POLITICS 530
THE POLITICS OF GROWTH AND REDISTRIBUTION

Fall 2020, Tuesday 1:30-4:20.

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Robertson 406
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Office hours: Fri. 3-5 pm. or by appointment

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Course Design and Objectives

This course is designed to survey and discuss the political and institutional factors underlying cross-national variation in economic performance. The course is structured around the following issues or questions: (1) why do countries differ so much in their level of economic development?; (2) which are the different paths through which countries have modernized economically?; (3) what is the impact of elections, parties and domestic institutions on the management of the economy?; (4) to what extent are democracy and capitalism?; and (5) in what ways does the international economy shape state autonomy and the size of welfare states? The scope of the course is analytical in its theoretical perspective and comparative from a methodological point of view.

Course Procedures and Evaluation

The course will be in principle taught through a hybrid format: in person with video conference capabilities to connect with those students who will be off campus. If, for any reason, this option becomes unfeasible, we will move to remote teaching.

Each student is expected to read (before class) the items listed as 'required readings' for each session. In some sessions 'background' reading, which is optional, is intended to provide introductions to the week's main readings.

In addition, students are expected to complete:

(1) Four short papers (around 3 pages) answering one of the week’s discussion questions. Papers will be due by 5 pm every Monday (with answers to the questions of that week’s session). No exceptions will be made and no extensions will be granted. The answers should not just summarize readings, but show reflection on how the readings address important issues, are flawed in particular dimensions, or can be developed or improved in specific directions.

(2) A final exam or a research paper with a topic to be determined in advanced with the instructor. Due date of research paper: January 15, 2021.

Participation in class will count for about 1/4 of the grade. The other assignment (short papers, exam) will count for 3/4 per cent of the course grade.
Books marked with (B) may be bought at Labyrinth.
1. Institutions, Growth, and the First Economic Revolution. (September 1)

Required reading


Further Reading


2. The Modern Breakthrough. (September 8)

Required reading


Further reading


Paul Bairoch. *Economics and World History: Myths and Paradoxes.* Chicago: The University of Chicago Press. Chapters 5, 6 and 8. (B)


Haber, Stephen, Armando Razo and Noel Maurer. 2003. *The Politics of Property Rights. Political Instability, Credible Commitments, and Economic Growth in Mexico, 1876-1929.* Cambridge University Press. Read chapters 1, 2, skim chapter 3, and read either chapter 4 or 5. (B)


Further reading on endogenous institutions


3. Lagging Behind. (September 15)

Required reading


Further reading


4. Colonialism. (September 22)

Required reading


5. Catching-Up without Converging (1) (September 29)

Required reading


6. Catching-up without Converging (2) (October 6)

Required reading


Further reading


7. Ideas, Beliefs and Development. (October 20)

Required reading


Further reading


Alexis de Tocqueville. *Democracy in America*.

8. Managing the Economy in the Twentieth Century. The Keynesian Settlement (I) (October 27)

Required reading


Peter Hall, ed. 1989. The Political Power of Economic Ideas: Keynesianism across Nations. Princeton University Press. Chapters 1, 3-4, 5, 9-10, 12, 14. (B)


Background reading


Further reading on political business cycles


Further reading on models of economic voting

a) Spatial models:


b) Restrospective voting and accountability models:


c) Economic Policies as Political Coalition Building:


9. Managing the Economy in the Twentieth Century. The Keynesian Settlement (2) (November 3)

Required reading


Further reading


10. Democratic Capitalism in the Twenty-First Century (November 10)

Required Reading


Further reading


11. Democratic Capitalism in the Twenty-first Century (2) (November 17)

Required reading

12. Open Political Economies. (November 24)

**Required reading**


**Further readings**

a/ Trade Politics


b/ Compensatory Politics


Dani Rodrik. 199?. "What Does the Political Economy Literature on Trade Policy (Not) Tell Us That We Ought to Know," Handbook of International Economics, vol. III


c/ Open Macroeconomics

Paul De Grauwe. 1997. The Economics of Monetary Integration. Chapters 1 to 3.


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