

University of Hamburg  
Department of Social and Economic Sciences  
Political Science  
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24-109.11

# Topics in Comparative Political Economy: Preferences and Institutions

Fall-Winter 2021, Mondays, 10:15-11:45 (online)

Office Hours: Tuesdays, 16:00-17:00 (by appointment)  
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## Course Outline

Comparative political economy studies the interaction between politics and the market. It compares distributional outcomes across countries by assessing differences in the relationships among individuals, institutions and the economy. The key question is who gets what, when and how? This seminar introduces students to central topics in comparative political economy. Students will learn how political institutions shape economic outcomes, how power struggles between social actors influence political decisions, and how material and non-material concerns form individual preferences.

The project seminar spans over two semesters. In the first half of the seminar (semester 1), students will learn how to 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 (semester 2). Through reading, writing, and seminar participation, they will evaluate concepts, theoretical approaches, and empirical research that is most relevant to the field. In the second part (semester 2), students will work on their own research projects in the field of comparative political economy.

# Requirements

**Readings.** You must read the assigned literature 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?

On OpenOlat, you find several specific readings questions for each session.

**Reading Questions (OpenOlat).** Respond to the reading questions. Once you believe the questions are answered sufficiently, start discussing. To do so, evaluate strengths and weaknesses of the readings. Ask yourself while reading:

- Why does one thing cause another? Are you convinced by the claim the authors make? Does it fit with what you already know about the world? E.g.
  - If individuals are the main actors in the argument, are the motivations implied by the argument plausible accounts of how individuals behave? Why/why not.
  - If individuals are not the unit of analysis in the argument being made, which individuals would have to be motivated, in what way, and to do what for the argument to hold?
- Does the evidence the authors offer support the argument?
- Are there other interpretations of the findings?
- Are the concepts properly defined?
- Are there problems with operationalization?

- Data considerations? E.g. can the argument be applied to other countries? Does the time period under investigation matter?
- Theoretical or empirical implications of the argument that have not been assessed?

Aim to add at least three comments or responses to existing comments each week. I expect you to contribute to the discussion. Repeated non-participation means that you will not pass the seminar.

**Short Essays.** Assess the main structure of the readings (required and at least one recommended) and give answers to the questions above. Each student submits two short essays to the instructor during the course of the seminar. Each essay should not be longer than 4 pages (double spaced, 12pt font, justified text, header specifying university, course, lecturer, your name and date, title) and should a) motivate the topic and introduce a research question in the introduction, b) assess the key literature (research question, hypotheses, argument, empirical approach, results) and discuss similarities and differences between the course literature, c) propose an argument by elaborating on weaknesses or blind spots of the paper, or by suggesting further theoretical or empirical implications of the arguments being made in the literature and d) summarize your main points and discuss possible weaknesses of your argument in the conclusion. Short essays are structured along the following points:

- Introduction (1 point)
  - Motivate the topic
  - Identify research question (what/why)
- Assessment and contextualization of the key literature(2 points)
  - What are the most important approaches on the topic?
  - How do the (course) papers relate to each other (focus on key concepts)?
  - Do they criticize, complement, affirm each other?
- Argument (2 points)
  - Your paper makes a single argument or a number of related arguments (you can build on ideas for criticism above), e.g.:
    - \* The authors argue that democracy causes economic growth
    - \* The causal pathway that the authors propose is unclear
    - \* The provision of property rights is essential for economic growth to take place
    - \* Property rights could go hand in hand with another set of rights which eventually lead to institutions that spur the development of democratic governance
  - 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 (1 point)
  - Summarize your main points.
  - Anticipate possible weaknesses your audience might raise.

I will evaluate your short essays with respect to four criteria listed above. I deduct 2 points from your total score if structure, form and style do not meet the criteria. The essays are to be sent to the instructor no later than Sunday, 5pm, before the respective session.

**Final Paper.** Due after the second part of the seminar. We will discuss further details during the course of the seminar.

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

**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.

**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.

## Schedule

October 11	Course Organization and Technicalities
October 18	Introduction: What is Comparative Political Economy?
October 25	Institutions, Economic Development and Growth
November 1	Democracy and Capitalism
November 8	Taxation
November 15	Varieties of Capitalism
November 22	Welfare State Regimes
November 29	Electoral Institutions, Parties and Redistribution
December 6	Preferences
December 13	Historical Origins of Political Attitudes
December 20	Christmas Break
December 27	Christmas Break
January 3	Government Spending and Fiscal Policy
January 10	Political Selection
January 17	Accountability and Corruption
January 24	Final Session

## Recommended Books

### Research Design

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

Dimitar Toshkov. 2016. *Research Design in Political Science*. Macmillan International Higher Education

Gary King, Robert O. Keohane, and Sidney Verba. 1994. *Designing Social Inquiry: Scientific Inference in Qualitative Research*. Princeton Paperbacks. Princeton, N.J.: Princeton University Press

## 1. Course Organization and Technicalities

## 2. Introduction: What is Comparative Political Economy?

*Required:*

- Barry R Weingast and Donald Wittman. 2008. *The Oxford Handbook of Political Economy*. Vol. 4. Oxford University Press, Ch.1

