

University of Hamburg  
Chair of Comparative Politics  
Prof. Dr. Vera Eva Troeger  
Instructor: Verena Fetscher  
Fall 2019

# Topics in Comparative Political Economy

Syllabus

Monday, 14 October 2019 - 27 January 2020, 18.15pm - 19.45pm

VMP 5; WiWi 0079

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## Course Outline

The seminar examines central topics in comparative political economy research. Students will learn the analytical skills to understand the relationships affecting individuals, political and economic institutions and policy outcomes. Through reading, writing, and seminar participation, they will evaluate concepts, theoretical approaches, and empirical research most relevant to the field.

One of the seminal questions in the study of politics: Who gets what, when and how? Comparative political economy focuses on the comparative study of distributional outcomes across countries by assessing differences in the relationships among individuals, institutions and the economy. Why are some countries wealthier than others? Why do some democracies redistribute more than others? What is the relationship between inequality and growth? Why do some people want more redistribution than others? In the first half of this seminar, students will systematically assess these and other questions in a way that prepares them to conduct their own research projects in the second half of the seminar.

# Requirements

**Readings.** You must read the assigned literature (marked with \*) thoroughly before class. Readings are diverse and cover a wide span of topics. Learning takes place through a critical and active engagement with the course material.

When you read the literature, answer the following questions (if applicable):

- What is the political phenomena that the author is interested in?
- What is the research question?
- What is the theoretical argument?
- Which hypotheses do(es) the author(s) propose?
- How are the central concepts operationalized?
- Which methodological approach do(es) the author(s) use in order to test the hypotheses empirically?
- How is the empirical model estimated?
- What are the empirical results?
- Do the results support the hypothesis?
- Which conclusions do the authors draw?
- Are you convinced that the empirical tests prove the theory? Why, why not?

**Criticism.** Evaluate strengths and weaknesses of the readings. Be prepared to discuss one or two points of criticism in class.

**Short Essays.** During the semester, you will write 3 short essays. The purpose of the essays is to present your own argument which builds on the readings on a specific topic. Guidelines:

- Introduction: Motivate the topic
  - Present the main phenomena of interest.
  - Refer to political phenomena of current interest, debates in the literature, theoretical puzzles, etc.
  - Preview the argument you are going to make.
- Analytical summary of the readings: Give structure to the readings relevant for your topic.
  - What are the general ideas? The general findings? Give structure to the readings.
  - Is there something important the authors have missed? This is where your discussion starts.

- Argument
  - Your paper makes a single argument or a number of related arguments.
  - Be clear: Define the concepts you are working with and how they relate to each other.
  - Use empirical material (facts, numbers, history) to back your argument.
  - Go beyond a summary of the readings.
- Conclusion
  - Summarize your main points.
  - Anticipate possible weaknesses your audience might raise.
  - Discuss counterarguments and limitations of your argument.

In addition to the questions listed above, you may focus on the following points when elaborating your own argument:

- What did the authors miss?
- Are there alternative ways to measure the theoretical concepts?
- Are there alternative empirical tests for the theory and why would it be important to do them?
- Can the theory be applied elsewhere?
- Does the observed relationship depend on some other variable?
- How does the theory work at different levels of aggregation?

Essays should be no longer than 3-4 pages (1,5 spaced, Times New Roman 12pt, formatted as justified text) and be sent to the instructor no later than Friday, 5pm, before the respective session.

**Absences.** You are expected to attend every class. Please inform me in advance if you will not be able to attend a session. The class is organized in a cumulative manner, it is necessary for you to catch up with the material in case of missing a session.

*Please note that the fulfillment of the previous requirements, as well as regular attendance, is necessary in order to be accepted to take the module exam.*

**Cheating.** The University's minimum penalty for plagiarism is to fail the course. Cheating or plagiarism can lead to expulsion (Exmatrikulation) from the University.

