

# PL/EC 360 Political Economy of Globalization

## Details

Instructor: Bogdan G. Popescu

Hours: MW 11:30-12:45AM

Total Hours of Contact: 2:30 per week

Room: F.2.1-Frohring Campus, Second Floor, Room 1

Credits: 3

Prerequisites: None

Office Hours: per appointment

## Course Description

This course comprehensively examines political economy, delving into the intricate relationships between economic systems, institutions, and societal outcomes. Students explore fundamental concepts such as economic efficiency, inequality, welfare state development, and globalization, gaining a nuanced understanding of how these factors shape modern societies. Throughout the course, students critically engage with seminal works in political economy, analyzing texts by scholars like Okun, Hall and Soskice, and Esping-Andersen to grasp the theoretical foundations underpinning various economic models and welfare state structures. Discussions and readings delve into the complexities of trade-offs between equity and efficiency, the role of organized labor and political parties in shaping welfare policies, and the impact of globalization on national economies and political landscapes. Moreover, the course examines institutional changes over time, including the rise of central bank independence and the evolution of labor market institutions, providing students with insights into the dynamics of policy-making and governance in different contexts.

## Summary of Course Content

1. Economic Efficiency and Inequality
2. Growth of the public sector and welfare states
3. Varieties of Capitalism
4. Labor market, wage-setting institutions
5. Globalization's impact on free trade, welfare states, and the rise of populist sentiments,

## Learning Outcomes

1. Knowledge of the key concepts and theories in political economy: Economic efficiency, inequality, welfare state development, varieties of capitalism, and globalization.
2. Analytical Skills: The course will cultivate students' analytical skills, enabling them to assess the impact of economic policies, institutional changes, and globalization on societal outcomes, including income distribution, labor markets, and welfare provision.
3. Effective Communication: Through class discussions, presentations, and written assignments, students will refine their communication skills, articulating coherent arguments and supporting their viewpoints with evidence from scholarly research.
4. Ethical and Societal Awareness: The course will encourage students to reflect on the ethical dimensions of economic and political decision-making, considering social justice, equity, and the distribution of resources within and across societies.

## Assessment

There are three components to the final grade for this class:

- Contributions to Class 33%
- Mid-term 33%
- Final exam 33%

### Contributions to Class

The contributions to class are the average of:

- presentation
- physical presence
- class participation
- questions submitted every week
- quality of questions

The mid-term and final exams are closed-book. They will test the improvement of students' knowledge of the theories and facts developed in the course, and independent critical thinking. Both the mid-term and final exams represent 33% of the grade.

A major exam (midterm or final) cannot be made up without the permission of the Dean's Office. The Dean's Office will grant such permission only when the absence was caused by a serious impediment, such as a documented illness, hospitalization or death in the immediate family (in which you must attend the funeral) or other situations of similar gravity. Absences due to other meaningful conflicts, such as job interviews, family celebrations, travel difficulties, student misunderstandings or personal convenience, will not be excused. Students who will be absent from a major exam must notify the Dean's Office prior to that exam. Absences from class due to the observance of a religious holiday will normally be excused. Individual students who will have to miss class to observe a religious holiday should notify the instructor by the end of the Add/Drop period to make prior arrangements for making up any work that will be missed.

## Presentations

Each student will deliver a 10-15 minute presentation on a topic assigned in advance. Presentations should include a clear introduction, main points, and conclusion. Use visual aids (e.g., slides) effectively, ensuring text is legible and visuals are relevant. Practice beforehand to stay within the time limit and maintain a confident, professional tone. Be prepared to answer 2-3 questions from peers or

the instructor during and after the presentation. Remember to cite your sources and avoid reading verbatim from slides or notes.

In addition to summarizing the key arguments or findings, your presentation should include critical analysis of the material. Highlight what the author does not address, the limitations of their research, or potential problems in their analysis or methodology. Think about how the research could be improved, expanded, or connected to broader themes discussed in class, and incorporate these insights into your presentation.