*Recommended:*

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

## 3. Institutions, Economic Development and Growth

*Required:*

- Melissa Dell. 2010. “The Persistent Effects of Peru’s Mining Mita.” *Econometrica* 78 (6): 1863–1903
- 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

*Recommended:*

- Timothy Besley and Torsten Persson. 2009. “The Origins of State Capacity: Property Rights, Taxation, and Politics.” *American Economic Review* 99 (4): 1218–44
- Rafael La Porta, Florencio Lopez-de-Silanes, and Andrei Shleifer. 2008. “The Economic Consequences of Legal Origins.” *Journal of Economic Literature* 46 (2): 285–332
- Nathan Nunn. 2008. “The Long-Term Effects of Africa’s Slave Trades.” *The Quarterly Journal of Economics* 123 (1): 139–176
- Daron Acemoglu, Simon Johnson, and James A Robinson. 2002. “Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution.” *The Quarterly Journal of Economics* 117 (4): 1231–1294
- Douglass C North and Institutional Change Institutions. 1990. “Economic Performance.” *New York*

## 4. Democracy and Capitalism

*Required:*

- Carles Boix. 2019. *Democratic Capitalism at the Crossroads: Technological Change and the Future of Politics*. Princeton University Press, Ch.1, Ch.4-5, (Ch.6)
- Torben Iversen and David Soskice. 2019. *Democracy and Prosperity: Reinventing Capitalism Through a Turbulent Century*. Princeton University Press, Ch.1

*Recommended:*

- Thomas Piketty. 2014. *Capital in the Twenty-First Century*. Cambridge, Massachusetts: The Belknap Press of Harvard University Press, Ch.1
- Adam Przeworski and Michael Wallerstein. 1988. “Structural Dependence of the State on Capital.” *American Political Science Review* 82 (1): 11–29

## 5. Taxation

*Required:*

- Isabela Mares and Didac Queralt. 2015. “The Non-Democratic Origins of Income Taxation.” *Comparative Political Studies* 48 (14): 1974–2009
- Kenneth Scheve and David Stasavage. 2012. “Democracy, War, and Wealth: Lessons from Two Centuries of Inheritance Taxation.” *American Political Science Review*, 81–102

*Recommended:*

- Patrick Emmenegger and André Walter. 2020. “The Great War, Pre-War Coalitions, and the Origins of Taxation: Sister Republics Parting Ways.” *Working Paper*
- Kimuli Kasara. 2007. “Tax Me If You Can: Ethnic Geography, Democracy, and the Taxation of Agriculture in Africa.” *American Political Science Review*, 159–172
- Margaret Levi. 1988. *Of Rule and Revenue*. University of California Press

## 6. Varieties of Capitalism

*Required:*

- Peter A Hall and Daniel W Gingerich. 2009. “Varieties of Capitalism and Institutional Complementarities in the Political Economy: An Empirical Analysis.” *British Journal of Political Science*, 449–482
- Peter A. Hall and David W. Soskice. 2001. *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*. Oxford Scholarship Online. Oxford: Oxford University Press, Ch.1

*Recommended:*

- Marius R Busemeyer and Christine Trampusch. 2012. *The Political Economy of Collective Skill Formation*. Oxford University Press
- Peter A Hall and Kathleen Thelen. 2009. “Institutional Change in Varieties of Capitalism.” *Socio-Economic Review* 7 (1): 7–34
- David Rueda and Jonas Pontusson. 2000. “Wage Inequality and Varieties of Capitalism.” *World Politics* 52 (3): 350–383

## 7. Welfare State Regimes

*Required:*

- 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
- Gøsta Esping-Andersen. 1990. *The Three Worlds of Welfare Capitalism*. Cambridge: Polity Press, Ch.1-5

*Recommended:*

- John S Ahlquist and Christian Breunig. 2012. “Model-Based Clustering and Typologies in the Social Sciences.” *Political Analysis* 20 (1): 92–112
- Stephan Haggard and Robert R Kaufman. 2008. *Development, Democracy, and Welfare States: Latin America, East Asia, and Eastern Europe*. Princeton University Press
- Nita Rudra. 2007. “Welfare States in Developing Countries: Unique or Universal?” *The Journal of Politics* 69 (2): 378–396

## 8. Electoral Institutions, Parties and Redistribution

*Required:*

- 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)
- David Rueda. 2005. “Insider–Outsider Politics in Industrialized Democracies: The Challenge to Social Democratic Parties.” *American Political Science Review* 99 (1): 61–74

*Recommended:*

- Philipp Rehm, Jacob S. Hacker, and Mark Schlesinger. 2012. “Insecure Alliances: Risk, Inequality, and Support for the Welfare State.” *American Political Science Review* 106 (02): 386–406
- Bernard Grofman. 2006. “The Impact of Electoral Laws on Political Parties.” *The Oxford Handbook of Political Economy*, 102–18

