

The Politics of Inequality (PO4730)

Lecturer

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Course Description

In 2008, the top 10% of the US population received 46% of all income while in Sweden the figure was 28%. The current economic climate sees governments needing to rebalance their budgets — often dramatically. This can be achieved both by cutting spending that is often aimed more at the poor or increasing taxes that are often paid more by the rich. Unsurprisingly, then, inequality is currently very politically salient, but politics as a subject more generally has been described as the study of ‘who gets what, when, and how’. During this course, we will investigate the politics of inequality both across ‘developed democracies’ and within them. The aim is to develop an understanding of inequality in terms of its contemporary and historical patterns, its causes (both political and otherwise), and its consequences for political participation and policy outcomes.

Learning Outcomes

On successful completion of this module students should be able to:

- identify and describe empirical trends in inequality in the advanced industrial countries;
- identify and describe the economic and political causes of differences in inequality;
- identify and describe the economic and political consequences of inequality;
- critically read and evaluate social scientific arguments and evidence;
- formulate a social scientific argument and employ empirical evidence to test/support it.

Assessment

Class participation

Note, well. The readings are very important: students are reminded that this course will only work if everyone completes the assigned reading before class and participates in class discussions.

20% — Michaelmas Term Writing Assignments

There will be two, equally-weighted writing assignments during Michaelmas term.

‘Op-Ed’ Article (1,000 words)

Due 5pm Monday December 5th

For this assignment you will take an existing ‘op-ed’ article/column from a newspaper (or possibly a news-based magazine) that relates to the issue of inequality. You will then write your own op-ed in response *using the theories, evidence, and further data that you have been introduced to during the course.*

N.B. This is not an opportunity to simply write down a series of prejudices or unsubstantiated claims!

The idea behind this assignment is that you will attempt to write as a social scientist, in an evidence-based and theoretically-motivated way. This much is similar to other essays you may have written during your undergraduate career. However, for this assignment, you should also write in a style that is accessible to a general readership, untrained to the level that you are. The goal is that you will learn to bridge the gap between the academic study of social science and the popular understandings of such issues. One way in which you may wish to approach this is by taking an explicitly comparative stance — discussing how claims made for one country stand-up to evidence in others.

You may select your own op-ed to respond to, *but you must confirm this with me before you write your piece.* If you are having trouble selecting an article, I will be happy to make suggestions. You should find good fodder in all variety of large-circulation newspapers on either side of the Atlantic.

Critical Literature Review (1,500 words)

Due midday Tuesday before the relevant class

You will each be assigned one topic from the term on which to write a critical response to the required readings (and further readings if you wish). Beyond a summary of the readings, this should also include analysis of contradictions both within and between papers, methodological shortcomings, and conceptual discrepancies. In developing such critiques, you will may conclude that some arguments or pieces of evidence are more persuasive than others. Outlining your reasoning for such conclusions will is likely raise your grade.

The assignments will be spread across the different topics so that each week we have (hopefully) at least one person in the class who has written a paper. When it is ‘your’ week, you will be expected to participate in the seminar discussion to an even greater extent than usual.

I will also assign ‘discussants’ for each paper-writer whose task will be to discuss the issues raised in the critical literature review. The aim is to encourage you all to engage with each others work and ideas *in a collaborative way.* Discussion of the work of others should be sensitive, respectful, and *constructive.* You will all have your own work analysed by others, so everyone has an incentive to maintain such an atmosphere in the group! For the avoidance of doubt, the grade for this piece of work will be determined by myself, not by your discussant.

20% — Hilary Term Essay (up to 2,500 words) **Due 5pm Thursday April 5th**

You are very largely free to choose the topic of your essay. However, you are required to develop an argument of your own relating to the politics of inequality — either generally or with respect to specific cases. You should then provide comparative (and possibly historical) evidence in support of your argument. During the course, you will be directed towards various data sets that you may find useful for the empirical component of the essay.

I strongly suggest that you see me no later than the end of week 8 of Hilary term to discuss this assignment. You are very welcome to talk to me about it at any time during the course, though.

60% — Summer Exam

A comprehensive exam on the content of the module.

Additional Details

Plagiarism

You are reminded of your obligations as a student at Trinity College to avoid plagiarism and respect the highest standards of academic honesty. This is particularly important in terms of reviewing academic literature where it is important that the review is based on your own reading and assessment of any literature discussed.

Turnitin

All written work must be submitted via <http://www.turnitin.com/>. This makes it easier to manage submissions, as well as taking advantage of a plagiarism detector. In order to submit your essay on <http://www.turnitin.com/>, you need to register yourself with <http://www.turnitin.com/> using the following information:

Class Name: The Politics of Inequality

Course ID: 4397651

Enrollment Password: morethanme

Finding Readings

- The reading list (below) includes full bibliographic references to each article, chapter, book, or other reading. As such, you should be able to use the library services to find them yourself.
- Where available, I have also included the URL based on the DOI (standing for Digital Object Identifier) of the reading. This will link you to *one* place where the reading is published online.
- The DOI links will only provide you with access when you are connected to the TCD network. If you are off-campus, you should use the Library's off-campus facility by visiting <http://www.tcd.ie/Library/> and clicking on the link for "E-Journals only".
- Note, however, that the DOI link may *not* be the place through which the TCD subscription provides access. (This is not in my control.) If this occurs, you will often find that <http://www.jstor.org/> will work for you, subject to you being on-campus or having explicitly signed-in to the Library's off-campus service.

- Again, where available, I have also tried to provide URLs for readings that are not constrained by off-campus and/or login restrictions. This is often via the web sites of the authors of the readings and will tend to be the easiest way of retrieving items.
- Some readings may only be available in hard copy. In these cases, I will endeavour to make them available as scanned PDFs via the module's WebCT site found via <http://webct.tcd.ie/>. These are marked with the ➡ symbol in the reading list.
- Some of the readings listed below are a little more challenging. I have marked these with the * symbol.

Interesting Texts

- Pontusson, Jonas (2005). *Inequality and Prosperity: Social Europe vs. Liberal America*. Cornell University Press
- Alesina, Alberto and Glaeser, Edward L. (2005). *Fighting poverty in the US and Europe: A World of Difference*. Oxford University Press, Oxford, UK
- Kenworthy, Lane (2004). *Egalitarian Capitalism: Jobs, Incomes, and Growth in Affluent Countries*. Russell Sage Foundation
- Bartels, Larry M. (2008). *Unequal Democracy: The Political Economy of the New Gilded Age*. Princeton University Press, Princeton, NJ

Interesting Websites

- Cross-national data on income and wealth inequality is available from the Luxembourg Income (and Wealth) Study web site:
<http://www.lisdatacenter.org/>
- Cross-national and through-time data on 'top incomes' (going back quite a long way) is available at:
<http://g-mond.parisschoolofeconomics.eu/topincomes>
- Large-scale UN data from the World Income Inequality Database
http://www.wider.unu.edu/research/Database/en_GB/database/
- Lane Kenworthy's blog, entitled 'Consider the Evidence', covering all sorts of issues relating to inequality, poverty, politics, and social science more generally:
<http://lanekenworthy.net/>

Visiting Students

Visiting students are admitted to the course at my discretion. Please do contact me if you are interested. Full-year visiting students are expected to fulfill the same course requirements, in terms of coursework and exams, as Trinity students. Note that the examination season does not finish until late May. This module is worth 10 ECTS credit modules for students taking this all year. For those visiting students not here the whole year, you can receive 5 ECTS credits for taking one term of the course. You will be expected to write two essays, assigned by me.

Acknowledgements

I am extremely grateful to the following for their help in preparing this course: Lucy Barnes, Elaine Byrne, Jac Hayden, Tom Pegram, and Will Phelan.

