

## **POLITICS 587**

### **COMPARATIVE POLITICAL ECONOMY OF ADVANCED INDUSTRIAL STATES**

**Fall 2007**

This course will be organized around the following topics: (1) partisan politics and macro-economic management, (2) varieties of capitalism, (3) comparative development of welfare states, and (4) politics of redistribution. We will survey existing literature on these topics and explore contemporary political-economic developments with an eye to identifying new research questions, emphasizing existing work and new issues that cut across traditional boundaries. Issues of research design will figure prominently in our discussions.

Requirements:

- Class participation, including 2 short (two-page) discussion memos.
- Either a research paper or three short critical essays (on topics to negotiated with the instructor). Short essays are due one week after the end of classes; research papers are due at the end of the semester (third week of January).

#### **Week 1: Introduction**

#### **Week 2: Institutions and social coalitions**

John Zysman. 1983. *Governments, Markets and Growth*, chs. 1-2.

Peter Katzenstein. 1985. *Small States in World Markets*, chs. 2-3.

Peter Hall. 1986. *Governing the Economy*, ch. 9.

Peter Gourevitch. 1986. *Politics in Hard Times*, pp. 54-67 and ch. 4.

Mancur Olson. 1982. *Rise and Decline of Nations*, chs. 2-4.

Ronald Rogowski. 1987. "Political Cleavages and Changing Exposure to Trade," *American Political Science Review*, 81(4):1121-1137.

Jeffrey Frieden. 1991. "Invested Interests," *International Organization*, 45:425-451.

### **Week 3: Welfare state regimes**

Gösta Esping-Andersen. 1990. *The Three Worlds of Welfare Capitalism*, chs. 1-5.

Francis Castles and Deborah Mitchell. 1992. "Identifying welfare state regimes," *Governance* 5(1):1-26.

Esping-Andersen. 1999. *Social Foundations of Postindustrial Economies*, ch. 5.

Alexander Hicks and Lane Kenworthy. 2003. "Varieties of Welfare Capitalism," *Socio-Economic Review* 1 (1):27-61.

Lyle Scruggs and James Allan. 2005. "Welfare State Decommodification in Eighteen OECD Countries" (ms).

### **Week 4: The "Varieties of Capitalism" approach**

Peter Hall and David Soskice. 2001. "Introduction" in Hall and Soskice, eds., *Varieties of Capitalism*, 1-70.

Soskice. 1999. "Divergent Production Regimes" in Herbert Kitschelt et al, eds., *Continuity and Change in Contemporary Capitalism*, 101-134.

Peter Hall and Daniel Gingerich. 2004. "Varieties of Capitalism and Institutional Complementarities in the Macroeconomy," *Berliner Journal für Soziologie*, 14(1).

Margarita Estevez-Abe, Torben Iversen and David Soskice. 2001. "Social Protection and the Formation of Skills" in Hall and Soskice, 145-183.

Jonas Pontusson. 2005. "Varieties and Commonalities of Capitalism." In David Coates, ed., *Varieties of Capitalism, Varieties of Approaches*, 163-188.

Optional:

VofC debate in *Comparative European Politics* 1 (2), 2003.

### **Week 5: Comparative corporate governance and finance**

Mark Roe. 1994. *Strong Managers, Weak Owners*, chs. 3-4, 11-15.

Peter Gourevitch and James Shinn. 2005. *Political Power and Corporate Control* (selections tba).

Daniel Verdier. 2000. "State and Finance in the OECD," *Politics and Society*, 28(1), 35-65.

Mary O'Sullivan. 2003. "The Political Economy of Comparative Corporate Governance," *Review of International Political Economy*, 10:23-72.

Richard Deeg. 2005. "Change from Within." In Wolfgang Streeck and Kathleen Thelen, eds., *Beyond Continuity*, 169-202.

John Cioffi and Martin Höpner. 2006. "The Political Paradox of Finance Capitalism," *Politics and Society*.

### **Week 6: Macro-economic management and electoral politics**

Douglas Hibbs. 1977. "Political Parties and Macroeconomic Policy," *APSR*, 71:1467-1487.

William Keech. 1995. *Economic Politics*, chs. 2-4.

David Soskice. 2000. "Macroeconomic Analysis and the Political Economy of Unemployment." In Iversen, Pontusson and Soskice, eds., *Unions, Employers and Central Banks*, 38-76.

Bingham Powell and Guy Whitten. 1993. "A Cross-National Analysis of Economic Voting," *APSR*, 86(3):597-611.

Kenneth Schultz. 1995. "The Politics of the Business Cycle," *BJPS* 25:79-99.