You can find below an example of a good presentation:

- [Presentation](#)

The presentations will be graded using the following rubric

### Rubric for Presentations

Criteria	Weak	Points	Satisfactory	Points	Strong	Points
<b>Content Knowledge</b>	Limited understanding of the reading, may not accurately summarize key points.	10	Adequate understanding of the reading, provides a basic summary of key points.	20	Comprehensive understanding of the reading, presents a nuanced and detailed summary of key points.	29
<b>Critical Analysis</b>	Fails to offer meaningful analysis or insights. Limited connection to broader concepts.	5	Offers some analysis, but lacks depth and may not connect insights to broader themes.	10	Provides a sophisticated and insightful analysis, linking key points to broader theoretical or empirical frameworks.	15
<b>Organization</b>	Presentation lacks structure, making it difficult to follow. Ideas are disjointed.	5	Somewhat organized, but transitions between ideas are weak. Some difficulty in following the presentation.	10	Well-organized presentation with clear transitions between sections, making it easy to follow and understand.	15

Criteria	Weak	Points	Satisfactory	Points	Strong	Points
<b>Clarity of Expression</b>	Uses unclear language or terminology. Communication may be challenging for the audience.	5	Communication is generally clear, but some jargon or complex sentences may hinder understanding.	10	Communicates ideas effectively, using clear language and appropriate terminology. Easy for the audience to follow.	15
<b>Engagement with Audience</b>	Minimal engagement with the audience. Lack of eye contact and enthusiasm.	5	Some engagement with the audience, but may struggle to maintain interest. Limited eye contact and enthusiasm.	9	Actively engages with the audience, maintains eye contact, and demonstrates enthusiasm for the topic. Captivates the audience's interest.	10
<b>Visual Aids (if applicable)</b>	No or poorly designed visual aids that do not enhance understanding.	5	Basic visual aids that partially enhance understanding.	7	Well-designed and effective visual aids that significantly contribute to the clarity and impact of the presentation.	8
<b>Time Management</b>	Presentation significantly exceeds or falls short of the allocated time.	5	Presentation is within the acceptable time range but lacks balance between summarizing and analyzing.	7	Effectively manages time, presenting a well-balanced combination of summarization and critical analysis within the allocated time.	8

Criteria	Weak	Points	Satisfactory	Points	Strong	Points
<b>Total Points</b>		40		73		100

## Attendance Requirements

Students are required to attend classes following the University's policies. Students with more than two unexcused absences are assumed to have withdrawn from the course. Students with a justified reason not to attend class have to send me an email explaining why they cannot attend ahead of class and need to submit a [form to the Dean's Office](#).

## Academic Honesty

As stated in the university catalog, any student who commits an act of academic dishonesty will receive a failing grade on the work in which the dishonesty occurred. In addition, acts of academic dishonesty, irrespective of the weight of the assignment, may result in the student receiving a failing grade in the course. Instances of academic dishonesty will be reported to the Dean of Academic Affairs. A student reported twice for academic dishonesty is subject to summary dismissal from the University. In such a case, the Academic Council will then make a recommendation to the President, who will make the final decision.

## Students with Learning Difficulties and other Disabilities

The University does not discriminate based on disability. Students with approved accommodations must inform their professors at the beginning of the term. Please see the website for the complete policy.

## Required Books

There are no specific required book for the course. See the items for every specific week's session.

## Week 1

### Class 1: Economic Efficiency and Inequality

09/01/2025 - Mon - [Lecture](#)

- Why are the claims about the presence/absence of an equity-efficiency tradeoff so difficult to evaluate empirically?
- Does addressing gender and racial inequalities create tradeoffs similar to economic inequality?

### *Class Reading:*

- Okun, Arthur M. Equality and efficiency: The big tradeoff. Brookings Institution Press, 1975. [Chapters 1, 2, 3].
- Polanyi, Karl. The great transformation: The political and economic origins of our time. Beacon Press, 1944 [Chapter 6, 12].