1 Introductions

1.1 Inequality, Poverty, Income, and Wealth

This first week is introductory. The readings cover a few short and interesting tasters of a more ‘popular’ nature. The ‘Summary Readings’ for this week — uniquely this week not denoted as ‘required’ as I will not expect you to be able to discuss them in class — provide overviews of some of the topics that we will go on and cover in more detail during the course. For those of you contemplating whether to take this course, Neckerman and Torche (2007) point to many of the issues that we will cover later. The further readings point to some technical literature on the measurement of inequality and poverty that you may find useful to refer back to at some points.

Shorter/Popular Readings

- Cox, W. Michael and Alm, Richard (2008). You Are What You Spend. *New York Times*. February 10th.
<http://www.nytimes.com/2008/02/10/opinion/10cox.html>
- Kenworthy, Lane (2008c). Income Inequality, Spending Inequality, Wealth Inequality. Consider the Evidence.
<http://lanekenworthy.net/2008/02/11/income-inequality-spending-inequality-wealth-inequality/>
- Kenworthy, Lane (2010a). The best inequality graph, updated. Consider the Evidence.
<http://lanekenworthy.net/2010/07/20/the-best-inequality-graph-updated/>

Summary Readings

- ➡ Pontusson, Jonas (2005). *Inequality and Prosperity: Social Europe vs. Liberal America*. Cornell University Press, chapter 3
- Smeeding, Timothy (2006). Poor People in Rich Nations: The United States in Comparative Perspective. *Journal of Economic Perspectives*, 20(1):69–90.
<http://dx.doi.org/10.1257/089533006776526094>
- Kaufman, Robert R. (2009). Inequality and Redistribution: Some Continuing Puzzles. *PS: Political Science & Politics*, 42(04):657–660.
<http://dx.doi.org/10.1017/S1049096509990060>
- Neckerman, Kathryn M. and Torche, Florencia (2007). Inequality: Causes and Consequences. *Annual Review of Sociology*, 33(1):335–357.
<http://dx.doi.org/10.1146/annurev.soc.33.040406.131755>
- Jacobs, Lawrence R. and Soss, Joe (2010). The Politics of Inequality in America: A Political Economy Framework. *Annual Review of Political Science*, 13(1):341–364.
<http://dx.doi.org/10.1146/annurev.polisci.041608.140134>

Further Readings

- Atkinson, A. B. (1997). Bringing Income Distribution in From the Cold. *Economic Journal*, 107(441):297–321
- * Allison, Paul D. (1978). Measures of Inequality. *American Sociological Review*, 43(6):865–880.
<http://dx.doi.org/10.2307/2094626>

- * Sen, Amartya (1979). Issues in the Measurement of Poverty. *Scandinavian Journal of Economics*, 81(2):285–307.
<http://dx.doi.org/10.2307/3439966>
- * Cowell, F.A. (2000). Measurement of Inequality. In Atkinson, Anthony B. and Bourguignon, François, editors, *Handbook of Income Distribution*, volume 1, chapter 2, pages 87–166. Elsevier.
10.1016/S1574-0056(00)80005-6

1.2 Mapping Inequality

Before analysing how inequality relates to politics, it is necessary to get an empirical understanding of the concept, itself. This week, we will look at a variety of readings that map out the cross-national and through-time development of inequality. Wilkinson and Pickett (2010) point to some of the broader implications of these developments, and so show some reasons why these patterns may be important. The further readings cover a few topics, but many of the readings are concerned with generating estimates of inequality across countries. Of particular interest are Atkinson et al. (2011) on measures of ‘top incomes’ (i.e. the very rich in each country) and the papers by Milanovic (2002) Pinkovskiy and Sala-i Martin on estimating world-wide inequality.

Shorter/Popular Readings (Required)

- Kenworthy, Lane (2008b). Has Ireland’s Rising Tide Benefited Its Poor? Consider the Evidence.
<http://lanekenworthy.net/2008/05/18/has-irelands-rising-tide-benefited-its-poor/>
- Kenworthy, Lane (2008f). Top Incomes in the U.S. and Abroad. Consider the Evidence.
<http://lanekenworthy.net/2008/05/11/top-incomes-in-the-us-and-abroad/>

Required Readings

- Brandolini, Andrea and Smeeding, Timothy M. (2006). Patterns of Economic Inequality in Western Democracies: Some Facts on Levels and Trends. *PS: Political Science and Politics*, 39(1):21–26.
<http://dx.doi.org/10.1017/S1049096506060124>
- Garfinkel, Irwin, Rainwater, Lee, and Smeeding, Timothy (2006). A re-examination of welfare states and inequality in rich nations: How in-kind transfers and indirect taxes change the story. *Journal of Policy Analysis and Management*, 25(4):897–919.
<http://dx.doi.org/10.1002/pam.20213>
- Whelan, Christopher T. and Maître, Bertrand (2007). Levels and Patterns of Material Deprivation in Ireland: After the ‘Celtic Tiger’. *European Sociological Review*, 23(2):139–154.
<http://dx.doi.org/10.1093/esr/jcl025>
- Wilkinson, Richard and Pickett, Kate (2010). *The Spirit Level: Why Equality is Better for Everyone*. Penguin Books, London, UK, second edition, chapter 2

Further Readings

- Nolan, Brian and Smeeding, Timothy M. (2005). Ireland’s Income Distribution in Comparative Perspective. *Review of Income and Wealth*, 51(4):537–560.
<http://dx.doi.org/10.1111/j.1475-4991.2005.00167.x>
- Mahler, Vincent A. and Jesuit, David K. (2006). Fiscal redistribution in the developed countries: new insights from the Luxembourg Income Study. *Socio-Economic Review*, 4(3):483–511.
<http://dx.doi.org/10.1093/ser/mwl003>
- * Aaberge, Rolf, Bhuller, Manudeep, Langørgen, Audun, and Mogstad, Magne (2010). The distributional impact of public services when needs differ. *Journal of Public Economics*, 94(9–10):549–562.
<http://dx.doi.org/10.1016/j.jpubeco.2010.06.004>

- Atkinson, Anthony B., Piketty, Thomas, and Saez, Emmanuel (2011). Top Incomes in the Long Run of History. *Journal of Economic Literature*, 49(1):3–71.
<http://dx.doi.org/10.1257/jel.49.1.3>
- Milanovic, Branko (2002). True World Income Distribution, 1988 and 1993: First Calculation Based on Household Surveys Alone. *Economic Journal*, 112(476):51–92.
<http://dx.doi.org/10.1111/1468-0297.0j673>
- Pinkovskiy, Maxim and Sala-i Martin, Xavier (2010). Parametric estimations of the world distribution of income.
<http://www.voxeu.org/index.php?q=node/4508>
- Pinkovskiy, Maxim and Sala-i Martin, Xavier (2009). Parametric Estimations of the World Distribution of Income. NBER Working Paper No. 15433.
<http://www.nber.org/papers/w15433>
- Sala-i Martin, Xavier and Pinkovskiy, Maxim (2010). African Poverty is Falling...Much Faster than You Think! NBER Working Paper No. 15775.
<http://www.nber.org/papers/w15775>

1.3 Social Mobility and Inequality

Related to inequality is the concept of social mobility. Should we be concerned about inequality if individuals and/or families-through-generations rise and fall through the income or class rankings over time? How might we measure social mobility?

