

PLCP: Introduction to Comparative Political Economy

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Course Description

Comparative political economy is the study of political institutions that control economic activity and the ramifications that these institutions have on political outcomes, including social movements, elections and legislatures. The discipline has a very rich history, dating as far back as Aristotle, but it received its current form during the 18th and 19th centuries where we will begin our course overview. Lately, research in comparative political economy has explored social and political phenomena not considered to be heavily affected by economic constraints, such as media coverage, sectarianism and the rebel group recruitment. Through this broadening of political economy, the field has become distilled into a set of principles, called rational choice, that can be applied to a wide set of social institutions. In this class, we will explore the traditional study of political-economic outcomes, including the effects of income inequality, trade, corruption and international financial institutions (IFIs), along with a summary of trending research in election fraud, one-party states, and civil wars.

Course Objectives

1. Attain mastery of evaluation and critique of a wide range of readings in the discipline of political economy;
2. Employ the rational-choice approach in theoretical and applied settings through class discussion & writing;
3. Engage in the scholarly process of discovery through an independent research project.

Required Texts

The following two books have been purchased and are available at the book store. I have also placed a copy of each on reserve at the library. We will spend a week on each book as intensive deep-dive into the arguments made by these authors and how they use political economy as a methodology for research.

Arriola, Leonardo (2012). *Multiethnic Coalitions in Africa: Business Financing of Opposition Election Campaigns*. Cambridge University Press.

Tilly, Charles (1992). *Coercion, Capital and European States, AD 990-1992*. Cambridge, MA: Blackwell.

In addition for graduate students:

Acemoglu, Daron and James Robinson (2006). *Economic Origins of Dictatorship and Democracy*. Cambridge University Press.

Bates, Robert H. (1981). *Markets and states in tropical Africa: the political basis of agricultural policies*. University of California Pr.

Besley, Timothy (2007). *Principled Agents?: The Political Economy of Good Government*. Oxford University Press.

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.

Course Policies

Please use the information below as a reference for how this class will be conducted. I would ask that you review this information before contacting me with any questions.

Grading Policy

- 20% of your grade will be determined by a midterm during normal class hours.
- 40% of your grade will come from a 15-20 page (graduate: 25-30 page) paper that explores in further detail one of the research areas on the class syllabus. By the midterm students must have three hypotheses related to one of these research areas and a draft of available resources, which will constitute 5% of the 40%. I expect that students will use original data collection, whether quantitative or qualitative, to answer the questions posed.
- 20% of your grade will be determined by your attendance and participation in class. I expect you to come having read the reading and prepared to pose at least one question or critique of the readings for that week.
- 20% of your grade will come from three 2-page critical summaries of the reading that you must complete on three separate weeks of the class.

Attendance Policy

Your attendance and participation grade is divided into two parts: 10% comes from your presence in class, and 10% from your participation during discussion. I allow you to miss three classes during the semester for any reason: you do not need to inform me ahead of time unless you are missing class for an approved reason (i.e., an official university event or activity) and would like the absence to be excused.

The second 10% of the grade is qualitative in nature and based on my assessment of your preparation for class and willingness to participate in class discussions. The intent of this grade is not to reward extroverts, but rather to emphasize that classroom learning depends on the commitment of everyone in the class, students included. By asking questions that come from a critical evaluation of the reading, you provide the rest of the class with additional learning through the ability to consider your perspective. My rule of thumb is for you come to class with at least one question based on the reading that you would like to ask.

E-mail Policy

I welcome emails from students regarding class policies, assignments & readings. In general I respond to all emails within 24 hours; however, it may take me longer to do so on the weekends. In addition, it is unlikely that I will be able to respond very quickly before deadlines such as exams and papers, so please provide at least one day for a response if you need an issue clarified about an assignment.

I am open to taking questions about the readings and class discussions via email, but I prefer to have substantive discussions in person at my office hours.