## **Class 2: Economic Efficiency and Inequality**

09/03/2025 - Wed - Discussion

- How does inequality impact economic growth?
- Is there a tradeoff between efficiency and equity?

### ***Class Reading:***

- Cingano, Federico. 2014. Trends in income inequality and its impact on economic growth. OECD Publishing
- Andersen, Torben M. and Maibom, Jonas 2020. The big trade-off between efficiency and equity - is it there? Oxford Economic Papers, 72(2):391-411
- Barr, Nicholas. Social Insurance as efficiency device. Journal of Public Policy. 9(01):59-82

## **Week 2**

### **Class 1: Public Sector Growth and the Rise of the Welfare State in Europe and North America**

09/08/2025 - Mon - [Lecture](#)

- What theoretical explanation(s) accounting for the development of advanced welfare states do you find most convincing? Why?
- What are the limits of explaining the politics of the welfare state through a primarily economic lens?

### ***Class Reading:***

- Brady, David; Bostic, Amie. 2015. Paradoxes of Social Policy: Welfare Transfers, Relative Poverty, and Redistribution Preferences, American Sociological Review. Vol. 80(2), pp. 268-298
- Dittmar, Jeremiah and Meisenzahl, Ralf R. 2020. Public Goods Institutions, Human Capital and Growth: Evidence from German History, Review of Economic Studies. Vol. 87, pp. 959-996.

### **Class 2: Public Sector Growth and the Rise of the Welfare State in Europe and North America**

09/10/2024 - Wed - Discussion

- What is the relationship between business and welfare state development?
- What are the limits of explaining the politics of the welfare state through a primarily economic lens?

### ***Class Reading:***

- Van Kasbergen, Kees and Manow, Philip, 2009. Religion, Class Coalitions and Welfare States. Cambridge University Press. [Chapters 1, 9]
- Lindert, Peter H.. 2004. Growing public: Further evidence: Social spending and economic growth since the Eighteenth Century, volume 2. Cambridge University Press [Chapters 15, 17]

## Week 3

### Class 1: Explaining Welfare States: Classes, Employers, and Citizens

09/15/2025 - Mon - [Lecture](#)

- How do institutions (“rules of the game”) shape the balance between equality and prosperity across countries?
- How does the distribution of risk (e.g. unemployment) influence public support for welfare policies?

#### *Class Reading:*

- Rehm, Philip, 2016. Risk inequality and welfare states: Social policy preferences, development, and dynamics. Cambridge University Press [Chapters 1, 2, 3]
- Esping-Andersen, Gosta. 1990. The three worlds of welfare capitalism. Princeton University Press Princeton. [Intro, Chapters 1, 2]

### Class 2: Explaining Welfare States: Classes, Employers, and Citizens

09/17/2025 - Wed - Discussion

- How does the idea of decommodification help us compare different types of welfare states?
- In what ways can employers act as protagonists, consenters, or antagonists in shaping welfare state development?

#### *Class Reading:*

- Esping-Andersen, Gosta. 1990. The three worlds of welfare capitalism. Princeton University Press Princeton [Chapter 3] - **Presentation by Costanza**
- Korpi, Walter. 2006. Power resources and employer-centered approaches in explanations of welfare states and varieties of capitalism: Protagonists, consenters, and antagonists. World Politics, 58(02):167–206

## Week 4

### Class 1: Varieties of Capitalism

09/22/2025 - Mon - [Lecture](#)

- Using the “Varieties of Capitalism” approach explains variation in capitalist societies
- Does the “Varieties of Capitalism” approach explain economic development in the last decade?

