

International Studies Senior Capstone Seminar, Intl 190
Democratic Institutions in Comparative Perspective:
The Political Sources of Economic Inequality
Spring Quarter 2017

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Seminar Meetings: Fridays, 11 am – 1:50 pm

Seminar Room: RBC #1401

Office Hours: Fridays, 3 – 5 pm

Seminar website: All course materials will be posted to TritonEd: <https://triton.ed.ucsd.edu>

“We may have democracy, or we may have wealth concentrated in the hands of the few, but we cannot have both.”

-U.S. Supreme Court Justice Louis Brandeis, 1956- 1941

“[T]here are signs that rising inequality is . . . impairing social cohesion, and could, ultimately, undermine American democracy . . . Inequality has risen to the point that it seems to me worthwhile for the U.S. to seriously consider taking the risk of making our economy more rewarding for more people”

- Janet Yellen, Chair of U.S. Federal Reserve, November 2006

“[T]he U.S. has one of the most unequal income distributions in the developed world . . . even after taxes and social-welfare policies are taken into account.”

-OECD data, Pew Research Center, 2013

“We have reached a tipping point. Inequality can no longer be treated as an afterthought. We need to focus the debate on how the benefits of growth are distributed. . . .”

-OECD Secretary-General, Angel Gurría, 2016

What explains why economic inequality varies so widely across advanced industrialized democracies? What role does public policy play in mitigating or exacerbating conditions of inequality? Are some public policies more or less supportive of democratic values and outcomes than others? If so, which ones, and why? These are some of the central questions we'll investigate over the course of this quarter. The seminar is designed to deepen your knowledge of the ways in which key public policies in advanced industrialized democracies in the 21st century vary, as well as how these policies differentially impact the social, economic and political standing of their citizens. The seminar is also designed to support you in further developing your critical reading, thinking, speaking, research, and writing skills, ultimately culminating in the successful completion of your senior capstone thesis in International Studies. For your thesis, you will research a public policy issue of your choice, in one or more democratic countries of your choice, and critically investigate its social, economic and political impacts on inequality and, ultimately, democracy. Based on your research, do you believe that the existing policy supports democratic values and outcomes? If so, why? If not, why not, and what type of policy adjustments might you recommend, and why? Each week through week 7, you will write short (1 pg., single-spaced) response papers on a key public policy issue examined across industrialized democracies to help deepen your understanding of different policy trajectories and outcomes. In addition, you will submit a series of interim writing assignments designed to provide feedback and support on your thesis project throughout the quarter. Although each of your thesis topics will be unique, our approach will be collaborative and supportive, with peer-review and instructor feedback on your ideas and writing each week. Our goal is that you will each write on a thesis topic that's of deep interest to you (within the parameters of the seminar), and that you will be highly successful in this endeavor!

Seminar Requirements:

(1) Seminar Participation:

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| 1) Reading response papers (6 x 1 pg. single-spaced, weeks 2 -7) | 12% |
| • Submit to TritonEd by 11:59 p.m. on Thursday | |
| 2) Discussion leader twice (together with ~6 classmates): | 10% |
| 3) General seminar participation | 8% |

(2) Research Assignments:

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| 1) Thesis proposal first draft (1 paragraph – 1 pg, single spaced, Friday, 14 April (wk 2)) | n/g |
| • Draft to research partner by Tues, 11:59 pm | |
| • Feedback to research partner by Thurs., 11:59 am | |
| • Revised hard copy to class on Friday | |
| 2) Thesis proposal second draft (1 p., single-spaced, Friday, 21 April (week 3)) | n/g |
| • as above | |
| 3) Thesis abstract (1para) + annotated bib. (6 sources; 4 p-r), Friday, 28 April (week 4) | 5% |
| • as above, plus upload to TritonEd by 11:59 pm on Friday | |
| 4) First draft (2 - 3 pp, single-spaced), Friday, May 12 (week 6) | 5% |
| • as above, plus upload to TritonEd by 11:59 pm on Friday | |
| 5) Second draft (6 – 8 pp, single-spaced), Friday, May 26 (week 8) | 5% |
| • as above, plus upload to TritonEd by 11:59 pm on Friday | |
| 6) Project presentation –approx.10 mins., weeks 8 - 10 | 5% |
| 7) Penultimate draft (8 – 10 pp, single-spaced), week 10 | 5% |
| • as above, plus upload to TritonEd by 11:59 pm on Friday | |
| 8) Peer Review (1 st draft; 2 nd draft; penultimate draft) | 5% |
| 9) Final research project, (~20- 25 pp, double-spaced) (final exams week) | 40% |
| • Submit hard copy to me (my office, SSB# 383), no later than noon, Friday, 6/16 | |
| • Submit e-version to TritonEd no later than noon (12 pm), Friday, 16 June | |