Make-Up Exam Policy

If an event outside of your control causes you to miss or reschedule an exam, please email me as soon as possible so alternative arrangements can be made. Please note that as a rule I do not reschedule examinations for student vacations.

Academic Dishonesty Policy

Plagiarism undermines the very core of the mission of this class, which is for each student to grow as an emerging scholar of political-economic research. Without completing all the assignments yourself, you will never be able to achieve objectives. Even worse, plagiarism reduces the trust in each other's work that is a necessary component of the scientific enterprise.

Plagiarism includes copying in whole or part from previously published academic works without proper citation, but it also covers passing off someone else's work as your own regardless of whether or not it has been published. Hiring someone to write an essay for you is just as much plagiarism as if you copied an existing article for your work. Furthermore, it should go without saying that copying another student's work in this class (with or without their permission) violates academic integrity. For full details of what plagiarism means in a given situation, refer to the university policy available from the registrar, which I will use when needing to make determination about plagiarism.

If I determine that you have willfully plagiarized an assignment, you will receive an automatic zero on the assignment and you may fail the class or receive further disciplinary action per university policy.

Diversity within the Classroom

This class will explore issues that may be contentious. I expect that all students treat each other with respect. This means that all arguments in the class should be based on factual assertions as

opposed to demeaning insults. Furthermore, this class is designed to bring in diverse viewpoints within the class into discussion, whether that involve ethnic heritage, religious perspectives, political ideologies, or racial categories. I want students to learn to see from each other's points of view even if they disagree with what each other say, and to learn to accept each other as fellow scholars. Every person in this class will have an equal chance to speak and share their opinion with the understanding that they must give each other the same respect and understanding. Finally, I will not tolerate the denigration of anyone in the class because of their adopted or prescribed social, religious, political, ethnic, racial, gender-based or sexual identities.

Additional Learning Needs

Each of us has a different learning style, and I will do my best to accomodate diverse learning needs in the class. If you need any kind of accomodation, please come talk to me as soon as you can so we can arrange a style of learning that works for you. I also refer you to the university's Learning Needs Center for more information on resources that you can use to help you get the most out of this class.

Class Schedule

I expect students to have read the assigned readings before class. This does not mean just skimming reading, but engaging critically with the scholarship. In particular, look for passages that you disagree with or that seem unclear to you, as these are likely ones that could benefit from further discussion in class. I recommend that, if at all possible, students find a way to mark up the articles or books as they are read to improve reading comprehension.

Week 01, 08/27 - 08/31: Introduction & Course Expectations

Week 02, 09/03 - 09/07: Traditions of Political Economy: Marxists & Liberals

Pages 1-50 from Smith, Adam (1776). *An Inquiry into the Nature and Causes of the Wealth of Nations*. London: Methuen & Co.

“Wage Labour and Capital” and “The Eighteenth Brumaire of Louis Bonaparte” from Marx, Karl (1978). *The Marx-Engels Reader*. Ed. by Robert C. Tucker. Norton.

Centeno, Miguel A. and Joseph N. Cohen (2012). “The Arc of Neoliberalism”. In: *Annual Review of Sociology* 38, pp. 317-340.

North, Douglass C. (1991). “Institutions”. In: *Journal of Economic Perspectives* 5.1, pp. 97-112.

Schwartz, Herman (2007). “Dependency or Institutions? Economic Geography, Causal Mechanisms, and Logic in the Understanding of Development”. In: *Studies in Comparative International Development* 42.1-2, pp. 115-135. DOI: 10.1007/s12116-007-9000-x. <http://dx.doi.org/10.1007/s12116-007-9000-x>.

For graduate students:

Polyani, Karl (1944). *The Great Transformation*. Beacon Press.

Schumpeter, Joseph (1976). *Capitalism, Socialism and Democracy*. Routledge.

Week 03, 09/10 - 09/14: Political Economy of Development I: Overview

Pages 1-50 from North, Douglass C, John Joseph Wallis and Barry R. Weingast (2009). *Violence and Social Orders: A Conceptual Framework for Interpreting Recorded Human History*. Cambridge University Press.