Shorter/Popular Readings (Required)

- Toynbee, Polly (2011a). Class still matters: Q&A with Polly Toynbee. *The Guardian*. August 31st.
<http://www.guardian.co.uk/commentisfree/2011/aug/31/polly-toynbee-class-q-and-a>
- Kenworthy, Lane (2008d). Is the U.S. a High-Inequality Country if Mobility Is Taken into Account? Consider the Evidence.
<http://lanekenworthy.net/2008/07/20/is-the-us-a-high-inequality-country-if-mobility-is-taken-into-account/>
- Kenworthy, Lane (2008a). Can Mobility Offset an Increase in Inequality? Consider the Evidence.
<http://lanekenworthy.net/2008/07/06/can-mobility-offset-an-increase-in-inequality/>

Required Readings

- ➡ Hills, John (2004). *Inequality and the State*. Oxford University Press, Oxford, UK, chapter 5
- Solon, Gary (2002). Cross-Country Differences in Intergenerational Earnings Mobility. *Journal of Economic Perspectives*, 16(3):59–66.
<http://dx.doi.org/10.1257/089533002760278712>
- Erikson, Robert and Goldthorpe, John H. (2002). Intergenerational Inequality: A Sociological Perspective. *Journal of Economic Perspectives*, 16(3):31–44.
<http://dx.doi.org/10.1257/089533002760278695>
- Goldthorpe, John H. (2010). Analysing Social Inequality: A Critique of Two Recent Contributions from Economics and Epidemiology. *European Sociological Review*, 26(6):731–744.
<http://dx.doi.org/10.1093/esr/jcp046>

Further Readings

- Bowles, Samuel and Gintis, Herbert (2002). The Inheritance of Inequality. *Journal of Economic Perspectives*, 16(3):3–30.
<http://dx.doi.org/10.1257/089533002760278686>
- Bowles, Samuel, Gintis, Herbert, and Groves, Melissa Osborne, editors (2005). *Unequal Chances*. Princeton University Press, Princeton, NJ

2 Causes of Inequality

Inequality can stem from a variety of causes. In this section of the module, we will analyse several of these.

2.1 Explaining ‘Market’ Inequality

Perhaps the most obvious source of inequality revolves around the differences in wages and income more generally received by different individuals. What determines these ‘market’ (or before tax-and-transfer inequalities)? There are economic reasons that we must be aware of, but it has also been argued that there are political reasons.

Shorter/Popular Readings (Required)

- Milanovic, Branko (2011a). More or Less: Income inequality has risen over the past quarter-century instead of falling as expected. *Finance & Development*, pages 6–11.
<http://www.imf.org/external/pubs/ft/fandd/2011/09/pdf/milanovi.pdf>
... OR ...
- “” Milanovic, Branko (2011b). The Rise of Inequality. IMF Podcast. August 18th.
<http://www.imf.org/external/pubs/ft/survey/so/pvcast.aspx#inequality>

Required Readings

- Johnson, George E. (1997). Changes in Earnings Inequality: The Role of Demand Shifts. *Journal of Economic Perspectives*, 11(2):41–54.
<http://dx.doi.org/10.1257/jep.11.2.41>
- DiPrete, Thomas A. (2007). What Has Sociology to Contribute to the Study of Inequality Trends? A Historical and Comparative Perspective. *American Behavioral Scientist*, 50(5):603–618.
<http://dx.doi.org/10.1177/0002764206295009>
- Rueda, David and Pontusson, Jonas (2000). Wage Inequality and Varieties of Capitalism. *World Politics*, 52(3):350–383.
<http://dx.doi.org/10.2307/25054117>
http://dss.ucsd.edu/~mnaoi/page4/POLI227/files/page1_33.pdf
- Pontusson, Jonas, Rueda, David, and Way, Christopher R. (2002). Comparative Political Economy of Wage Distribution: The Role of Partisanship and Labour Market Institutions. *British Journal of Political Science*, 32(2):281–308.
<http://dx.doi.org/10.1017/S000712340200011X>
<http://users.ox.ac.uk/~polf0050/Rueda%20BJPS.pdf>

Further Readings

- Richardson, J. David (1995). Income Inequality and Trade: How to Think, What to Conclude. *Journal of Economic Perspectives*, 9(3):33–55.
<http://dx.doi.org/10.1257/jep.9.3.33>
- Fortin, Nicole M. and Lemieux, Thomas (1997). Institutional Changes and Rising Wage Inequality: Is There a Linkage? *Journal of Economic Perspectives*, 11(2):75–96.
<http://dx.doi.org/10.1257/jep.11.2.75>

- Acemoglu, Daron (2002). Technical Change, Inequality, and the Labor Market. *Journal of Economic Literature*, 40(1):7–72.
<http://dx.doi.org/10.1257/0022051026976>
- * Wallerstein, Michael (1999). Wage-Setting Institutions and Pay Inequality in Advanced Industrial Societies. *American Journal of Political Science*, 43(3):649–680.
<http://dx.doi.org/10.2307/2991830>
- * Ahlquist, John S. (2010). Building Strategic Capacity: The Political Underpinnings of Coordinated Wage Bargaining. *American Political Science Review*, 104(01):171–188.
<http://dx.doi.org/10.1017/S0003055409990384>

2.2 Explaining Post-Redistribution Inequality

While governments may have the ability to influence pre-tax-and-transfer inequality, it's even more natural to consider that they have the ability to influence post-tax-and-transfer inequality. How influential are the redistributive actions of the state and why do they arise?

Shorter/Popular Readings (Required)

- Lansley, Stewart (2006). The tax-free lifestyle of Britain's new mega-wealthy is impoverishing us all. *The Guardian*. April 1st.
<http://www.guardian.co.uk/commentisfree/2006/apr/01/comment.politics>

Required Readings

- ➔ Hills, John (2004). *Inequality and the State*. Oxford University Press, Oxford, UK, chapter 8
- Kenworthy, Lane and Pontusson, Jonas (2005). Rising Inequality and the Politics of Redistribution in Affluent Countries. *Perspectives on Politics*, 3(03):449–471.
<http://dx.doi.org/10.1017/S1537592705050292>
- Scheve, Kenneth and Stasavage, David (2009). Institutions, Partisanship, and Inequality in the Long Run. *World Politics*, 61(2):215–253.
<http://pantheon.yale.edu/~ks298/ScheveStasavageWP2009.pdf>
- Mahler, Vincent A. (2004). Economic Globalization, Domestic Politics, and Income Inequality in the Developed Countries. *Comparative Political Studies*, 37(9):1025–1053.
<http://dx.doi.org/10.1177/0010414004268849>

Further Readings

- Korpi, Walter and Palme, Joakim (1998). The Paradox of Redistribution and Strategies of Equality: Welfare State Institutions, Inequality, and Poverty in the Western Countries. *American Sociological Review*, 63(5):661–687.
<http://dx.doi.org/10.2307/2657333>
- Korpi, Walter and Palme, Joakim (2003). New Politics and Class Politics in the Context of Austerity and Globalization: Welfare State Regress in 18 Countries, 1975-95. *American Political Science Review*, 97(3):425–446.
<http://dx.doi.org/10.1017/S0003055403000789>
- Kenworthy, Lane (2008e). *Jobs With Equality*. Oxford University Press, Oxford, UK
- Rueda, David (2008). Left Government, Policy, and Corporatism: Explaining the Influence of Partisanship on Inequality. *World Politics*, 60(3):349–389
- Beramendi, Pablo and Cusack, Thomas R. (2009). Diverse Disparities: The Politics and Economics of Wage, Market, and Disposable Income Inequalities. *Political Research Quarterly*, 62(2):257–275.
<http://dx.doi.org/10.1177/1065912908319220>
- Scheve, Kenneth and Stasavage, David (2010). The Conscription of Wealth: Mass Warfare and the Demand for Progressive Taxation. *International Organization*, 64(04):529–561.
<http://dx.doi.org/10.1017/S0020818310000226>

2.3 ‘Winner-Take-All Politics’?