Robert Franzese. 2002. "Electoral and Partisan Cycles in Economic Policies and Outcomes," *Annual Review of Political Science*, 5:369-421.

Michael Lewis-Beck and Mary Stegmaier. 2000. "Economic Determinants of Electoral Outcomes." *Annual Review of Political Science*, 3:183-219.

### **Week 7: The political economy of wage bargaining**

Michael Alvarez, Geoffrey Garrett and Peter Lange. 1991. "Government Partisanship, Labor Organization and Macroeconomic Performance," *APSR* 85:539-556.

Peter Hall and Robert Franzese. 1998. "Mixed Signals," *International Organization*, 52(3):505-535.

Torben Iversen. 1999. *Contested Economic Institutions* (selections tba).

Geoffrey Garrett and Christopher Way. 1999. "Public Sector Unions, Corporatism and Macroeconomic Performance," *Comparative Political Studies*, 33:196-224.

Mares, Isabela. 2004. "Wage Bargaining in the Presence of Social Services and Transfers," *World Politics*, 57(1), 99-142.

David Rueda and Jonas Pontusson. 2000. "Wage Inequality and Varieties of Capitalism," *World Politics*, 55:350-383.

Optional:

Isabela Mares. 2006. *Taxation, Wage Bargaining and Unemployment*.

## **Week 8: Employers and the welfare state**

Isabela Mares. 2003. "The sources of business interest in social insurance: sectoral versus national differences," *World Politics*, 55(2): 229-258.

Peter Swenson. 2004. "Varieties of Capitalist Interests," *Studies in American Political Development*, 18(1):1-29.

Jacob Hacker and Paul Pierson. 2004. "Varieties of Capitalist Interests and Capitalist Power: A Response to Swenson" in *Studies in American Political Development*, 18 (Fall).

Cathie Jo Martin and Duane Swank. "Does the Organization of Capital Matter? Employers and Active Labor Market Policy at the National and Firm Levels," *APSR*, 98(4):593-612.

Walter Korpi. 2006. "Power Resources and Employer-Centered Approaches in Explanations of Welfare States and Varieties of Capitalism" (ms).

Optional:

Peter Swenson. 2002. *Capitalists against Markets*.

Isabela Mares. 2003. *The Politics of Social Risk*.

## **Week 9: Partisanship and the Politics of the Welfare State**

Geoffrey Garrett. 1998. *Partisan Politics in the Global Economy*.

Evelyne Huber and John Stephens. 2001. *Development and Crisis of the Welfare State*, chs. 3 and 6.

Walter Korpi and Joakim Palme. 2003. "New Politics and Class Politics in the Context of Austerity and Globalization," *APSR*, 97:425-446.

Hyeok Kwon and Jonas Pontusson. 2005. "The Rise and Fall Partisanship" (ms).

David Rueda. 2005. "Insider-Outsider Politics in Industrialized Democracies," *APSR* 99(1):61-74.

Optional:

James Allen and Lyle Scruggs. 2004. "Political Partisanship and Welfare State Reform in Advanced Industrial Societies," *AJPS*, 48(3):496-512.

### **Week 10: Ideational approaches**

Peter Hall. 1993. "Policy Paradigms, Social Learning and the State," *Comparative Politics*, 25:275-296.

Mark Blyth. 2003. "From Comparative Capitalism to Economic Constructivism," *New Political Economy*, 8(2):263-274.

Kathleen McNamara. 1998. *The Currency of Ideas*.

Johannes Lindvall. 2006. "The Politics of Purpose," *Comparative Politics*, April:253-272.

Vivien Schmidt. 2000. "Values and Discourse in the Politics of Adjustment." In Scharpf and Schmidt, eds., *Welfare and Work in the Open Economy*, 229-309.

### **Week 11: Politics of redistribution and social insurance**

Allan Melzer and Scott Richard. 1981. "A Rational Theory of the Size of Government," *Journal of Political Economy*, 89(5):914-927.

Torben Iversen and David Soskice. 2001. "An Asset Theory of Social Policy Preferences," *APSR*, 95:875-893.

Moene and Wallerstein. 2003. "Earnings Inequality and Welfare Spending," *World Politics* 55:485-516.

Torben Iversen and David Soskice, "Electoral Systems and the Politics of Coalitions," *APSR*, 100(2):165-181.

Lane Kenworthy and Jonas Pontusson. 2005. "Rising Inequality and the Politics of Redistribution in Affluent Countries," *Perspectives on Politics*, 3(3):449-471.

David Rueda and Jonas Pontusson. 2006. "Inequality, Median Voters and Partisan Politics" (ms).