Seminar Participation:

As a senior capstone seminar in International Studies, students are expected to complete all assigned readings prior to seminar meetings and come prepared to actively discuss central questions, puzzles and insights that arise from these readings. The participation component of your grade is worth 30% of your final seminar grade. Two course requirements are designed to help you succeed as a seminar participant, facilitate high quality discussions, and assist you with your research skills and thesis projects:

- (1) *Reading Response Papers:* To further develop your critical reading and writing skills, and help facilitate seminar discussions, for weeks 2 – 7 you'll write a short (1-page single-spaced) papers on a response question of your choice from the list of "Questions for Review and Reflection" that follow each chapter. Please upload your papers to TritonEd no later than 11:59 p.m. on the Thursdays before Friday seminar meetings. (Each paper will count for 2% of your grade for a total of 12%.)
- (2) *Discussion Leaders:* Twice during the quarter you will also be responsible, together with ~six of your thesis mates, for helping lead seminar discussions on issues, themes, questions, and puzzles that you think are particularly interesting and important from that week's assigned readings. A sign-up sheet will be circulated during week 1. Each student is asked to serve as a discussion leader once during weeks 2 – 4, and once during weeks 5 – 7. You may either each focus on a different response question of interest to you, or you may work in pairs on a single question. For the weeks that you are a designated discussion leader, you should also be able to: (1) summarize the central argument of each reading; (2) critique assumptions that are either stated or implied by the researcher(s)'s arguments/theses; (3) critique the quality of evidence presented to support these theses; and (4) state whether you find the argument(s)/evidence compelling or

not, and why. I will meet with each group the week prior to you serving as a discussion leader and facilitate coordination and field any questions that you might have. Discussion leader responsibilities will count for a total of 10% of your seminar grade (5% for each of the two times you are a designated discussion leader).

The third component of your participation grade is “general seminar participation.” This will be assessed on a weekly basis. As long as you attend seminar and critically and actively engage course readings and assignments, you will receive full points each week.

Written Assignments and Research Projects:

The central written requirement for your senior capstone seminar in International Studies is a 20 – 25-page (double-spaced) research paper. Depending on your personal research interests and goals, you can choose to write either a research-based policy paper or a more traditional research paper to meet this seminar requirement. See above for schedule of draft submissions. During weeks 8 - 10, you will also have the opportunity to present your research for feedback. Presentations should be approximately 10 minutes and will count 5% of your final grade. Project presentations serve at least five purposes: (1) they enable us to better understand each other’s research projects and interests; (2) we gain practice in presenting our research ideas orally; (3) they provide an opportunity for feedback prior to turning in final projects (approximately 10 minutes will be allotted to each student for feedback); (4) they advance our understanding of central problems and puzzle of democracy in our world today; and (5) they help us draw comparisons across case studies and regions.

Late Assignment Policy:

In order to ensure standards of fairness for all students, late assignments will be penalized *one-third of a grade for each 24-hour period that they are late.*

Statement of Academic Integrity:

Students are expected to do their own work, as outlined in the UCSD Policy on Academic Integrity and published in the UCSD General Catalog: <http://www-senate.ucsd.edu/manual/Appendices/app2.htm> Violations will be subject to the disciplinary measures as outlined by the University. If you have any questions regarding this policy, please consult the International Studies office or me.