**Suggestions.** Suggestions for improvement are welcome at any time.

**Office hours.** Tuesdays, 10.00 am - 12.00 am. By appointment.

# Schedule

|             |                                  |
|-------------|----------------------------------|
| October 14  | Introduction                     |
| October 21  | Theories of Economic Growth      |
| October 28  | Democracy and Capitalism         |
| November 4  | Welfare State Regime             |
| November 11 | Varieties of Capitalism          |
| November 18 | Parties and Electoral Politics   |
| November 25 | Skill and Class                  |
| December 2  | Business and Organized Interests |
| December 9  | Changes in Advanced Capitalism   |
| December 16 | Preferences for Redistribution   |
| December 23 | Christmas Break                  |
| December 30 | Christmas Break                  |
| January 6   | Preferences and Institutions     |
| January 13  | Identity and Immigration         |
| January 20  | Income Mobility                  |
| January 27  | Research Project Discussion      |

## Session 1: Introduction

Paul M. Kellstedt and Guy D. Whitten. 2018. *The Fundamentals of Political Science Research*. 3rd ed. Cambridge: Cambridge University Press *Ch.1*

Georg Menz. 2017. *Comparative Political Economy: Contours of a Subfield*. Oxford University Press *Ch.1*

Adam Przeworski. 2003. *States and Markets: A Primer in Political Economy*. Cambridge University Press *Ch.1*

James E Alt and K Alec Chrystal. 1983. *Political Economics*. Vol. 2. Univ of California Press *Ch.1*

## Session 2: Theories of Economic Growth

\* Daron Acemoglu, Simon Johnson, and James A. Robinson. 2001. “The Colonial Origins of Comparative Development: An Empirical Investigation.” *American Economic Review* 91 (5): 1369–1401

\* Douglass C North and Barry R Weingast. 1989. “Constitutions and Commitment: The Evolution of Institutions Governing Public Choice in Seventeenth-Century England.” *The Journal of Economic History* 49 (4): 803–832

Daron Acemoglu et al. 2018. “Democracy Does Cause Growth.” *Journal of Political Economy* 127, no. 1 (September): 47–100

Daron Acemoglu and James A Robinson. 2012. *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*. Crown Books

David Y. Albouy. 2012. “The Colonial Origins of Comparative Development: An Empirical Investigation: Comment.” *American Economic Review* 102 (6): 3059–76

Daron Acemoglu, Simon Johnson, and James A. Robinson. 2012. “The Colonial Origins of Comparative Development: An Empirical Investigation: Reply.” *American Economic Review* 102 (6): 3077–3110

Stephen Knack and Philip Keefer. 1997. “Does Social Capital Have an Economic Payoff? A Cross-Country Investigation.” *Quarterly Journal of Economics* 112 (4): 1251–1288

## Session 3: Democracy and Capitalism

\* Torben Iversen and David Soskice. 2019. *Democracy and Prosperity: Reinventing Capitalism Through a Turbulent Century*. Princeton University Press *Please read: Introduction*

\* Thomas Piketty. 2014. *Capital in the Twenty-First Century*. Cambridge, Mass. [u.a.]: The Belknap Press of Harvard Univ. Press *Please read: Introduction*

\* Walter Korpi. 1985. “Economic Growth and the Welfare State: Leaky Bucket or Irrigation System?” *European Sociological Review* 1 (2): 97–118

Ben W. Ansell and David J. Samuels. 2014. *Inequality and Democratization: An Elite-Competition Approach*. New York, N.Y.: Cambridge University Press

Daron Acemoglu and James A. Robinson. 2006. *Economic Origins of Dictatorship and Democracy*. Cambridge and New York: Cambridge University Press

Carles Boix. 2003. *Democracy and Redistribution*. Cambridge Studies in Comparative Politics. Cambridge, UK and New York: Cambridge University Press

Adam Przeworski and Michael Wallerstein. 1988. "Structural Dependence of the State on Capital." *American Political Science Review* 82 (1): 11–29

## Session 4: Welfare State Regimes

- \* John S Ahlquist and Christian Breunig. 2012. "Model-Based Clustering and Typologies in the Social Sciences." *Political Analysis* 20 (1): 92–112 *Please skim*
- \* Walter Korpi and Joakim Palme. 1998. "The Paradox of Redistribution and Strategies of Equality: Welfare State Institutions, Inequality, and Poverty in the Western Countries." *American Sociological Review* 63 (5): 661–687
- \* Gota Esping-Andersen. 1990. *The Three Worlds of Welfare Capitalism*. Cambridge: Polity Press *Ch. 1-5*

