POLITICS 530
THE POLITICS OF GROWTH AND REDISTRIBUTION

Fall 2015, Tuesday 1:30-4:20

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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) what determines different levels of public spending and politically enforced redistribution?; (3) in what ways does the international economy shape state autonomy and the size of welfare states?; and (4) what is the impact of elections, parties and domestic institutions on the management of the economy? The scope of the course is analytical in its theoretical perspective and comparative from a methodological point of view.

Course Procedures and Evaluation

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 Tuesday (with answers to the questions of that week’s session) and should be placed in the mail bin outside the instructor’s office (Robertson 433). 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 18, 2016.

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 22)

Required reading


Further Reading


2. **The Modern Breakthrough.** (September 29)

**Required reading**


**Further reading**


**Further reading on endogenous institutions**


3. China vs. Europe (October 6)

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)


4. Lagging Behind. (October 13)

Required reading


Further reading


5. Catching-Up. (October 20)

Required reading


Further reading


6. Ideas, Beliefs and Development. (October 27)

Required reading


Further reading


Alexis de Tocqueville. *Democracy in America*.

7. Democratic Capitalism (November 10)

Required Reading


Further readings


8. Keynesian Settlement? (November 17)

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. Keynesian Settlement? (2) (November 24)

Required reading


Further reading


10. Welfare States. (December 1)

Required reading


Fochesato, Mattia, and Samuel Bowles. 2014. "Nordic exceptionalism? Social democratic egalitarianism in world-historic perspective." *Journal of Public Economics* [http://dx.doi.org/10.1016/j.jpubeco.2014.03.001](http://dx.doi.org/10.1016/j.jpubeco.2014.03.001)


Further reading


Alt, James and Alex Chrystal, *Political Economics*, chpts. 6, 8-10 (pp. 126-48, 175-238).


Alicia Adsera. 2005.“Vanishing Children. From High Unemployment to Low Fertility in Europe,”
American Economic Review Papers and Proceedings, 95 (May)


11. Democratic Capitalism Revisited (December 8)

Required reading


Boix, Carles. 2015. “Democratic Capitalism at the Crossroads?” Book manuscript.

Further reading

12. Open Political Economies (1). (December 15)

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