Course Schedule:

Week 1: Introductions

- Introductions/Seminar Overview. Establish research partners and discussion leader schedule for quarter.
- Review of seminar goals and assignments.
- General discussion of your research interests, topics, and questions.

Readings:

None

Assignment:

Fill out course bio forms.

Week 2: Welfare, Work and Business: Comparative Political Economies

If you’re able, please bring laptops to seminar today and sign onto UCSD-PROTECTED network. We’ll run a research workshop/tutorial with Annelise Sklar, Research Librarian, Geisel Library, for the first part of class.

Reading: *Capitalisms Compared: Welfare, Work and Business*, Chapter 1, “Introduction,” pp. 1 – 35.

Assignments:

1. 1 pg. single-spaced discussion paper
2. First draft thesis proposal (1 para – 1 pg. single-spaced)

Key concepts: comparative institutional advantage, conservative welfare state, coordinated market economy, decommodification, deserving poor, earnings related benefits, institutions (formal and

informal), liberal market economy, liberal welfare state, means testing, political economy, social democratic welfare state, subsidiarity, universal eligibility.

Further Reading:

1. Abernathy, Nell, Mike Konczal and Kathryn Milani, eds. *Untamed: How to Check Corporate, Financial and Monopoly Power*. New York: Roosevelt Institute, June 2016.
2. Acemoglu, Daron, Suresh Naidu, Pascual Restrepo, and James A. Robinson. "Democracy, Public Policy and Inequality." *Comparative Democratization*. Vol. 11. No. 3. Oct. 2013.
3. Alesina, Alberto and Edward L. Glaeser. *Fighting Poverty in the US and Europe: A World of Difference*. Oxford: Oxford University Press, 2013.
4. Amable, Bruno. *The Diversity of Modern Capitalism*. New York: Oxford University Press, 2003.
5. Amat, Francesc and Pablo Bermendi. "Economic and Political Inequality: The Role of Political Mobilization," Unpublished paper, January 29, 2016.
6. Beramendi, Pablo and Christopher J. Anderson, eds. *Democracy, Inequality, and Representation in Comparative Perspective*. Russell Sage Foundation, 2008.
7. Bonica, Adam, Nolan McCarty, Keith T. Poole, and Howard Rosenthal. "Why Hasn't Democracy Slowed Rising Inequality?" *Journal of Economic Perspectives*. Vol. 27. No. 3, Summer, 2013: 103 – 124.
8. Brandonlini, Andrea and Timothy M. Smeeding. "Inequality Patterns in Western Democracies: Cross-Country Differences and Changes over Time," in *Democracy, Inequality, and Representation in Comparative Perspective*. Russell Sage Foundation, 2008: 25 – 61.
9. Brown, Wendy. "American Nightmare: Neoliberalism, Neoconservatism, and De-Democratization." *Political Theory*. Vol 34. No. 6. 2006.
10. Brown, Wendy. *Undoing the Demos: Neoliberalism's Stealth Revolution*. Cambridge: MIT Press, 2015.
11. Castles, Francis G., Stephan Leibfried, Jane Lewis, Herbert Obinger, and Christopher Pierson, eds. *The Oxford Handbook of the Welfare State*. Oxford University Press, 2010.
12. Hall, Peter A., and David Soskice. "An Introduction to Varieties of Capitalism." In *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*, edited by Peter A. Hall and David Soskice, 1 – 68. New York: Oxford University Press, 2001.
13. Lijphart, Arend. "Majority Rule in Theory and Practice: The Tenacity of a Flawed Paradigm." *International Social Science Journal*. Vol. 43. No. 3. August 1991.
14. Milanovic, Branko. *Global Inequality: A New Approach for the Age of Globalization*. Cambridge: The Belknap Press of Harvard University Press, 2016.
15. Oxfam. "Broken at the Top: How America's Dysfunctional Tax System Costs Billions in Corporate Tax Dodging," *Oxfam Media Briefing*, April 14, 2016. www.oxfam.org.
16. Oxfam. "Working for the Few: Political Capture and Economic Inequality." *Oxfam Briefing Paper*, 178. 20 January 2014. www.oxfam.org.
17. Piketty, Thomas. *Capital in the Twenty-First Century*. Cambridge, MA: The Belknap Press of Harvard University Press, 2014. (See especially: "Introduction," Ch. 9 "Inequality of Labor Income," Ch.10 "Inequality of Capital Ownership," Ch. 12 "Global Inequality of Wealth in the Twenty-First Century," " Ch 13 "A Social State for the Twenty-First Century," "Conclusion.")
18. Pontusson, Jonas. *Inequality and Prosperity: Social Europe versus Liberal America*. Ithaca, NY: Cornell University Press, 2005.
19. Rueschemeyer, Dietrich, Evelyn Huber Stephens, and John D. Stephens. *Capitalist Development and Democracy*. Chicago: University of Chicago Press. 1992
20. Schmitter, Philippe C. and Terry Lynn Karl, "What Democracy Is . . . And Is Not," *Journal of Democracy*. Vol. 2. No. 3. Summer 1991: 75 – 88.
21. Stiglitz, Joseph E. *Making Globalization Work*. New York: W.W. Norton & Co., 2006. (See esp. Ch. 7 "The Multinational Corporation.")
22. Stiglitz, Joseph E. *The Price of Inequality: How Today's Divided Society Endangers Our Future*. : W.W. Norton & Co., 2013.
23. U.S. Social Security Administration, Office of Policy, Office of Research, Evaluation, and Statistics. *Social Security Programs throughout the World: Europe, 2012*. Washington, DC: Government Printing Office, 2012.