The week is a little different from the others. Rather than read a selection of articles from various sources, we will read the contents of a special issue of *Politics & Society*. The editors introduce it with the following:

This special issue of *Politics & Society* addresses the politics of income inequality in the United States over the past thirty years. The Great Recession of 20079 has made this an extremely important topic since growing income inequality appears to be a critical factor in the severity of the recent economic and financial downturn. The centerpiece of the issue is an extended article by Jacob Hacker and Paul Pierson, *Winner-Take-All Politics: Public Policy, Political Organization, and the Precipitous Rise of Top Incomes in the United States*. This article develops an argument that Hacker and Pierson plan to elaborate at greater length in a forthcoming book. Their article is followed by six commentaries [...]. The issue concludes with a rejoinder by Hacker and Pierson.

Required Readings

- Hacker, Jacob S. and Pierson, Paul (2010b). *Winner-Take-All Politics: Public Policy, Political Organization, and the Precipitous Rise of Top Incomes in the United States*. *Politics & Society*, 38(2):152–204.
<http://dx.doi.org/10.1177/0032329210365042>
- Block, Fred and Piven, Frances Fox (2010). *Dèjà Vu, All Over Again: A Comment on Jacob Hacker and Paul Pierson, “Winner-Take-All Politics”*. *Politics & Society*, 38(2):205–211.
<http://dx.doi.org/10.1177/0032329210365043>
- Brandolini, Andrea (2010). *Political Economy and the Mechanics of Politics*. *Politics & Society*, 38(2):212–226.
<http://dx.doi.org/10.1177/0032329210365045>
- Campbell, Andrea Louise (2010). *The Public’s Role in Winner-Take-All Politics*. *Politics & Society*, 38(2):227–232.
<http://dx.doi.org/10.1177/0032329210365046>
- Fligstein, Neil (2010). *Politics, the Reorganization of the Economy, and Income Inequality, 1980–2009*. *Politics & Society*, 38(2):233–242.
<http://dx.doi.org/10.1177/0032329210365047>
- Jacobs, Lawrence R. (2010). *Democracy and Capitalism: Structure, Agency, and Organized Combat*. *Politics & Society*, 38(2):243–254.
<http://dx.doi.org/10.1177/0032329210365048>
- Kenworthy, Lane (2010b). *Business Political Capacity and the Top-Heavy Rise in Income Inequality: How Large an Impact?* *Politics & Society*, 38(2):255–265.
<http://dx.doi.org/10.1177/0032329210365049>
- Hacker, Jacob S. and Pierson, Paul (2010a). *Winner-Take-All Politics and Political Science: A Response*. *Politics & Society*, 38(2):266–282.
<http://dx.doi.org/10.1177/0032329210365050>

3 Consequences of Inequality for Political Participation

It has been argued that economic inequality has implications for a variety of political activities. Whereas the previous section treated inequality as the ‘dependent variable’ — the concept to be explained — this section treats it as an ‘explanatory variable for several types of political participation.

3.1 Turnout

Perhaps the most symbolically important democratic act is to vote. Not all eligible voters take advantage of this right. Can inequality be an explanation for low turnout amongst some (groups of) people?

Required Readings

- Lijphart, Arend (1997). Unequal Participation: Democracy’s Unresolved Dilemma. *American Political Science Review*, 91(1):1–14.
<http://dx.doi.org/10.2307/2952255>
- Larcinese, Valentino (2007). Voting over Redistribution and the Size of the Welfare State: The Role of Turnout. *Political Studies*, 55(3):568–585.
<http://dx.doi.org/10.1111/j.1467-9248.2007.00658.x>
- Mahler, Vincent A (2008). Electoral turnout and income redistribution by the state: A cross-national analysis of the developed democracies. *European Journal of Political Research*, 47(2):161–183.
<http://dx.doi.org/10.1111/j.1475-6765.2007.00726.x>
- Pontusson, Jonas and Rueda, David (2010). The Politics of Inequality: Voter Mobilization and Left Parties in Advanced Industrial States. *Comparative Political Studies*, 43(6):675–705.
<http://dx.doi.org/10.1177/0010414009358672>

Further Readings

- Powell, G. Bingham, Jr. (1986). American Voter Turnout in Comparative Perspective. *American Political Science Review*, 80(1):17–43.
<http://dx.doi.org/10.2307/1957082>
- Crepaz, Markus M.L. (1990). The impact of party polarization and postmaterialism on voter turnout. *European Journal of Political Research*, 18(2):183–205.
<http://dx.doi.org/10.1111/j.1475-6765.1990.tb00228.x>
- Nagel, Jack H. and McNulty, John E. (1996). Partisan Effects of Voter Turnout in Senatorial and Gubernatorial Elections. *American Political Science Review*, 90(4):780–793.
<http://dx.doi.org/10.2307/2945842>
- Gray, Mark and Caul, Miki (2000). Declining Voter Turnout in Advanced Industrial Democracies, 1950 to 1997. *Comparative Political Studies*, 33(9):1091–1122.
<http://dx.doi.org/10.1177/0010414000033009001>
- Blais, André (2006). What Affects Turnout? *Annual Review of Political Science*, 9(1):111–125.
<http://dx.doi.org/10.1146/annurev.polisci.9.070204.105121>

3.2 Political Engagement and Information

The campaign manager of a major political party once explained to a group of campaigners that ‘you can never underestimate the ignorance of the electorate’. Whether people turnout to vote or not, there is the question of how engaged they are with the political process. Do voters possess even a baseline of information from which they may be able to form a view over who to vote for? Are there informational differences across the electorate that are related to, or explained by, economic inequality?

Required Readings

- Bartels, Larry M. (2005). Homer Gets a Tax Cut: Inequality and Public Policy in the American Mind. *Perspectives on Politics*, 3(01):15–31.
<http://dx.doi.org/10.1017/S1537592705050036>
- Lupia, Arthur, Levine, Adam Seth, Menning, Jesse O., and Sin, Gisela (2007). Were Bush Tax Cut Supporters ‘Simply Ignorant’? A Second Look at Conservatives and Liberals in ‘Homer Gets a Tax Cut’. *Perspectives on Politics*, 5(04):773–784.
<http://dx.doi.org/10.1017/S1537592707072210>
- Bartels, Larry M. (2007). Homer Gets a Warm Hug: A Note on Ignorance and Extenuation. *Perspectives on Politics*, 5(04):785–790.
<http://dx.doi.org/10.1017/S1537592707072222>
- Solt, Frederick (2008). Economic Inequality and Democratic Political Engagement. *American Journal of Political Science*, 52(1):48–60.
<http://dx.doi.org/10.1111/j.1540-5907.2007.00298.x>

Further Readings

- Downs, Anthony (1957). An Economic Theory of Political Action in a Democracy. *Journal of Political Economy*, 65(2):135–150.
<http://dx.doi.org/10.2307/1827369>
<http://tinyurl.com/5t624rz>
- Galston, William A. (2001). Political Knowledge, Political Engagement, and Civic Education. *Annual Review of Political Science*, 4(1):217–234.
<http://dx.doi.org/10.1146/annurev.polisci.4.1.217>
- Gilens, Martin (2001). Political Ignorance and Collective Policy Preferences. *American Political Science Review*, 95(02):379–396.
<http://dx.doi.org/10.2307/3118127f>
- * Bullock, John G. (2011). Elite Influence on Public Opinion in an Informed Electorate. *American Political Science Review*, 105(03):496–515.
<http://dx.doi.org/10.1017/S0003055411000165>
<http://bullock.research.yale.edu/papers/elite/elite.pdf>

3.3 Group Power

Inequality may impact the political process not by turnout or intellectual disengagement, but by privileging certain groups. Do governments respond equally to all types of citizen? If not, can economic inequality explain this? How important is organisation for the projection of political power?