Geddes, Barbara (1991). “A Game Theoretic Model of Reform in Latin American Democracies”. In: *The American Political Science Review*, pp. 371-392.

North, Douglass C. and Barry R. Weingast (1989). “Constitutions and commitment: the evolution of institutions governing public choice in seventeenth-century England”. In: *The journal of economic history* 49.04, pp. 803-832.

Olson, Mancur (1993). “Dictatorship, Democracy, and Development”. In: *The American Political Science Review* 87.3, pp. 567-576.

Graduate students:

Chapters 1-3 from 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.

Week 03, 09/10 - 09/14: Political Economy of Development II: Long-Run Institutions

Chs. 1-3 from Waldner, David (1999). *State Building and Late Development*. Cornell University Press.

Chs. 1-2 from Evans, Peter (1995). *Embedded Autonomy: States and Industrial Transformation*.

Graduate students:

Acemoglu, Daron, Simon Johnson and James Robinson (2004). *Institutions as the Fundamental Cause of Long-Run Growth*. Working Paper. National Bureau of Economic Research. <http://www.nber.org/papers/w10481>.

Acemoglu, Daron and A Robinson (2001). "The Colonial Origins of Comparative Development: An Empirical Investigation". In: *The American Economic Review* 91.5, pp. 1369–1401.

Blaydes, Lisa and Mark Andreas Kayser (2011). "Counting Calories: Democracy and Distribution in the Developing World". In: *International Studies Quarterly* 55.4, pp. 887-908.

Geddes, Barbara (1991). "A Game Theoretic Model of Reform in Latin American Democracies". In: *The American Political Science Review*, pp. 371-392.

Olson, Mancur (1993). "Dictatorship, Democracy, and Development". In: *The American Political Science Review* 87.3, pp. 567-576.

Week 04, 09/17 - 09/21: Political Economy of Development III: Ethnicity & Development

Chapters 1-2 from Herbst, Jeffrey (2000). *States and Power in Africa: Comparative Lessons in Authority and Control*. Princeton University Press.

Acemoglu, Daron, Tristan Reed and James A Robinson (2013). *Chiefs: Elite Control of Civil Society and Economic Development in Sierra Leone*. Working Paper. National Bureau of Economic Research. <http://www.nber.org/papers/w18691>.

Habyarimana, James, Macartan Humphreys, Daniel N. Posner and Jeremy M. Weinstein (2007). "Why Does Ethnic Diversity Undermine Public Goods Provision?" In: *American Political Science Review* 101.4, pp. 709-725.

Graduate students:

Alesina, Alberto and Eliana La Ferrara (2004). *Ethnic Diversity and Economic Performance*. Working Paper. National Bureau of Economic Research.

Michalopoulos, Stelios and Elias Papaioannou (2013). "Pre-Colonial Ethnic Institutions and Contemporary African Development". In: *Econometrica* 81.1, pp. 113-152.

Week 05, 09/24 - 09/28: Political Economy of Development IV: Democracy & Development

Boix, Carles (2011). "Democracy, Development, and the International System". In: *American Political Science Review* 105.4, pp. 809-828.

Boix, Carles and Susan Carol Stokes (2003). "Endogenous Democratization". In: *World politics* 55.4, pp. 517-549.

Limongi, Fernando and Adam Przeworski (1997). "Modernization: Theories and facts". In: *World politics* 49.2, pp. 155-183.

Lipset, Seymour M. (1959). "Some Social Requisites of Democracy: Economic Development and Political Legitimacy". In: *The American Political Science Review* 53.1, pp. 69-105.

For graduate students:

Acemoglu, Daron and James A Robinson (2008). "Persistence of Power, Elites, and Institutions". In: *American Economic Review* 98.1, pp. 267-93.

Acemoglu, Daron, James A Robinson, Simon Johnson and Pierre Yared (2009). "Reevaluating the Modernization Hypothesis". In: *Journal of Monetary Economics* 56.8, pp. 1043-1058.