#### *Class Reading:*

- Hall, Peter A. and Soskice, David. 2001. Varieties of capitalism. Oxford University Press [Introduction]
- Franzese, Robert. 2001. Institutional and Sectoral Interactions in Monetary Policy and Wage/Price-Bargaining. In P. A. Hall & D. Soskice (Eds.), Varieties of capitalism: The institutional foundations of comparative advantage (pp. 104–145). Oxford University Press
- Becker, Gary, 1964. Human Capital. A Theoretical and Empirical Analysis, with Special Reference to Education. Columbia University Press. [C3: Investment in Human Capital:

Rates of Return]

## **Class 2: Varieties of Capitalism**

09/24/2025 - Wed - Discussion

- Is the “Varieties of Capitalism” approach a compelling account of capitalist variation?
- Does the “Varieties of Capitalism” approach explain economic development in the last decade?

### ***Class Reading:***

- Mares, Isabela. 2001. Firms and the Welfare State: When, Why, and How Does Social Policy Matter to Employers. In P. A. Hall & D. Soskice (Eds.), *Varieties of capitalism: The institutional foundations of comparative advantage* (pp. 184–213). Oxford University Press - **Presentation by Simone**
- Hancke, Bob, 2009. *Debating varieties of capitalism: A reader*. Oxford University Press [Introduction]

## **Week 5**

### **Class 1 Economic Policy in the US and Britain in the Post-War Era**

09/29/2025 - Mon - [Lecture](#)

- How did the European economic policy change after 1945?
- Are some national institutional configurations more able to produce growth than others?

### ***Class Reading:***

- Eichengreen, Barry. 2008. *The European economy since 1945: coordinated capitalism and beyond*. Princeton University Press [Chapters 1, 2, 3]

### **Class 2: Gender relations and welfare states**

10/01/2025 - Wed - Discussion

- What is the relationship between women’s rights and welfare states?
- How did the expansion of suffrage to women impact the development of welfare states?

### ***Class Reading:***

- Orloff, Ann Shola. 1993. Gender and the social rights of citizenship: The comparative analysis of gender relations and welfare states. *American Sociological Review*: 303–328. - **Presentation by Alan**
- Lott, John R. and Kenny, Lawrence W. 1999. Did women’s suffrage change the size and scope of government? *Journal of Political Economy*, 107(6): 1163–1198.

## **Week 6**

### **Class 1: Fighting Poverty in the US and Europe**

10/06/2025 - Mon - [Lecture](#)

- How does fighting poverty differ in the US and Europe?



- Where do differences in fighting poverty come from in the US and Europe?

***Class Reading:***

- Alesina, Alberto and Glaeser, Edward Ludwig 2004. Fighting poverty in the US and Europe: A world of difference. Oxford University Press [Chapter 1, 2, 6]

**Class 2: Race and Welfare States**

10/08/2025 - Wed - Discussion

- How does fighting poverty differ in the US and Europe?
- How did reconstruction lead to increases in bureaucratic capacity in the American south?

***Class Reading:***

- Alesina, Alberto and Glaeser, Edward Ludwig 2004. Fighting poverty in the US and Europe: A world of difference. Oxford University Press [Chapter 7] -
- Suryanarayan, Pavithra and White, Steven 2021. Slavery, reconstruction, and bureaucratic capacity in the American south. American Political Science Review, 115(2):568–584.
- Wiedemann, Andreas. 2024. Redistributive Politics Under Spatial Inequality. Journal of Politics 86 (3): 1013-1030 - **Presentation by Sara**

**Week 7**

**Class 1: Collective Action Problems**

10/13/2025 - Mon - [Lecture](#)

- Does the relationship between the organization of labor and business and economic outcomes vary across types of economic institutions?
- Are some national institutional configurations more able to produce growth than others?

***Class Reading:***

- Olson, Mancur 1971. The logic of collective action: Public goods and the theory of groups. Harvard University Press [Chapter 1, 2, 3]

**Class 2: Collective Action Problems**

10/15/2025 - Wed - Discussion

- How do constitutions affect governance structures?
- How does social learning impact economic policymaking?