Shorter/Popular Readings (Required)

- Woodley, Tony (2007). Ending the Labour-union link would benefit only the Tories. *The Guardian*.
<http://www.guardian.co.uk/commentisfree/2007/jul/13/comment.politics1>

Required Readings

- Hacker, Jacob S. and Pierson, Paul (2005). Abandoning the Middle: The Bush Tax Cuts and the Limits of Democratic Control. *Perspectives on Politics*, 3(01):33–53.
<http://dx.doi.org/10.1017/S1537592705050048>
<http://www.apsanet.org/imgtest/hackerpierson.pdf>
- Gilens, Martin (2005). Inequality and Democratic Responsiveness. *Public Opinion Quarterly*, 69(5):778–796.
<http://dx.doi.org/10.1093/poq/nfi058>
- Bartels, Larry M. (2006a). Is the Water Rising? Reflections on Inequality and American Democracy. *PS: Political Science & Politics*, 39(01):39–42.
<http://dx.doi.org/10.1017/S1049096506060057>
- Piven, Frances Fox (2006). Response to ‘American Democracy in an Age of Inequality’. *PS: Political Science & Politics*, 39(01):43–46.
<http://dx.doi.org/10.1017/S1049096506060100>
- Ura, Joseph Daniel and Ellis, Christopher R. (2008). Income, Preferences, and the Dynamics of Policy Responsiveness. *PS: Political Science & Politics*, 41(04):785–794.
<http://dx.doi.org/10.1017/S104909650808102X>
- Soroka, Stuart N. and Wleziem, Christopher (2008). On the Limits to Inequality in Representation. *PS: Political Science & Politics*, 41(02):319–327.
<http://dx.doi.org/10.1017/S1049096508080505>

Further Readings

- * Stigler, George J (1970). Director’s Law of Public Income Redistribution. *Journal of Law and Economics*, 13(1):1–10
- Korpi, Walter and Shalev, Michael (1979). Strikes, Industrial Relations and Class Conflict in Capitalist Societies. *British Journal of Sociology*, 30(2):164–187
- Cameron, David R. (1984). Social Democracy, Corporatism, Labour Quiescence and the Representation of Economic Interest in Advanced Capitalist Society. In Goldthorpe, John H., editor, *Order and Conflict in Contemporary Capitalism*, chapter 7, pages 143– 178. Oxford University Press, Oxford, UK

3.4 Trust

It has been suggested the ‘trust’ is an important component of a successful society and even for a successful democracy. What types of trust are important? Trust in other citizens? Trust in government? Does inequality influence either or both of these types of trust and so help explain the relative success of different states in political and broader societal terms?

Shorter/Popular Readings (Required)

- Byrne, Elaine (2010). To move on we must never forget. *Irish Times*. April 3rd.
<http://elaine.ie/2010/04/03/to-move-on-we-must-never-forget/>

Required Readings

- Rothstein, Bo and Uslaner, Eric M. (2005). All for All: Equality, Corruption, and Social Trust. *World Politics*, 58(1):41–72
- Uslaner, Eric M. and Brown, Mitchell (2005). Inequality, Trust, and Civic Engagement. *American Politics Research*, 33(6):868–894.
<http://dx.doi.org/10.1177/1532673X04271903>
- Anderson, Christopher J. and Singer, Matthew M. (2008). The Sensitive Left and the Impervious Right. *Comparative Political Studies*, 41(4-5):564–599.
<http://dx.doi.org/10.1177/0010414007313113>
<http://falcon.arts.cornell.edu/cja22/AndersonandSinger2008CPS.pdf>
- Nannestad, Peter (2008). What Have We Learned About Generalized Trust, If Anything? *Annual Review of Political Science*, 11(1):413–436.
<http://dx.doi.org/10.1146/annurev.polisci.11.060606.135412>

Further Readings

- Levi, Margaret and Stoker, Laura (2000). Political Trust and Trustworthiness. *Annual Review of Political Science*, 3(1):475–507.
<http://dx.doi.org/10.1146/annurev.polisci.3.1.475>
- Delhey, Jan and Newton, Kenneth (2005). Predicting Cross-National Levels of Social Trust: Global Pattern or Nordic Exceptionalism? *European Sociological Review*, 21(4):311–327.
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- Gustavsson, Magnus and Jordahl, Henrik (2008). Inequality and trust in Sweden: Some inequalities are more harmful than others. *Journal of Public Economics*, 92(1-2):348–365.
<http://dx.doi.org/10.1016/j.jpubeco.2007.06.010>
- ➡ Wilkinson, Richard and Pickett, Kate (2010). *The Spirit Level: Why Equality is Better for Everyone*. Penguin Books, London, UK, second edition, chapter 4

4 Inequality and Public Policy

In this final, and longest, section of the module, we will analyse when, how, and why economic inequality is related public policy choices and outcomes.

4.1 The Median Voter Theory of Redistribution

We might expect that the poorer sections of society would be more in favour of redistribution than the richer. A famous theory, attributed Meltzer and Richard (1981), formalises this insight into predictions about when and why state redistribution will occur/increase/decrease. This week, we discuss this theory, and then examine some of the empirical evidence that has been brought forth to test it.

Required Readings

- ➡ Alesina, Alberto and Glaeser, Edward L. (2005). *Fighting poverty in the US and Europe: A World of Difference*. Oxford University Press, Oxford, UK, chapter 3
- Milanovic, Branko (2000). The median-voter hypothesis, income inequality, and income redistribution: an empirical test with the required data. *European Journal of Political Economy*, 16(3):367–410.
[http://dx.doi.org/10.1016/S0176-2680\(00\)00014-8](http://dx.doi.org/10.1016/S0176-2680(00)00014-8)
- Kenworthy, Lane and McCall, Leslie (2008). Inequality, public opinion and redistribution. *Socio-Economic Review*, 6(1):35–68.
<http://dx.doi.org/10.1093/ser/mwm006>
- ➡ Barnes, Lucy (2012). Does Median Voter Income Matter? The Effects of Inequality and Turnout on Government Spending. *Political Studies*

Further Readings

- * Meltzer, Allan H. and Richard, Scott F. (1981). A Rational Theory of the Size of Government. *Journal of Political Economy*, 89(5):914–927.
<http://dx.doi.org/10.2307/1830813>
<http://www.people.fas.harvard.edu/~iversen/PDFfiles/Meltzer%26Richard1981.pdf>
- McCall, Leslie and Kenworthy, Lane (2009). Americans' Social Policy Preferences in the Era of Rising Inequality. *Perspectives on Politics*, 7(03):459–484.
<http://dx.doi.org/10.1017/S1537592709990818>
- Milanovic, Branko (2010). Four critiques of the redistribution hypothesis: An assessment. *European Journal of Political Economy*, 26(1):147–154.
<http://dx.doi.org/10.1016/j.ejpoléco.2009.10.001>
- Borge, Lars-Erik and Rattsø, J.Jørn (2004). Income distribution and tax structure: Empirical test of the Meltzer-Richard hypothesis. *European Economic Review*, 48(4):805–826.
<http://dx.doi.org/10.1016/j.euroecorev.2003.09.003>
- Moene, Karl Ove and Wallerstein, Michael (2003). Earnings Inequality and Welfare Spending: A Disaggregated Analysis. *World Politics*, 55(4):485–516.
<http://dx.doi.org/10.1353/wp.2003.0022>

4.2 Does Income (Inequality) Structure the Electorate?

For the Meltzer and Richard (1981) model to work, income inequality needs to be *the* dimension on which politics is structured. Do we see evidence of this? As such, does economic inequality — in the form of the relative position of individuals on the income distribution — explain party/political preferences? Does this vary?