Albertus, Michael and Victor Menaldo (2014). "Gaming Democracy: Elite Dominance During Transition and the Prospects for Redistribution". In: *British Journal of Political Science* 44.3, pp. 575-603.

Ansell, Ben W. and David J. Samuels (2010). "Inequality and Democratization: A Contractarian Approach". In: *Comparative Political Studies* 43.12, pp. 1543-1574.

Week 06, 10/01 - 10/05: Political Economy of Redistribution I: Advanced Industrial Economies

Korpi, Walter (2006). "Power Resources and Employer-Centered Approaches in Explanations of Welfare States and Varieties of Capitalism: Protagonists, Consenters, and Antagonists". In: *World Politics* 58.02, pp. 167-206. DOI: 10.1353/wp.2006.0026. <http://dx.doi.org/10.1353/wp.2006.0026>.

Pierson, Paul (1996). "The New Politics of the Welfare State". In: *World Politics* 48.2, pp. 143-179.

Piketty, Thomas and Emmanuel Saez (2006). *The Evolution of Top Incomes: A Historical and International Perspective*. Working Paper. National Bureau of Economic Research. <http://www.nber.org/papers/w11955>.

Wallerstein, Michael (1999). "Wage-Setting Institutions and Pay Inequality in Advanced Industrial Societies". In: *American Journal of Political Science* 43.3, pp. 649-680.

For graduate students:

Alesina, Alberto, Edward Glaeser and Bruce Sacerdote (2001). *Why Doesn't the United States Have a European-Style Welfare State?* Papers on Economic Activity. Brookings Institution, pp. 187-254.

Boix, Carles (1999). "Setting the Rules of the Game: The Choice of Electoral Systems in Advanced Democracies". In: *American Political Science Review*, pp. 609-624.

Iversen, Torben and David Soskice (2006). "Electoral institutions and the politics of coalitions: Why some democracies redistribute more than others". In: *American Political Science Review* 100.02, pp. 165–181.

Draft of paper hypotheses due for in-class critique

Week 07, 10/08 - 10/12: Political Economy of Redistribution II: Redistribution in Late-Developing Countries

Cammett, Melani and Lauren M. Maclean (2011). "Introduction: The Political Consequences of Non-State Social Welfare in the Global South". In: *Studies in Comparative International Development* 46.1, pp. 1-21.

Mares, Isabela and Matthew E. Carnes (2009). "Social Policy in Developing Countries". In: *Annual Review of Political Science* 12, pp. 93-113.

Wibbels, Erik and John S. Ahlquist (2011). "Development, Trade and Social Insurance". In: *International Studies Quarterly* 2011.1, pp. 125-149.

For graduate students:

Avelino, George, David S. Brown and Wendy Hunter (2005). "The Effects of Capital Mobility, Trade Openness, and Democracy on Social Spending in Latin America, 1980-1999". In: *American Journal of Political Science* 49.3, pp. 625-641.

Miller, Michael K. (2015). "Electoral Authoritarianism and Human Development". In: *Comparative Political Studies* 48.12, pp. 1526-1562.

Weyland, Kurt (2005). "Theories of Policy Diffusion: Lessons from Latin American Pension Reform". In: *World Politics* 57.2, pp. 262-295.

Midterm Examination

Week 08, 10/15 - 10/19: Political Economy of Redistribution III: Regime Transitions

Deep Dive:

Arriola, Leonardo (2012). *Multiethnic Coalitions in Africa: Business Financing of Opposition Election Campaigns*. Cambridge University Press.

For graduate students:

Acemoglu, Daron and James Robinson (2006). *Economic Origins of Dictatorship and Democracy*. Cambridge University Press.

Acemoglu, Daron and James A Robinson (2008). "Persistence of Power, Elites, and Institutions". In: *American Economic Review* 98.1, pp. 267–93.

Albertus, Michael and Victor Menaldo (2014). "Gaming Democracy: Elite Dominance During Transition and the Prospects for Redistribution". In: *British Journal of Political Science* 44.3, pp. 575-603.

