

Universität zu Köln
Cologne Center for Comparative Politics
Wintersemester 2024/25

Seminar: **The Political Economy of Inequality**
Module: SM Vergleichende Politische Ökonomie (6 ECTS) (PO 2021),
Schwerpunktmodul: Seminar Politikwissenschaft II (9 ECTS) (PO 2015)
Room: S 103, IBW-Gebäude (211), Herbert-Lewin-Straße 2
Time: Monday, 14-17:30

Instructor: Dr. Joshua Cova
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Office hours: By appointment

Course description

Why do some countries grapple with severe inequality while others manage to maintain a more balanced income distribution? What has driven the rise of within-country inequality over recent decades, even as the economic gap between countries has narrowed? This course dives into these pressing questions, exploring the intricate factors that shape inequality across the globe.

This course aims to study the determinants of inequality, by providing students with a foundation to the study of how and why different political and economic constellations can lead to different inequality outcomes. Some of the critical questions which will be the object of this course are: why do some countries have larger low-wage sectors than others, why do some labour markets offer greater protection to workers than others and what role do trade unions play in all of this.

This course emphasizes the dynamic interplay between market economies, labor market institutions, and political parties, illustrating how these relationships inform different inequality trajectories. By engaging with classic readings and conducting real-world data analyses, students gain an understanding of how institutional frameworks and power dynamics affect resource distribution in advanced industrialized nations.

With a particular emphasis on bridging theory with empirical application, this course also aims to illustrate the significance of data in political economy research. It does so by highlighting how data can be used to investigate economic disparities across countries with different market economies.

Learning objectives

1. Analyze the impact of different political institutions and economic policies on inequality outcomes
2. Understand the value added of applying a comparative lens of analysis to the study of inequality
3. Acquire empirical skills, which allow you to understand, search and process data that is useful for the study of the political economy of inequality

Assignment

The coursework is composed by an essay (70%) and a data analysis exercise (30%).

- **Essay (70%):** The essay should deal with an empirical issue related to the content of the course. Students can either pick an essay question from the existing list or they can choose their own research question(s), as long as it is related to the course (ca. 3,000 words).
 - **Deadline:** End of semester
- **Data analysis exercise (30%):** Students will receive a dataset and are expected to generate summary/descriptive statistics and write a brief report analyzing the data in relation to the course context (ca. 1,000 words). Students can team up in teams of up to 3 people for this exercise.
 - **Deadline:** End of semester

Timeline

Session	Date	Topic and readings
1	07.10	Introduction: The historical trajectory of inequality in the 20th and 21st centuries Milanovic, B. (2013) ‘Global Income Inequality in Numbers: in History and Now’, <i>Global Policy</i> , 4(2), pp. 198-208
2	14.10	Types of capitalism and different inequality outcomes Rueda, D. and Pontusson, J. (2000) ‘Wage inequality and varieties of capitalism’, <i>World Politics</i> , 52(3), pp.350-383. Kollmeyer, C. (2014) ‘Income inequality in advanced capitalism: How protective institutions can promote egalitarian societies’, <i>Comparative Sociology</i> , 13(4), pp.419-444.
3	21.10	Labour markets I: The role of trade unions Ahlquist, John S. (2017) ‘Labor Unions, Political Representation, and Economic Inequality’, <i>Annual Review of Political Science</i> 20 (1): 409–32. Aidt, T.S. and Tzannatos, Z., (2008). Trade unions, collective bargaining and macroeconomic performance: a review. <i>Industrial relations journal</i> , 39(4), pp.258-295..
4	28.10	Labour markets II: Neoliberalism, dualization and inequality Baccaro, L. and Howell, C. (2011), ‘A common neoliberal trajectory: The transformation of industrial relations in advanced capitalism’, <i>Politics & Society</i> , 39(4), pp.521-563. Thelen, K. (2012), ‘Varieties of capitalism: Trajectories of liberalization and the new politics of social solidarity’, <i>Annual Review of Political Science</i> , 15, pp.137-159.
5	18.11	The politics of inequality Häusermann, S., Kemmerling, A. and Rueda, D. (2020), ‘How labor market inequality transforms mass politics’, <i>Political Science Research and Methods</i> , 8(2), pp.344-355. Hacker, Jacob S., and Pierson, P. (2010), ‘Winner-Take-All Politics: Public Policy, Political Organization, and the Precipitous Rise of Top Incomes in the United States’, <i>Politics & Society</i> 38 (2): 152–20

6	25.11	Skills, education and the transition to the knowledge economy Autor, D.H. (2014), ‘Skills, education, and the rise of earnings inequality among the “other 99 percent”’, <i>Science</i> , 344(6186), pp.843-851. Hope, D. and Martelli, A. (2019), ‘The transition to the knowledge economy, labor market institutions, and income inequality in advanced democracies’, <i>World Politics</i> , 71(2), pp.236-288.
7	02.12	How to study inequality? Research design and working with data
8	09.12	Gender and intersectionality Cho, S., Crenshaw, K.W. and McCall, L., (2013). Toward a field of intersectionality studies: Theory, applications, and praxis. <i>Signs: Journal of women in culture and society</i> , 38(4), pp.785-810. Folbre, N (1991). The unproductive housewife: Her evolution in nineteenth-century economic thought. <i>Signs: Journal of women in culture and society</i> , 16(3), pp.463-484.