Required Readings

- ➡ Frank, Thomas (2005). *What's the Matter with Kansas?: How Conservatives Won the Heart of America*. Holt McDougal, chapter 1
- Bartels, Larry M. (2006b). What's the Matter with What's the Matter with Kansas? *Quarterly Journal of Political Science*, 1(2):201–226.
<http://dx.doi.org/10.561/100.0000001>
<http://www.bsos.umd.edu/socy/vanneman/socy789b/Bartels06.pdf>
- Gelman, Andrew, Shor, Boris, Bafumi, Joseph, and Park, David (2007). Red State, Blue State, Rich State, Poor State: What's the Matter with Connecticut. *Quarterly Journal of Political Science*, 2:345–367.
<http://dx.doi.org/10.1561/100.00006026>
<http://home.uchicago.edu/~bshor/research/red.blue.rich.poor.final.pdf>
- Gelman, Andrew, Kenworthy, Lane, and Su, Yu-Sung (2010). Income Inequality and Partisan Voting in the United States. *Social Science Quarterly*, 91(5):1203–1219.
<http://dx.doi.org/10.1111/j.1540-6237.2010.00728.x>
<http://www.u.arizona.edu/~lkenwor/ssq2010.pdf>

Further Readings

- Gelman, Andrew (2009). *Red State, Blue State, Rich State, Poor State: Why Americans Vote The Way They Do*. Princeton University Press, Princeton, NJ
- Bafumi, Joseph and Shapiro, Robert Y. (2009). A New Partisan Voter. *Journal of Politics*, 71(01):1–24.
<http://dx.doi.org/10.1017/S0022381608090014>
<http://www.temple.edu/ipa/events/documents/Shapiro-paper-S0022381608090014.pdf>
- Kitschelt, Herbert (1993). Class Structure and Social Democratic Party Strategy. *British Journal of Political Science*, 23(3):299–337.
<http://dx.doi.org/10.1017/S0007123400006633>
- Evans, Geoffrey (2003). The Continued Significance of Class Voting. *Annual Review of Political Science*, 3(1):401–417.
<http://dx.doi.org/10.1146/annurev.polisci.3.1.401>
- Fiorina, Morris P. and Abrams, Samuel J. (2008). Political Polarization in the American Public. *Annual Review of Political Science*, 11(1):563–588.
<http://dx.doi.org/10.1146/annurev.polisci.11.053106.153836>

4.3 Patterns of Redistributive Preferences

As noted above, redistributive policies are an obvious implication of economic inequality and so it seems natural to assume that the poorer will be more in favour of redistribution than the richer. Does this assumption stand up to cross-national empirical evidence? Can we explain these patterns of preferences?

Required Readings

- Svallfors, Stefan (1997). Worlds of Welfare and Attitudes to Redistribution: A Comparison of Eight Western Nations. *European Sociological Review*, 13(3):283–304.
<http://dx.doi.org/10.2307/522616>
- Osberg, Lars and Smeeding, Timothy (2006). “Fair” Inequality? Attitudes toward Pay Differentials: The United States in Comparative Perspectives. *American Sociological Review*, 71(3):450–473.
<http://dx.doi.org/10.1177/000312240607100305>
- Dallinger, Ursula (2010). Public support for redistribution: what explains cross-national differences? *Journal of European Social Policy*, 20(4):333–349.
<http://dx.doi.org/10.1177/0958928710374373>
- Kelly, Nathan J. and Enns, Peter K. (2010). Inequality and the Dynamics of Public Opinion: The Self-Reinforcing Link Between Economic Inequality and Mass Preferences. *American Journal of Political Science*, 54(4):855–870.
<http://dx.doi.org/10.1111/j.1540-5907.2010.00472.x>
http://web.utk.edu/~nkelly/papers/inequality/KellyEnns_preprint.pdf

Further Readings

- Fong, Christina (2001). Social preferences, self-interest, and the demand for redistribution. *Journal of Public Economics*, 82(2):225–246.
[http://dx.doi.org/10.1016/S0047-2727\(00\)00141-9](http://dx.doi.org/10.1016/S0047-2727(00)00141-9)
[http://darp.lse.ac.uk/papersdb/Fong_\(JPubE_01\).pdf](http://darp.lse.ac.uk/papersdb/Fong_(JPubE_01).pdf)
- Corneo, Giacomo and Grüner, Hans Peter (2002). Individual preferences for political redistribution. *Journal of Public Economics*, 83(1):83–107.
[http://dx.doi.org/10.1016/S0047-2727\(00\)00172-9](http://dx.doi.org/10.1016/S0047-2727(00)00172-9)
- * Alesina, Alberto and Giuliano, Paula (2009). Preferences for Redistribution. NBER Working Paper No. 14825.
<http://www.nber.org/papers/w14825>
- Dion, Michelle L. and Birchfield, Vicki (2010). Economic Development, Income Inequality, and Preferences for Redistribution. *International Studies Quarterly*, 54(2):315–334.
<http://dx.doi.org/10.1111/j.1468-2478.2010.00589.x>

4.4 Redistributive Preferences and Group Identities

So far, we have largely considered redistributive preferences as being derived from the relative position of individuals on a single dimension — the income distribution. What if people identify with particular groups and so feel a greater or lesser affinity for subsets of society? Examples might be based on, say, religion, race, or nationality. How might this impact on redistributive preferences?

Required Readings

- Blekesaune, Morten and Quadagno, Jill (2003). Public Attitudes toward Welfare State Policies: A Comparative Analysis of 24 Nations. *European Sociological Review*, 19(5):415–427.
<http://dx.doi.org/10.1093/esr/19.5.415>
- Scheve, Ken and Stasavage, David (2006). Religion and Preferences for Social Insurance. *Quarterly Journal of Political Science*, 1:255–286.
<http://dx.doi.org/10.561/100.0000505>
<http://www.nyu.edu/gsas/dept/politics/faculty/stasavage/qjps.pdf>
- Kahl, Sigrun (2005). The Religious Roots of Modern Poverty Policy: Catholic, Lutheran, and Reformed Protestant Traditions Compared. *European Journal of Sociology*, 46(01):91–126.
<http://dx.doi.org/10.1017/S0003975605000044>
- Lupu, Noam and Pontusson, Jonas (2011). The Structure of Inequality and the Politics of Redistribution. *American Political Science Review*, 105(02):316–336.
<http://dx.doi.org/10.1017/S0003055411000128>
http://www.noamlupu.com/structure_inequality.pdf

Further Readings

- * Shayo, Moses (2009). A Model of Social Identity with an Application to Political Economy: Nation, Class, and Redistribution. *American Political Science Review*, 103(02):147–174.
<http://dx.doi.org/10.1017/S0003055409090194>
- Klor, Esteban F. and Shayo, Moses (2010). Social identity and preferences over redistribution. *Journal of Public Economics*, 94(3-4):269–278.
<http://dx.doi.org/10.1016/j.jpubeco.2009.12.003>
- Hero, Rodney E. (2010). Immigration and Social Policy in the United States. *Annual Review of Political Science*, 13(1):445–468.
<http://dx.doi.org/10.1146/annurev.polisci.041608.135744>
- Stegmüller, Daniel, Scheepers, Peer, Roßteutscher, Sigrid, and de Jong, Eelke (2011). Support for Redistribution in Western Europe: Assessing the role of religion. *European Sociological Review*.
<http://dx.doi.org/10.1093/esr/jcr011>
- * Cruces, Guillermo, Truglia, Perez, Nicolas, Ricardo, and Tetaz, Martin (2011). Biased Perceptions of Income Distribution and Preferences for Redistribution: Evidence from a Survey Experiment.
<http://ssrn.com/abstract=1817906>

4.5 Welfare State Policies and Outcomes

Taking a more macro-level view, what are the patterns of welfare states across countries? What features do they emphasise in terms of cash transfers and services? What sorts of explanation can we employ for these patterns?