***Class Reading:***

- Ostrom, Elinor, 1990. Governing the Commons. Cambridge University Press. Chapter 1.
- Ostrom, Elinor, 2003. How Types of Goods and Property Rights jointly affect Collective Action. Journal of Theoretical Politics 15(3): 239-270. - **Presentation by Sophia**

**Week 8**

**Class 1: Revision for Midterm**

10/20/2025 - Mon - [Lecture](#)

## **Class 2: MIDTERM**

10/22/2025 - Wed

## **Week 9**

### **Class 1: Liberalization and Institutional Change**

10/27/2025 - Mon - [Lecture](#)

- To what extent have different national varieties of capitalism become more institutionally similar over time?
- How path dependent are national political economies?

#### ***Class Reading:***

- Pierson, Paul 2004. Politics in time: History, institutions, and social analysis. Princeton University Press [Chapter 1 and 2]
- Mahoney, James and Thelen, Kathleen 2010. A theory of gradual institutional change. Explaining institutional change: Ambiguity, agency, and power, 1 [Read pp. 1-37]

### **Class 2: Liberalization and Institutional Change**

10/29/2025 - Wed - Discussion

#### ***Class Reading:***

- Streeck, Wolfgang and Thelen, Kathleen. 2005. Beyond continuity: Institutional change in advanced political economies. Oxford University Press [Read pp. 1-39]. - **Presentation by Costanza**
- Levy, Jonah. 2005 Beyond continuity: Institutional change in advanced political economies. Oxford University Press. [Read pp. 103-127]

## **Week 10**

### **Class 1: Institutions and Accountability**

11/03/2025 - Mon - [Lecture](#)

- Do majoritarian electoral systems create clearer lines of accountability between voters and the government?
- Can voters hold governments accountable in countries where economic policy is dictated by independent central banks?

#### ***Class Reading:***

- Persson, Torsten and Tabellini, Guido Enrico 2005. The economic effects of constitutions. MIT press, C1, 2, and 4
- Iversen, Torben and Soskice, David 2006. Electoral institutions and the politics of coalitions: Why some democracies redistribute more than others. American Political Science Review, 100(02):165–181

### **Class 2: Political Accountability and Voting over Economic Policy**

11/05/2025 - Wed - Discussion

- What is economic voting and what roles does it play in politics?

- How do political and economic institutions affect election results?

***Class Reading:***

- Powell, G. Bingham and Whitten, Guy D. 1993. A cross-national analysis of economic voting: taking account of the political context. *American Journal of Political Science*, 391–414. - **Presentation by Simone**
- Duch, Raymond M. and Stevenson, Randolph T. 2008. *The economic vote: How political and economic institutions condition election results*. Cambridge University Press, [Chapters 1, 2].
- Iversen, Torben and Soskice, David 2006. Electoral institutions and the politics of coalitions: Why some democracies redistribute more than others. *American Political Science Review*, 100(02):165–181

## Week 11

### **Class 1: Labor Market and Wage Setting Institutions within Industrial Economies**

11/10/2025 - Mon - [Lecture](#)

- What is the relationship between wage-setting institutions and inequality?
- How does collective action operate within organized industrial relations?

***Class Reading:***

- Wallerstein, Michael, 1999. Wage-setting institutions and pay inequality in advanced industrial societies. *American Journal of Political Science*: 649–680
- Hassel, Anke, Knudsen, Jette Steen, and Wagner, Bettina. 2016. Winning the battle or losing the war: the impact of European integration on labour market institutions in Germany and Denmark. *Journal of European Public Policy*, 23(8):1218–1239
- Kaztenstein, Peter, 2016. Small States in World Market. C. Introduction

### **Class 2: Gender, Race and Changing Institutional Change**

11/12/2025 - Mon - Discussion

- To what extent work-family policies change over time?
- What is the relationship between ideas and welfare state transformation?