Wil Arts and John Gelissen. 2002. "Three Worlds of Welfare Capitalism or More? A State-of-the-Art Report." *Journal of European Social Policy* 12 (2): 137–158

## Session 5: Varieties of Capitalism

- \* Peter A. Hall and David W. Soskice. 2001. *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage* [in eng]. Oxford Scholarship Online. Oxford: Oxford University Press *Please read: Introduction*
- \* Margarita Estevez-Abe, Torben Iversen, and David Soskice. 2001. "Social Protection and the Formation of Skills: A Reinterpretation of the Welfare State." In *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*, edited by Peter A. Hall and David Soskice, 145:145–183
- \* Peter A Hall and Kathleen Thelen. 2009. "Institutional Change in Varieties of Capitalism." *Socio-economic review* 7 (1): 7–34

Walter Korpi. 2006. "Power Resources and Employer-Centered Approaches in Explanations of Welfare States and Varieties of Capitalism: Protagonists, Consenters, and Antagonists." *World politics* 58 (2): 167–206

## Session 6: Parties and Electoral Politics

- \* Thomas R Cusack. 1999. "Partisan Politics and Fiscal Policy." *Comparative Political Studies* 32 (4): 464–486

- \* Torben Iversen and David Soskice. 2006. “Electoral Institutions and the Politics of Coalitions: Why Some Democracies Redistribute More than Others.” *American Political Science Review* 100 (02)

Walter Korpi and Joakim Palme. 2003. “New Politics and Class Politics in the Context of Austerity and Globalization: Welfare State Regress in 18 Countries, 1975-95.” *American Political Science Review* 97 (3): 425–446

Raymond M. Duch and Randolph T. Stevenson. 2008. *The Economic Vote : How Political and Economic Institutions Condition Election Results*. Cambridge, United Kingdom: Cambridge University Press

Michael S. Lewis-Beck and Mary Stegmaier. 2000. “Economic Determinants of Electoral Outcomes.” *Annual Review of Political Science* 3, no. 1 (June): 183–219

Christopher J. Anderson. 2007. “The End of Economic Voting? Contingency Dilemmas and the Limits of Democratic Accountability.” *Annual Review of Political Science* 10, no. 1 (May): 271–296

## Session 7: Skill and Class

- \* Jane Gingrich and Silja Häusermann. 2015. “The Decline of the Working-Class Vote, the Reconfiguration of the Welfare Support Coalition and Consequences for the Welfare State.” *Journal of European Social Policy* 25, no. 1 (January): 50–75
- \* David Rueda. 2005. “Insider–Outsider Politics in Industrialized Democracies: The Challenge to Social Democratic Parties.” *American Political Science Review* 99 (1): 61–74

Daniel Oeasch and Line Rennwald. 2018. “Electoral Competition in Europe’s New Tripolar Political Space: Class Voting for the Left, Centre-Right and Radical Right.” *European Journal of Political Research* 57, no. 4 (November): 783–807

## Session 8: Business and Organized Interests

- \* Michael Becher, Daniel Stegmueller, and Konstantin Käppner. 2018. “Local Union Organization and Law Making in the US Congress.” *The Journal of Politics* 80, no. 2 (February): 539–554
- \* Sung Eun Kim and Yotam Margalit. 2017. “Informed Preferences? The Impact of Unions on Workers’ Policy Views.” *American Journal of Political Science* 61, no. 3 (July): 728–743
- \* Mancur Olson. 1982. *The Rise and Decline of Nations*. Yale University Press *please skim Ch. 1-3*

Gary S. Becker. 1983. “A Theory of Competition Among Pressure Groups for Political Influence.” *The Quarterly Journal of Economics* 98 (3): 371–400

Avinash Dixit and John Londregan. 1996. “The Determinants of Success of Special Interests in Redistributive Politics.” *the Journal of Politics* 58 (4): 1132–1155