Shorter/Popular Readings (Required)

- Epstein, Richard (2010). The Tea Party Meets The Median Voter. *Forbes*. September 20th. <http://www.forbes.com/sites/richardepstein/2010/09/20/the-tea-party-meets-the-median-voter/>

Required Readings

- Heady, Christopher, Mitrakos, Theodore, and Tsakoglou, Panos (2001). The distributional impact of social transfers in the European Union: evidence from the ECHP. *Fiscal Studies*, 22(4):547–565.
<http://dx.doi.org/10.1111/j.1475-5890.2001.tb00052.x>
- Moene, Karl Ove and Wallerstein, Michael (2003). Earnings Inequality and Welfare Spending: A Disaggregated Analysis. *World Politics*, 55(4):485–516.
<http://dx.doi.org/10.1353/wp.2003.0022>
- Korpi, Walter and Palme, Joakim (1998). The Paradox of Redistribution and Strategies of Equality: Welfare State Institutions, Inequality, and Poverty in the Western Countries. *American Sociological Review*, 63(5):661–687.
<http://dx.doi.org/10.2307/2657333>
- Bradley, David, Huber, Evelyne, Moller, Stephanie, Nielsen, François, and Stephens, John D. (2003). Distribution and Redistribution in Postindustrial Democracies. *World Politics*, 55(2):193–228.
<http://dx.doi.org/10.2307/25054218>
<http://www.unc.edu/~jdsteph/documents/common/articles/World%20Politics%2003.pdf>

Further Readings

- * Moene, Karl Ove and Wallerstein, Michael (2001). Inequality, Social Insurance, and Redistribution. *American Political Science Review*, 95(4):859–874.
http://dev.wcfia.harvard.edu/sites/default/files/667__wallerstein1.pdf
- Moller, Stephanie, Huber, Evelyne, Stephens, John D., Bradley, David, and Nielsen, François (2003). Determinants of Relative Poverty in Advanced Capitalist Democracies. *American Sociological Review*, 68(1):22–51.
<http://dx.doi.org/10.2307/3088901>
- Iversen, Torben and Cusack, Thomas R. (2000). The Causes of Welfare State Expansion: Deindustrialization or Globalization? *World Politics*, 52(3):313–349.
<http://dx.doi.org/10.1353/wp.2000.0009>
<http://www.people.fas.harvard.edu/~iversen/PDFfiles/wp2000.pdf>
- Alesina, Alberto, Baqir, Reza, and Easterly, William (2000). Redistributive Public Employment. *Journal of Urban Economics*, 48(2):219–241.
<http://dx.doi.org/10.1006/juec.1999.2164>

4.6 Does Public Opinion Influence (Welfare State) Policy?

We have looked at patterns and determinants of public opinion regarding redistribution and welfare state policy. We have also looked at cross-national patterns of welfare state provision. Are these policies influenced in any meaningful way by the preferences of the electorate? In a sense: does democracy ‘work’ in this sphere of policy-making?

Required Readings

- Stimson, James A., Mackuen, Michael B., and Erikson, Robert S. (1995). Dynamic Representation. *American Political Science Review*, 89(3):543–565.
<http://dx.doi.org/10.2307/2082973>
- Burstein, Paul (1998). Bringing the Public Back in: Should Sociologists Consider the Impact of Public Opinion on Public Policy? *Social Forces*, 77(1):27–62.
<http://dx.doi.org/10.2307/3006009>
- Brooks, Clem and Manza, Jeff (2006b). Social Policy Responsiveness in Developed Democracies. *American Sociological Review*, 71(3):474–494.
<http://dx.doi.org/10.2307/30039000>
- Kenworthy, Lane (2009). The effect of public opinion on social policy generosity. *Socio-Economic Review*, 7(4):727–740.
<http://dx.doi.org/10.1093/ser/mwp014>

Further Readings

- Wlezien, Christopher (1995). The Public as Thermostat: Dynamics of Preferences for Spending. *American Journal of Political Science*, 39(4):981–1000.
<http://dx.doi.org/10.2307/2111666>
- Myles, Johns (2006). Comment on Brooks and Manza, ASR, June 2006: Welfare States and Public Opinion. *American Sociological Review*, 71(3):495–498.
<http://dx.doi.org/10.2307/30039001>
- Brooks, Clem and Manza, Jeff (2006a). Reply to Myles: Theory and Methods for Comparative Opinion/Social Policy Research. *American Sociological Review*, 71(3):499–502.
<http://dx.doi.org/10.2307/30039002>
- Hakhverdian, Armèn (2010). Political Representation and its Mechanisms: A Dynamic Left-Right Approach for the United Kingdom, 1976–2006. *British Journal of Political Science*, 40(4):835–856.
<http://dx.doi.org/10.1017/S000712341000013X>
- Hobolt, Sara Binzer and Klemmensen, Robert (2008). Government Responsiveness and Political Competition in Comparative Perspective. *Comparative Political Studies*, 41(3):309–337.
<http://dx.doi.org/10.1177/0010414006297169>
- Powell, G. Bingham (2004). Political Representation in Comparative Politics. *Annual Review of Political Science*, 7(1):273–296.
<http://dx.doi.org/10.1146/annurev.polisci.7.012003.104815>

4.7 Partisanship

By this stage, we have looked at the Meltzer and Richard (1981) model that explains variation on redistribution with reference to the preferences of ‘the median voter’. We have also looked at the degree to which policy seems to track the preferences of the electorate (in the form of public opinion). Another influential school of thought holds that it is not the median voter that is important, but rather which party gets elected. If ‘the Left’ represent the poorer sections of society and the ‘the Right’ represent the richer, does it make a difference to a range of policies and other outcomes which party (or parties) hold power?

Short/Popular Readings (Required)

- The Economist (2010d). Leviathan stirs again: The growth of the state. January 1st.
<http://www.economist.com/node/15328727>
- Toynbee, Polly (2011b). Do we care about 300,000 more children in poverty? *The Guardian*. May 13th.
<http://www.guardian.co.uk/commentisfree/2011/may/13/british-children-in-poverty-conservative-policy>

Required Readings

- Hibbs, Douglas A (1977). Political Parties and Macroeconomic Policy. *American Political Science Review*, 71(4):1467–1487.
<http://dx.doi.org/10.2307/1961490>
<http://douglas-hibbs.com/HibbsArticles/APSR%201977.pdf>
- Cameron, David R. (1978). The Expansion of the Public Economy: A Comparative Analysis. *American Political Science Review*, 72(4):1243–1261.
<http://dx.doi.org/10.2307/1954537>
- Franzese, Jr., Robert J. (2002). Electoral and Partisan Cycles in Economic Policies and Outcomes. *Annual Review of Political Science*, 5:369–421.
<http://dx.doi.org/10.1146/annurev.polisci.5.112801.080924>
<http://tinyurl.com/6jnoz4t>
- Leigh, Andrew (2008). Estimating the impact of gubernatorial partisanship on policy settings and economic outcomes: A regression discontinuity approach. *European Journal of Political Economy*, 24(1):256–268.
<http://dx.doi.org/10.1016/j.ejpoleco.2007.06.003>

Further Readings

- Schmidt, Manfred G. (1996). When parties matter: A review of the possibilities and limits of partisan influence on public policy. *European Journal of Political Research*, 30:155–183.
<http://dx.doi.org/10.1111/j.1475-6765.1996.tb00673.x>
- Blais, André, Blake, Donald E., and Dion, Stéphane (1993). Do Parties Make a Difference? Parties and the Size of Government in Liberal Democracies. *American Journal of Political Science*, 37(1):40–62.
<http://dx.doi.org/10.2307/2111523>