## 9. Preferences

*Required:*

- David Rueda and Daniel Stegmueller. 2019. *Who Wants What?: Redistribution Preferences in Comparative Perspective*. Cambridge Studies in Comparative Politics. Cambridge: Cambridge University Press, Ch.2-3
- Allan H. Meltzer and Scott F. Richard. 1981. “A Rational Theory of the Size of Government.” *Journal of Political Economy* 89 (5): 914

*Recommended:*

- Matthew Dimick, Daniel Stegmueller, and David Rueda. 2016. “The Altruistic Rich? Inequality and Other-Regarding Preferences for Redistribution.” *Quarterly Journal of Political Science* 11 (4): 385–439
- Torben Iversen and David Soskice. 2001. “An Asset Theory of Social Policy Preferences.” *American Political Science Review* 95 (4): 875–893
- Karl O. Moene and Michael Wallerstein. 2001. “Inequality, Social Insurance, and Redistribution.” *American Political Science Review* 95 (4): 859–874
- Hal R. Varian. 1980. “Redistributive Taxation as Social Insurance.” *Journal of Public Economics* 14 (1): 49–68

## 10. Historical Origins of Political Attitudes

*Required:*

- Daniel Gingerich and Jan P Vogler. 2020. “Pandemics and Political Development: The Electoral Legacy of the Black Death in Germany.” *Available at SSRN 3578732*
- Avidit Acharya, Maya Sen, and Matthew Blackwell. 2018. *Deep Roots : How Slavery Still Shapes Southern Politics*. Princeton Studies in Political Behavior. Princeton, New Jersey: Princeton University Press, Ch.1-4

*Recommended:*

- Jonathan Homola, Miguel M. Pereira, and Margit Tavits. 2020. “Legacies of the Third Reich: Concentration Camps and Out-Group Intolerance.” *American Political Science Review* 114 (2): 573–590
- Anselm Hager and Hanno Hilbig. 2019. “Do Inheritance Customs Affect Political and Social Inequality?” *American Journal of Political Science* 63 (4): 758–773

## 11. Government Spending and Fiscal Policy

*Required:*

- Kirk Bansak, Michael M Bechtel, and Yotam Margalit. 2021. “Why Austerity? The Mass Politics of a Contested Policy.” *American Political Science Review* 115 (2): 486–505
- Amanda Clayton and Pär Zetterberg. 2018. “Quota Shocks: Electoral Gender Quotas and Government Spending Priorities Worldwide.” *The Journal of Politics* 80 (3): 916–932

*Recommended:*

- Lucy Barnes and Timothy Hicks. 2018. “Making Austerity Popular: The Media and Mass Attitudes toward Fiscal Policy.” *American Journal of Political Science* 62 (2): 340–354

- Robert J Franzese Jr. 2002. “Electoral and Partisan Cycles in Economic Policies and Outcomes.” *Annual Review of Political Science* 5 (1): 369–421
- Gian Maria Milesi-Ferretti, Roberto Perotti, and Massimo Rostagno. 2002. “Electoral Systems and Public Spending.” *The Quarterly Journal of Economics* 117 (2): 609–657
- Per Pettersson-Lidbom. 2001. “An Empirical Investigation of the Strategic Use of Debt.” *Journal of Political Economy* 109 (3): 570–583

## 12. Political Selection

*Required:*

- Timothy Besley. 2005. “Political Selection.” *Journal of Economic Perspectives* 19 (3): 43–60
- Raghavendra Chattopadhyay and Esther Duflo. 2004. “Women as Policy Makers: Evidence from a Randomized Policy Experiment in India.” *Econometrica* 72 (5): 1409–1443

*Recommended:*

- Ernesto Dal Bó and Frederico Finan. 2018. “Progress and Perspectives in the Study of Political Selection.” *Annual Review of Economics* 10:541–575
- Ernesto Dal Bó et al. 2017. “Who Becomes A Politician?” *The Quarterly Journal of Economics* 132 (4): 1877–1914
- Vincenzo Galasso and Tommaso Nannicini. 2011. “Competing on Good Politicians.” *American Political Science Review*, 79–99
- Lori Beaman et al. 2009. “Powerful Women: Does Exposure Reduce Bias?” *The Quarterly Journal of Economics* 124 (4): 1497–1540

## 13. Accountability and Corruption

*Required:*

- Eric CC Chang, Miriam A Golden, and Seth J Hill. 2010. “Legislative Malfeasance and Political Accountability.” *World Politics* 62:177
- Margit Tavits. 2007. “Clarity of Responsibility and Corruption.” *American Journal of Political Science* 51 (1): 218–229

*Recommended:*

- Miriam A Golden and Lucio Picci. 2008. “Pork-barrel Politics in Postwar Italy, 1953–94.” *American Journal of Political Science* 52 (2): 268–289
- Herbert Kitschelt. 2000. “Linkages between Citizens and Politicians in Democratic Polities.” *Comparative Political Studies* 33 (6-7): 845–879
- Daniel Treisman. 2000. “The Causes of Corruption: A Cross-National Study.” *Journal of Public Economics* 76 (3): 399–457

## 14. Final Session