***Class Reading:***

- Morgan, Kimberly J. 2013. Path shifting of the welfare state: Electoral competition and the expansion of work-family policies in Western Europe. *World Politics*, 65(1):73–115. - **Presentation by Alan**
- Fleckenstein, Timo 2011. The politics of ideas in welfare state transformation: Christian democracy and the reform of family policy in Germany. *Social Politics*, 18(4):543–571. - **Presentation by Simone**

## Week 12

### **Class 1: Central Bank Independence**

11/17/2025 - Mon - [Lecture](#)

- How does central bank independence affect wage bargaining?
- How does central bank independence affect macroeconomic performance?

### ***Class Reading:***

- Hall, Peter A., Franzese, Robert J., et al. 1998. Mixed signals: central bank independence, coordinated wage bargaining, and European monetary union. *International organization*, 52(3):505–535
- Alesina, Alberto and Summers, Lawrence H. 1993. Central bank independence and macroeconomic performance: some comparative evidence. *Journal of Money, Credit and Banking*, 25(2):151–162
- Adolph, Christopher 2013. Bankers, bureaucrats, and central bank politics: The Politics of Central Banker Appointment. Cambridge University Press, 2013. pp. 240-280.

### **Class 2: Central Bank Independence**

11/19/2025 - Wed - Discussion

- Forder, James. 2005. Why is central bank independence so widely approved? *Journal of Economic Issues*, 39(4):843–865. - **Presentation by Sara**
- Adolph, Christopher. 2013. Bankers, bureaucrats, and central bank politics: The myth of neutrality. Cambridge University Press, 2013. pp. 1-27. **Presentation by Sophia**

## **Week 13**

### **Class 1: Globalization**

11/24/2025 - Mon - [Lecture](#)

- Can national democracy and globalization coexist?
- Do citizens have clear attitudes towards globalization?

### ***Class Reading:***

- Rodrik, Dani. 2000. How far will international economic integration go? *The Journal of Economic Perspectives*, 14(1):177–186
- Busemeyer, Marius R. 2009. From myth to reality: Globalisation and public spending in OECD countries revisited. *European Journal of Political Research*, 48(4):455–482
- Walter, Stefanie. 2010. Globalization and the welfare state: Testing the microfoundations of the compensation hypothesis. *International Studies Quarterly*, 54(2):403–426.

### **Class 2: Globalization and Populism**

11/26/2025 - Wed - Discussion

- How can globalization lead to more populism?
- Are there backlashes against globalization? What are their fundamental causes?

### ***Class Reading:***

- Margalit, Yotam. Economic insecurity and the causes of populism, reconsidered. *Journal of Economic Perspectives*, 33(4):152–70, 2019. - **Presentation by Alan**
- Colantone, Italo and Stanig, Piero. Global competition and Brexit. *American Political Science Review*, 112(2):201–218, 2018. - **Presentation by Costanza**

## **Week 14**

### **Class 1: Globalization, Free Trade, and Welfare**

12/01/2025 - Mon - Discussion

- How does globalization affect the welfare state?
- Who supports free trade and why?

***Class Reading:***

- Mansfield, Edward D. and Mutz, Diana C. 2009. Support for free trade: Self-interest, sociotropic politics, and out-group anxiety. *International Organization*, 63(03):425–457. **Presentation by Sara**
- Dancygier, Rafaela and Walter, Stefanie. 2015. ‘Globalization, Labor Market Risks, and Class Cleavages’. In: Beramendi, Pablo, Silja Häusermann, Hebert Kitschelt and Hanspeter Kriesche (eds). *The Politics of Advanced Capitalism*. Cambridge: Cambridge University Press. 133-56
- Dancygier, Rafaela, and Andreas Wiedemann. The Financialization of Housing and Its Political Consequences. *American Journal of Political Science*. - **Presentation by Sophia**

**Class 2: Review for Exam - [Lecture](#)**

12/03/2025 - Wed