- Blais, André, Blake, Donald E., and Dion, Stéphane (1996). Do Parties Make a Difference? A Reappraisal. *American Journal of Political Science*, 40(2):514–520.
<http://dx.doi.org/10.2307/2111635>
- Huber, Evelyne and Stephens, John D. (2000). Partisan Governance, Women’s Employment, and the Social Democratic Service State. *American Sociological Review*, 65(3):323–342.
<http://dx.doi.org/10.2307/2657460>
<http://www.unc.edu/~jdsteph/documents/common/articles/ASR2000.pdf>
- Allan, James P. and Scruggs, Lyle (2004). Political Partisanship and Welfare State Reform in Advanced Industrial Societies. *American Journal of Political Science*, 48(3):496–512.
<http://dx.doi.org/10.1111/j.0092-5853.2004.00083.x>
- Pontusson, Jonas, Rueda, David, and Way, Christopher R. (2002). Comparative Political Economy of Wage Distribution: The Role of Partisanship and Labour Market Institutions. *British Journal of Political Science*, 32(2):281–308.
<http://dx.doi.org/10.1017/S000712340200011X>
<http://users.ox.ac.uk/~polf0050/Rueda%20BJPS.pdf>
- * Pettersson-Lidbom, Per (2008). Do Parties Matter for Economic Outcomes? A Regression-Discontinuity Approach. *Journal of the European Economic Association*, 6(5):1037–1056.
<http://dx.doi.org/10.1162/JEEA.2008.6.5.1037>
- * Lee, David S., Moretti, Enrico, and Butler, Matthew J. (2004). Do Voters Affect or Elect Policies? Evidence from the US House. *Quarterly Journal of Economics*, 119(3):807–860.
<http://dx.doi.org/10.1162/0033553041502153>
- Gerber, Elisabeth R. and Hopkins, Daniel J. (2011). When Mayors Matter: Estimating the Impact of Mayoral Partisanship on City Policy. *American Journal of Political Science*, 55(2):326–339.
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<http://people.iq.harvard.edu/~dhopkins/citypartfinal.pdf>

4.8 Globalization and the Welfare State

The rise of globalization has often been thought to pose a threat to welfare states in ‘developed democracies’. This week, we discuss whether and why this is the case. Schwartz (1994) discusses how ‘small’ states appeared to respond to such external pressures. Garrett (1998) reverses argues for a reversal of the causal effect from globalization to welfare states. Walter (2010) provides a closer analysis of the intermediary steps in the causal chain(s) linking these two concepts. (In an attempt to limit the required reading, I omitted Rodrik (1998), but it is a nice, accessible, and *highly-cited* paper that you may enjoy.)

Required Readings

- Schwartz, Herman (1994). Small States in Big Trouble: State Reorganization in Australia, Denmark, New Zealand, and Sweden in the 1980s. *World Politics*, 46(4):527–555.
<http://people.virginia.edu/~hms2f/small.pdf>
- Garrett, Geoffrey (1998). Global Markets and National Politics: Collision Course or Virtuous Circle? *International Organization*, 52(4):787–824.
<http://dx.doi.org/10.1162/002081898550752>
http://www.wiso.uni-hamburg.de/uploads/media/10_Garrett_1998_01.pdf
- Mosley, Layna (2000). Room to Move: International Financial Markets and National Welfare States. *International Organization*, 54(4):737–773.
<http://dx.doi.org/10.1162/002081800551352>
<http://www.unc.edu/~lmosley/mosleyI02000.pdf>
- Walter, Stefanie (2010). Globalization and the Welfare State: Testing the Microfoundations of the Compensation Hypothesis. *International Studies Quarterly*, 54(2):403–426.
<http://dx.doi.org/10.1111/j.1468-2478.2010.00593.x>

Further Readings

- Rodrik, Dani (1998). Why Do More Open Economies Have Bigger Governments? *Journal of Political Economy*, 106(5):997–1032.
<http://dx.doi.org/10.1086/250038>
<http://www.grips.ac.jp/teacher/oono/hp/docu01/paper09.pdf>
- Genschel, Philipp (2002). Globalization, Tax Competition, and the Welfare State. *Politics & Society*, 30(2):245–275.
<http://dx.doi.org/10.1177/0032329202030002003>
- ➡ Swank, Duane (2003). Withering Welfare? Globalization, Political Economic Institutions, and the Foundations of Contemporary Welfare States. In Weiss, Linda, editor, *States in the Global Economy: Bringing Domestic Institutions Back In*, chapter 3, pages 58–82. Cambridge University Press, Cambridge, UK
- Genschel, Philipp (2004). Globalization and the welfare state: a retrospective. *Journal of European Public Policy*, 11(4):613–636.
<http://dx.doi.org/10.1080/1350176042000248052>
- Sinn, Han-Werner (2007). The Welfare State and the Forces of Globalization. CESIFO Working Paper no. 1925.
http://www.cesifo-group.de/DocCIDL/cesifo1_wp1925.pdf

4.9 Inequality and the Financial Crisis

For this final topic, we will look at the relationships between economic inequality and the financial crisis that has unfolded since around 2007/2008. The sovereign debt crises that have emerged from the original private sector financial problems have had large impacts on public expenditure — and so redistributive programmes. However, it has also been argued that inequality itself was an important *cause* of the original financial crisis in the USA. We will examine these issues. N.B. Readings may be updated at a later date for this topic as scholarly work in this field is still emerging.

Shorter/Popular Readings (Required)

- The Economist (2011). The beautiful and the damned. January 20th.
http://www.economist.com/node/17957107?story_id=17957107
- The Economist (2010e). What's income inequality got to do with it? Democracy in America Blog. August 26th.
http://www.economist.com/blogs/democracyinamerica/2010/08/inequality_and_crash
- The Economist (2010c). How inequality fueled the crisis. Free Exchange Blog. August 26th.
http://www.economist.com/blogs/freeexchange/2010/08/income_inequality
- The Economist (2010a). How egalitarian policy fueled the crisis. Democracy in America Blog. August 26th.
http://www.economist.com/blogs/democracyinamerica/2010/08/inequality_and_crash_0
- The Economist (2010b). How exactly did inequality fuel the crisis? Democracy in America Blog. August 27th.
http://www.economist.com/blogs/democracyinamerica/2010/08/inequality_and_crash_1

Required Readings

- ➡ Rajan, Raghuram G. (2010). *Fault Lines: How Hidden Fractures Still Threaten the World Economy*. Princeton University Press, chapter 1
- Mian, Atif, Sufi, Amir, and Trebbi, Francesco (2010). The Political Economy of the Subprime Mortgage Credit Expansion. NBER Working Paper No. 16107.
<http://www.nber.org/papers/w16107.pdf>
- Atkinson, A. B. and Morelli, Salvatore (2011). Economic Crises and Inequality. Paper prepared for the 2011 Human Development Report, funded by the United Nations Development Programme.
<http://www.nuff.ox.ac.uk/Users/Atkinson/Paper-Economic%20Crises%20and%20Inequality.pdf>

Further Readings

- “” This American Life (2009a). Episode 375: Bad Bank. WBEZ Radio.
<http://www.thisamericanlife.org/radio-archives/episode/375/bad-bank>
- “” This American Life (2009b). Episode 382: The Watchmen. WBEZ Radio.
<http://www.thisamericanlife.org/radio-archives/episode/382/the-watchmen>

- “” This American Life (2009c). Episode 390: Return to the Giant Pool of Money. WBEZ Radio.
<http://www.thisamericanlife.org/radio-archives/episode/390/return-to-the-giant-pool-of-money>
- “” This American Life (2010). Episode 418: Toxie. WBEZ Radio.
<http://www.thisamericanlife.org/radio-archives/episode/418/toxie>