Ansell, Ben W. and David J. Samuels (2010). "Inequality and Democratization: A Contractarian Approach". In: *Comparative Political Studies* 43.12, pp. 1543–1574.

Week 09, 10/22 - 10/26: Political Economy of Trade I: Globalization

Chapters 1-3 from Baghwati, Jagdish N. (2004). *In Defense of Globalization*. Oxford University Press.

Vogel, David (1997). "Trading Up and Governing Across: Transnational Governance and Environmental Protection". In: *Journal of European Public Policy* 4.4, pp. 556-571.

Wood, A. and K. Jordan (2000). "Why Does Zimbabwe Export Manufactures and Uganda Not? Economics Meets History". In: *The Journal of Development Studies* 37.2, pp. 91-116.

For graduate students:

Alt, James E, Jeffrey Frieden and Michael J. Gilligan (1996). "The Political Economy of International Trade: Enduring Puzzles and an Agenda for Inquiry". In: *Comparative Political Studies* 29.6, pp. 689-717.

Boix, Carles (2006). "Between Protectionism and Compensation: The Political Economy of Trade". In: *Globalization and Egalitarian Redistribution*. Ed. by Pranab Bardhan, Samuel Bowles and Michael Wallerstein. Princeton University and Russell Sage Foundation.

Gourevitch, Peter (1978). "The Second Image Reversed: The International Sources of Domestic Politics". In: *International Organization* 32.4, pp. 881-912.

Mahler, Vincent A. (2004). "Economic Globalization, Domestic Politics, and Income Inequality in the Developed Countries". In: *Comparative Political Studies* 37.9, pp. 1025-1053.

Milner, Helen V. and Keiko Kubota (2005). "Why the Move to Free Trade? Democracy and Trade Policy in the Developing Countries". In: *International Organization* 59.1, pp. 107-143.

Week 10, 10/29 - 11/02: Political Economy of Trade II: Multinational Firms

Kim, Song, Helen V. Milner, Thomas Bernauer, Gabriele Spilker, Iain Osgood and Dustin Tingley (2017). "Firms' Preferences over Multidimensional Trade Policies: Global Production Chains, Investment Protection and Dispute Settlement Mechanisms". <http://web.mit.edu/insong/www/pdf/conjoint.pdf>.

Malesky, Eddy and Layna Mosley (2016). *Chains of Love? Global Production, Developing Country Firms and the Diffusion of Labor Standards*. Working Paper. Niehaus Center. https://ncgg.princeton.edu/IPES/2016/papers/F1130_rm1.pdf.

Osgood, Iain, Dustin Tingley, Thomas Bernauer, In Song Kim, Helen V. Milner and Gabriel Spilker (2017). "The Charmed Life of Superstar Exporters: Survey Evidence on Firms and Trade Policy". In: *Journal of Politics* 79.1, pp. 133-152.

Pandya, Sonal S. (2010). "Labor Markets and the Demand for Foreign Direct Investment". In: *International Organization* 64.3, pp. 389-409.

Graduate students:

Imai, Kosuke, In Song Kim and Steven Liao (2017). "Measuring Trade Profiles with Two Billion Observations of Product Trade". <https://imai.princeton.edu/research/files/BIGtrade.pdf>.

Week 11, 11/05 - 11/09: Political Economy of Corruption I: Bureaucracy

Week 12, 11/12 - 11/16: Political Economy of Corruption II: Elections & Parties

Week 13, 11/19 - 11/23: Political Economy of Corruption III: Firms & Politics

Week 14, 11/26 - 11/30: Putting It Together: States, Development & Power

Deep Dive:

Tilly, Charles (1992). *Coercion, Capital and European States, AD 990-1992*. Cambridge, MA: Blackwell.

For graduate students:

Besley, Timothy (2007). *Principled Agents?: The Political Economy of Good Government*. Oxford University Press.

Week 15, 12/03 - 12/07 *Final Papers Due*