24. Wallach, Lori and Michelle Sforza. *Whose Trade Organization: Corporate Globalization and the Erosion of Democracy*. Washington DC: Public Citizen Foundation, 1999.
25. Weimer, David L. and Aidan R. Vining. *Policy Analysis: Concepts and Practice*, 5thrd ed. Taylor and Francis. (Earlier editions also fine.)
26. Zuberi, Dan. *Difference That Matter: Social Policy and the Working Poor in the United States and Canada*. Ithaca, NY: Cornell University Press, 2006.

Week 3: Health Care Policies: Comparative Perspectives

Reading: *Capitalisms Compared: Welfare, Work and Business*, Chapter 2, "Health Policy," pp. 36 – 98.

Assignments:

1. 1 pg. single-spaced discussion paper
2. Second draft thesis proposal – 1 pg. single-spaced

Key Concepts: adverse selection, Affordable Care Act, ambulatory versus hospital care, community rating versus experience rating, co-payment versus coinsurance, deductible, diagnosis-related group (DRG) payment system, general practitioner versus specialist, health maintenance organization (HMO), individual versus group insurance, Medicaid, Medicare, preferred provider organization, sickness fund.

Further Reading:

1. Gordon, Colin. *Dead on Arrival: The Politics of Health Care in Twentieth-Century America*. Princeton, NJ: Princeton University Press, 2003.
2. Jacobs, Lawrence R. and Theda Skocpol. *Health Care Reform and American Politics: What Everyone Needs to Know*. New York: Oxford University Press, 2010.
3. Quadagno, Jill. *One Nation Uninsured: Why the U.S. Has No National Health Insurance*. New York: Oxford University Press, 2005.
4. Starr, Paul. *Remedy and Reaction: The Peculiar American Struggle over Health Care Reform*. New Haven, CT: Yale University Press, 2011.
5. Thomson, Sarah, Robin Osborn, David Squires, and Miraya Jun, eds. *International Profiles of Health Care Systems*. New York: Commonwealth Fund, 2012.
6. World Health Organization Website: <http://www.who.org>.

Week 4: Pension Policies: Comparative Perspectives

Reading: *Capitalisms Compared: Welfare, Work and Business*, Chapter 3, "Pension Policy," pp. 99-136.

