# COMPARATIVE POLITICAL ECONOMY GOVERNMENT 40.3

Mondays, Wednesdays, and Fridays, 1:45 to 2:50 PM (X hour Thursday, 1:00 to 1:50 PM) Fall term, 2013

Instructor: Jason Sorens

Office Hours: Tuesdays, 10:00 AM to 12:00 PM and Thursdays, 1:00 PM to 3:00 PM Email: Jason.P.Sorens@dartmouth.edu

## Course Description

This course is an introduction to comparative political economy, the comparative politics of domestic economic policies. Topics include: market reforms in developed, developing, and postsocialist countries, varieties of welfare capitalism, (de)regulation and privatization, federalism, the effects of political institutions on economic development, interest groups, property rights, the political business cycle, and corruption. We will look in depth at both developed and developing countries, with an emphasis on understanding why they choose (or end up with) the policies and institutions that they have, even when in some cases these policies and institutions might hamper development or increase poverty. The central goal of this course is to develop your ability to reason through political explanations of economic policies.

It is recommended but not required that you have taken Introduction to Comparative Politics and at least one economics course prior to taking this class.

## Course Requirements and Grading

Class will combine lectures and discussion sessions, and attendance is required. You must do all the reading for a particular class meeting before that class. Class participation (quality and quantity) comprises 25% of your course grade. There is a 1600-word essay on an assigned topic due **October 21**, which will count as 20% of your grade. In the final two class periods we will hold in-class team debates on different topics. Your preparation for your debate comprises 15% of your grade. There will be a take-home essay final exam, which counts for 40% of your course grade. This exam must meet all the requirements of a standard academic paper, including citations of sources.

# Readings

All readings are required. Readings not drawn from the books are available on the course's Blackboard site. I have chosen the following books for the course, all of which are available at the bookstore:

- Scott, James C. (1999), Seeing like a State. New Haven: Yale University Press.
- Olson, Mancur (1982), *The Rise and Decline of Nations*. New Haven: Yale University Press.

- Bates, Robert H. (2005), Markets and States in Tropical Africa, 2nd ed. Berkeley: University of California Press.
- Vogel, Steven K. (1997), Freer Markets, More Rules. Ithaca, N.Y.: Cornell University Press.
- Swenson, Peter (2002), Capitalists Against Markets. New York: Oxford University Press.

All of these books are available as used or even new paperbacks for between \$6 and \$13 each through fine online marketplaces such as amazon.com, bn.com, and bookfinder.com.

Remember to bring to class all the readings assigned for a particular day. That means that you will need to print out Blackboard readings.

### Schedule of Topics and Readings

1. Tools for Analysis

Monday September 16: No reading.

2. Interest Groups in High-Income Democracies

Wednesday September 18: Olson, chapters 1 & 2.

Friday September 20: Olson, chapter 3 & pages 94-117 of chapter 4.

3. Interest Groups in Less Developed Countries

Monday September 23: Bates, Introduction & chapter 1.

Wednesday September 25: Bates, chapters 2-4.

Friday September 27: Bates, chapter 7; William Easterly, *The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics* (MIT Press), pp. 217-239.

4. The Modernist State

Monday September 30: Scott, chapters 1 & 2.

Wednesday October 2: Scott, chapters 4, 6, & 8

5. Political Institutions, Transaction Costs, and Development

Friday October 4: North, Douglass C., and Barry R. Weingast (1989), "Constitutions and Commitment: The Evolution of Institutions Governing Public Choice in Seventeenth-Century England," *Journal of Economic History* 49 (4): 803-32. **Only pages 803-805, 809-812, 815-824.** 

Monday October 7: Stasavage, David (2002), "Credible Commitment in Early Modern Europe: North and Weingast Revisited," *Journal of Law, Economics, and Organization* 18 (1): 155-86. **Only pages 155-157, 160-163, 165-169, 174-182.** 

Wednesday October 9: Acemoglu, Daron, Simon Johnson, and James A. Robinson (2001), "The Colonial Origins of Comparative Development: An Empirical Investigation," *American Economic Review* 91: 1369-1401. **Only pages 1369-1371**, 1374-1376, 1380 (figure), 1384 (figure), 1388-1393.

#### 6. Political Institutions and Policies

Friday October 11: Martin, Lanny W., and Georg Vanberg (2012), "Multiparty Government, Fiscal Institutions, and Public Spending," unpublished manuscript. **Only pages 1-9, 20-22, 31-32 (figures).** 

Short paper topic announced.

Monday October 14: Chang, Eric C. C., and Miriam A. Golden (2007), "Electoral Systems, District Magnitude, and Corruption," *British Journal of Political Science* 37 (1): 115-137. **Only pages 115-121, 125 (figure), 130-133.** and Cheibub, Jose (2006), "Presidentialism, Electoral Identifiability, and Budget Balances in Democratic Systems," *American Political Science Review* 100 (3): 353-368. **Only pages 353, 358-365.** 

Wednesday October 16: Qian, Yingyi, and Barry R. Weingast (1997), "Federalism as a Commitment to Preserving Market Incentives," *Journal of Economic Perspectives* 11 (4): 83-92.

#### 7. Resource Curses

Friday October 18: Ross, Michael L. (2008), "Oil, Islam, and Women," *American Political Science Review* 102 (1): 107-23. **Only pages 107-111, 113-120.** 

Monday October 21: Remmer, Karen (2004), "Does Foreign Aid Promote the Expansion of Government?" American Journal of Political Science 48 (1): 77-92. Only pages 77-80, 83-84, 86-88. Short papers due.

#### 8. Electoral Politics and the Economy

Wednesday October 23: Franzese, Robert J., Jr. (2002), "Electoral and Partisan Cycles in Economic Policies and Outcomes," *Annual Review of Political Science* 5: 369-421. Only pages 373-379, 383-391, 399-405.

Friday October 25: Clark, William Roberts (2003), Capitalism, Not Globalism: Capital Mobility, Central Bank Independence, and the Political Control of the Economy (Ann Arbor: University of Michigan Press), pp. 1-19, 31-39.

#### 9. Redistribution and Welfare

Monday October 28: Esping-Andersen, Gøsta (1990), Three Worlds of Welfare Capitalism (Polity), chapter 3.

Wednesday October 30: Swenson, chapters 1 & 2.

Friday November 1: Rueda, F. David (2005), "Insider-Outsider Politics in Industrialized Countries: The Challenge to Social Democratic Parties," *American Political Science Review* 99 (1): 61-74.

#### 10. Deregulation and Privatization in High-Income Democracies

Monday November 4: Vogel, Introduction & chapter 1.

Wednesday November 6: Vogel, chapters 2 & 3.

Friday November 8: Hall, Peter A. and Daniel W. Gingerich (2009), "Varieties of Capitalism and Institutional Complementarities in the Political Economy: An Empirical Analysis," *British Journal of Political Science* 39 (3): 449-82. **Only pages** 449-460, 463-465, 469 (figure), 471 (figure), 478 (figure), 479 (table).

#### 11. Economic Reform in Less Developed Countries

Monday November 11: Hellman, Joel S. (1998), "Winners Take All: The Politics of Partial Reform in Postcommunist Transitions," World Politics 50 (2): 203-34. (all)

Wednesday November 13: Vreeland, James Raymond (2003), "Why do governments and the IMF enter into agreements: Statistically selected case studies," *International Political Science Review* 24 (3): 321-43. **Only pages 321-326, 331-338.** 

#### 12. Student Debates

November 15 & 18 (final exams handed out)