## Session 9: Changes in Advanced Capitalism

- \* Torben Iversen and David Soskice. 2015. “Democratic Limits to Redistribution: Inclusionary versus Exclusionary Coalitions in the Knowledge Economy.” *World Politics* 67 (2): 185–225
- \* Daniel Oesch. 2013. *Occupational Change in Europe: How Technology and Education Transform the Job Structure*. Oxford University Press *Ch.5*
- \* Jonas Pontusson. 1995. “Explaining the Decline of European Social Democracy: The Role of Structural Economic Change.” *World Politics* 47 (4): 495–533

## Session 10: Preferences for Redistribution

- \* Kenneth Scheve and David Stasavage. 2006. “Religion and Preferences for Social Insurance.” *Quarterly Journal of Political Science* 1 (3): 255–286
  - \* Torben Iversen and David Soskice. 2001. “An Asset Theory of Social Policy Preferences.” *American Political Science Review* 95 (4): 875–893
  - \* John E. Roemer. 2000. *Equality of Opportunity*. Cambridge, United States: Harvard University Press
- Philipp Rehm. 2009. “Risks and Redistribution an Individual-Level Analysis.” *Comparative Political Studies* 42 (7): 855–881
- Karl O. Moene and Michael Wallerstein. 2003. “Earnings Inequality and Welfare Spending: A Disaggregated Analysis.” *World Politics* 55 (4): 485–516
- Allan H. Meltzer and Scott F. Richard. 1981. “A Rational Theory of the Size of Government.” *Journal of Political Economy* 89 (5): 914
- Hal R. Varian. 1980. “Redistributive Taxation as Social Insurance.” *Journal of Public Economics* 14 (1): 49–68

## Session 11: Preferences and Institutions

- \* Pablo Beramendi and Philipp Rehm. 2016. “Who Gives, Who Gains? Progressivity and Preferences.” *Comparative Political Studies* 49 (4): 529–563
  - \* Jane Gingrich and Ben Ansell. 2012. “Preferences in Context: Micro Preferences, Macro Contexts, and the Demand for Social Policy.” *Comparative Political Studies* 45 (12): 1624–1654
  - \* Stefan Svallfors. 1997. “Worlds of Welfare and Attitudes to Redistribution: A Comparison of Eight Western Nations.” *European Sociological Review* 13 (3): 283–304 *please skim*
- Georges Casamatta, Helmuth Cremer, and Pierre Pestieau. 2000. “The Political Economy of Social Security.” *Scandinavian Journal of Economics* 102 (3): 503–522

## Session 12: Identity and Immigration

- \* David Rueda. 2018. “Food Comes First, Then Morals: Redistribution Preferences, Parochial Altruism, and Immigration in Western Europe.” *The Journal of Politics* 80 (1): 225–239
- \* Jens Hainmueller and Dominik Hangartner. 2013. “Who Gets a Swiss Passport? A Natural Experiment in Immigrant Discrimination.” *American political science review* 107 (1): 159–187
- \* James Habyarimana, Macartan Humphreys, and Posner, Daniel N., Weinstein, Jeremy M. 2007. “Why Does Ethnic Diversity Undermine Public Goods Provision?” *American Political Science Review* 101 (04) *please skim*

Moses Shayo. 2009. “A Model of Social Identity with an Application to Political Economy: Nation, Class, and Redistribution.” *American Political Science Review* 103 (02): 147–174

Martin Gilens. 1995. “Racial Attitudes and Opposition to Welfare.” *The Journal of Politics* 57 (4): 994–1014

Alberto Alesina and Edward L. Glaeser. 2004. *Fighting Poverty in the US and Europe: A World of Difference*. Oxford: Oxford University Press

## Session 13: Income Mobility

- \* Alberto Alesina, Stefanie Stantcheva, and Edoardo Teso. 2018. “Intergenerational Mobility and Preferences for Redistribution.” *American Economic Review* 108 (2): 521–54
- \* David Rueda and Daniel Stegmueller. 2019. *Who Wants What?: Redistribution Preferences in Comparative Perspective*. Cambridge Studies in Comparative Politics. Cambridge: Cambridge University Press *Ch.2, Ch.3*

Raj Chetty et al. 2014. “Where Is the Land of Opportunity? The Geography of Intergenerational Mobility in the United States \*.” *The Quarterly Journal of Economics* 129, no. 4 (September): 1553–1623

## Session 14: Research Project Discussion