Assignments:

1. 1 pg. single-spaced discussion paper
2. Thesis abstract + annotated bib (6 sources; 4 peer-reviewed)

Key Concepts: average indexed monthly earnings, bend points, defined-benefit pensions, defined-contribution pensions, 401(K) account, funded pensions, notional defined-contribution pensions, occupational pensions, Old Age and Survivors Insurance Trust Fund, PAYGO pensions, payroll tax, pension points, premium pensions (Sweden), replacement rate, Riester pension.

Further Reading:

1. Altman, Nancy J. *The Battle for Social Security: From FDR's Vision to Bush's Gamble*. Hoboken, NJ: John Wiley, 2005.
2. Barr, Nicholas, and Peter Diamond. "The Economics of Pensions." *Oxford Review of Economic Policy* 22, no. 1 (2006): 15 – 39.
3. Bonoli, Guiliano, and Toshimitsu Shinkawa, eds. *Ageing and Pension Reform around the World*. Northampton, MA: Edward Elgar, 2005.

4. Ghilarducci, Teresa. *When I'm Sixty-Four: The Plot Against Pensions and the Plan to Save Them*. Princeton: NJ: Princeton University Press, 2008.
5. Immergut, Ellen M., Karen M. Anderson, and Isabelle Schulze, eds. *The Handbook of West European Pension Politics*. New York: Oxford University Press, 2007.
6. Organization for Economic Cooperation and Development. *Pensions at a Glance*. Paris: OECD, 2011.

Week 5: Family Policies: Comparative Perspectives

Reading: *Capitalisms Compared: Welfare, Work and Business*, Chapter 4, "Family Policy," pp. 137-169.

Assignments:

- 1 pg. single-spaced discussion paper

Key Concepts: Aid to Families with Dependent Children (AFDC), "daddy leave", "dual earner-dual carer" family, Earned Income Tax Credit (EITC), family allowances, individual taxation versus household taxation, male-breadwinner family model, parental leave, refundable tax credit, Temporary Assistance to Needy Families (TANF)

Further Reading:

1. Collins, Jane L. and Victoria Mayer. *Both Hands Tied: Welfare Reform and the Race to the Bottom in the Low-Wage Labor Market*. Chicago: University of Chicago Press, 2010.
2. Ellingsaeter, Anne Lise, and Arnaug Leira, eds., *Politicising Parenthood in Scandinavia: Gender Relations in Welfare States*. Bristol: Policy Press, 2006.
3. Gornick, Janet and Marica K. Meyers. *Families That Work: Policies for Reconciling Parenthood and Employment*. New York: Russell Sage Foundation, 2003.
4. Hays, Sharon. *Flat Broke with Children: Women in the Age of Welfare Reform*. New York: Oxford University Press, 2003.
5. Hochschild, Arlie. *The Second Shift*. New York: Viking, 1989.
6. Morgan, Kimberly J. *Working Mothers and the Welfare State: Religion and the Politics of Work-Family Policies in Western Europe and the United States*. Stanford, CA: Stanford University Press, 2006.
7. Organisation for Economic Co-operation and Development. *OECD Family Database*. Paris: OECD: <http://www.oecd.org/social/soc/oecdfamilydatabase.htm>.

Week 6: Labor Market Policies: Comparative Perspectives

Reading: *Capitalisms Compared: Welfare, Work and Business*, Chapter 5, "Labor Markets," pp.170-238.

Assignments:

1. 1 pg. single-spaced discussion paper
2. Thesis project: 2 - 3 pp, single-spaced

Key Concepts: at-will employment doctrine; centralized versus decentralized collective bargaining; codetermination; combination in restraint trade; conflicts of right versus conflicts of interest; employers' association; exit, voice, and loyalty in the labor market; labor injunctions; labor unions as monopolies; local-level collective bargaining; National Labor Relations Act (Wagner Act); opening clause; pattern bargaining; peak bargaining; right-to-work laws; sectoral-level collective bargaining; solidaristic wages; strike versus lockout; Taft-Hartley Act; union sector versus nonunion sector; work councils.

