap and trade systems, to self-regulatory systems, “soft law,” and deliberative or experimentalist governance. Throughout, we will develop three critical themes: how regulation makes rather than interferes with markets; how to design regulatory arrangements that upgrade rather than suppress competition; and how decisions about regulation are decisions about the kinds of economies, economic development and industrial orders we will pursue.

Course prerequisites: Sociology 211; sophomores, juniors and seniors who have taken Economics 201, Political Science 210 or 220; or consent of the instructor.

Reading and writing assignments: This is a reading- and discussion-intensive course whose success depends critically on students’ preparation and active participation. We will cover a great deal of ground in this course, and the readings will vary, requiring participants to absorb and gain mastery over a range of theoretical perspectives, important historical developments, and information about a variety of regulatory cases and forms. This will require a collective “piecing-together” of arguments, evidence, historical developments and cases within the conference. It is also cumulative in character, so falling behind or failing to prepare for conference is not an option.

To deepen engagement with critical issues and foster group discussion, students will also undertake a semester long research project analyzing regulation in a particular industry or of a particular form. This project is designed to help students develop some expertise regarding a specific case of regulation. For this project, students will write a series four two to four page memos over the course of the semester and a short final paper. In these memos, students will describe the case or form of regulation at issue, treat the key problems to which regulation was designed to respond, consider the political and institutional sources regulation, and develop policy suggestions for reform, applying
theory and arguments from our readings to the case were relevant. For this project, students will also make regular presentations during an hour set aside during each weekly class to workshop student projects. Memos and presentations will be announced at least a week in advance.

**READING ASSIGNMENTS**

**PART I: THEORETICAL APPROACHES, THE PROGRESSIVE IMPULSE AND THE NEW DEAL**

**Week 1: September 2**

*Cartel-Capture Theory: “Revisionism,” The Chicago School and Beyond*


**Week 2: September 9**

*Market Failures, Regulation as Reform, and Fits between Markets and Forms*


**Week 3: September 16**

*Economic Sociology, “Neo-Polanyism,” and Regulation as Market Making*


Week 4: September 23

Institutional Analyses and Cross-National Varieties of Regulation


Week 5: September 30,

Constructivist Experimentalism: Institutionalism (and Revisionism) Revised


PART II: NEOLIBERALISM, GLOBALIZATION AND THE END OF REGULATION?

Week 6: October 7

Neo-liberalism and its Paradoxes of “Deregulation” I


Week 7: October 14

*Neo-liberalism and its Paradoxes of “Deregulation” II*


**Fall break**

Week 8: October 28

*Globalization I: Race to the Bottom or Trading Up?*


Week 9: November 4

*Globalization II: Regulatory Diffusion and Transnational Governance*


OR


**PART III:**
**NEW REGULATORY FORMS IN THE 21ST CENTURY**

**Week 10:** November 11

*Cap and Trade*


**Week 11:** November 18

*Regulation by Information: Disclosure, Certification, Ranking and Rating I*

**Week 12**: Monday November 23

*Regulation by Information: Disclosure, Certification, Ranking and Rating II*


**Week 13**: December 2

*Soft Law, Self-Regulation and Experimentalist Governance I*


**Week 14**: December 9

*Soft Law, Self-Regulation and Experimentalist Governance II*