Further Reading:

1. Bamber, Greg J., Russell D. Lansbury, and Nick Wailes, eds. *International and Comparative Employment Relations: Globalisation and the Developed Market Economies*, 4th ed. London: Sage, 2004.

2. Ehrenreich, Barbara. *Nickel and Dimed: On (Not) Getting By in America*. New York: Henry Hold, 2001.
3. European Industrial Relations Observatory Online:
http://www.eurofound.europa.edu/eiro/about_index.htm.
4. Freeman, Richard B. *America Works: Critical Thoughts on the Exceptional U.S. Labor Market*. New York: Russel Sage Foundation, 2007.
5. Iversen, Toreen, Jonas Pontusson, and David Soskice, eds. *Unions, Employers, and Central Banks: Macroeconomic Coordination and Institutional Change in Social Market Economies*. New York: Cambridge University Press, 2000.
6. Swenson, Peter. *Capitalists Against Markets: The Making of Labor Markets and Welfare States in the United States and Sweden*. New York: Oxford University Press, 2002.

Week 7: Corporate Governance and Finance: Comparative Perspectives

Reading: *Capitalisms Compared: Welfare, Work and Business*, Chapter 6, "Corporate Governance and Finance," pp. 239 - 300.

Assignments:

- 1 pg. single-spaced discussion paper

Key Concept: block holders; board-level codetermination; capitalism without capitalists; cartels; closed-end investment fund; corporation in the public interest; credit default swap; Dodd-Frank Act; dual-class shares; efficient market hypothesis; horizontal consolidation; hostile merger; insiders versus outsiders; institutional investors; leveraged buyout; limited liability; managerialism; market for corporate control; minority shareholders; mortgage-backed securities; principal-agent problem; proxy voting; proxy voting by banks; pyramids; Sarbanes-Oxley Act; separation of ownership and control; shadow banking system; stakeholding perspective versus shareholding perspective; stock options; supervisory board versus managing board; universal banking

Further Reading:

1. Barca, Fabrizio, and Marco Becht, eds. *The Control of Corporate Europe*. New York: Oxford University Press, 2001.
2. Blair, Margaret. *Ownership and Control: Rethinking Corporate Governance for the Twenty-First Century*. Washington DC: Brookings Institution Press, 1995.
3. Chandler, Alfred D. Jr. *Scale and Scope: The Dynamics of Industrial Capitalism*. Cambridge, MA: Belknap Press, 1990.
4. Cioffi, John W. *Public Law and Private Power: Corporate Governance Reform in the Age of Finance Capitalism*. Ithaca, NY: Cornell University Press, 2010.
5. Gourevitch, Peter Alexis, and James J. Shinn. *Political Power and Corporate Control*. Princeton, NJ: Princeton University Press, 2005.
6. Morck, Ronald K. ed. *A History of Corporate Governance around the World: Family Business Groups to Professional Managers*. Chicago: University of Chicago Press, 2005.
7. Roe, Mark J. *Political Determinants of Corporate Governance: Political Context, Corporate Impact*. New York: Oxford University Press, 2003.

Week 8: Research Presentations

Reading: *Capitalisms Compared: Welfare, Work and Business*, Chapter 7, "The Viability of Alternative Forms of Capitalism," pp. 301 -321.

Assignments:

1. Thesis project: 6 – 8 pp, single-spaced
2. Presentations

Week 9: Research Presentations

Reading: Independent reading for projects.

Assignments:

- Presentations

Week 10: Research Presentations

Reading: Independent reading for projects.

Assignments:

1. Penultimate draft thesis project (8 - 10 pp, single-spaced)
2. Presentations

Final Exams Week: As per UCSD's final exam schedule, please turn in a hard copy of research paper to me (SSB# 383) and e-version to TritonEd no later than **noon (12 pm), Friday, 16 June**, then celebrate the completion of your thesis, the quarter, and, for many of you, your undergraduate career at UCSD!