

GV4D4

The Comparative Politics of Redistribution in Advanced Democracies

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1. Introduction: Inequalities and Redistribution in the Advanced Democracies

This session provides an empirical overview of the dependent variable: inequalities of wealth, income and opportunity in the advanced democracies. Some basic quantitative indicators of inequalities are provided, and patterns of variation amongst advanced democracies and over time, and popular explanations for them, are assessed.

United Nations Development Programme (UNDP) (2004). 'Human Development Indicators', in *Human Development Report 2004*. New York: United Nations.

World Bank, *World Development Indicators 2004*. Washington DC: World Bank.

Luxembourg Income Study, <http://www.lisproject.org>

Frank, Robert and Philip Cook (1996). *The Winner-Take-All Society*. London: Penguin.

Boix, Carles (2003). *Democracy and Redistribution*. Cambridge: Cambridge University Press.

Alesina, Alberto and Edward Glaeser (2004). *Fighting Poverty in the US and Europe. A World of Difference*. Oxford: Oxford University Press.

Lane Kenworthy and Jonas Pontusson (2005) 'Rising Inequality and the Politics of Redistribution in Affluent Countries', *Perspectives on Politics*, forthcoming.

Piketty, Thomas (2003). 'Income Inequality in France, 1901-1998', *Journal of Political Economy* 111: 1004-1043.

Piketty, Thomas and E. Saez (2003), 'Income Inequality in the United States, 1913-1998', *Quarterly Journal of Economics* 118: 1-39.

Kenworthy, Lane (2004). *Egalitarian Capitalism*. New York: Russell Sage Foundation.

Atkinson, Anthony (1999). 'The Distribution of Income in the UK and OECD Countries in the Twentieth Century', *Oxford Review of Economic Policy*, 15.

Atkinson, Anthony (2000). 'The Distribution of Income and Wealth in Britain over the Twentieth Century', in A H Halsey and J Webb (eds.), *Twentieth-Century British Social Trends*. London: Macmillan.

Atkinson, Anthony and F. Bourguignon (2000). *Handbook of Income Distribution*. Amsterdam: North-Holland.

Mahler, V. (2004). 'Economic Globalization, Domestic Politics and Income Inequality in the Developed Countries: A Cross-National Study', *Comparative Political Studies* 37(9): 1025-53.

Rueda, David and Jonas Pontusson (2000). 'Wage Inequality and Varieties of Capitalism', *World Politics* 52: 350-83.

Kuznets, Simon (1955). 'Economic Growth and Income Inequality', *American Economic Review* 45: 1-28.

Alderson, A. and F. Nielsen (2002). 'Globalization and the Great U-Turn', *American Journal of Sociology* 107: 1244-99.

Deineger, K. and L. Squire (1996). 'A New Data Set Measuring Income Inequality', *World Bank Economic Review* 10: 565-91.

2. Distributional Coalitions and Interest Politics

This session assesses some of the political economy literature on redistributive politics as battles between rival coalitions of interests. We examine the theory of state formation as a form of redistributive "predatory rule", the Olsonian theory of the emergence and consequences of interest groups, and redistribution through electoral coalitions.

Olson, Mancur (1982). *The Rise and Decline of Nations*. New Haven: Yale University Press.

Olson, Mancur (1965). *The Logic of Collective Action*. Cambridge, MA: Harvard University Press.

Olson, Mancur (1993). 'Dictatorship, Democracy and Development', *American Political Science Review* 87(3): 567-76.

Przeworski, Adam and John Sprague (1986). *Paper Stones. A History of Electoral Socialism*. Chicago: University of Chicago Press.

Levi, Margaret (1988). *Of Rule and Revenue*. Berkeley: University of California Press.

Levi, Margaret (1981). 'The Predatory Theory of Rule', *Politics and Society* 10: 431-66.

Lohmann, Susanne (2003). 'Representative Government and Special Interest Politics (We Have Met the Enemy and He Is Us)', *Journal of Theoretical Politics* 15: 299-319.

Bates, Robert (1988). 'Contra Contractarianism: Some Reflections on the New Institutionalism', *Politics and Society* 16: 387-401.

3. Ideas, Institutions and Redistribution

This session examines a variety of "institutionalist" approaches to the study of redistributive politics and comparative politics more generally. Three broad perspectives are examined: the "constitutional engineering" approach focusing on the institutions of electoral democracy, the "historical institutionalist" approach and its emphasis of sequencing and path dependency, and the "ideational" approach which focuses on the role of changing ideas and theory in political change.

Thelen, Kathleen and Sven Steinmo (1992). 'Historical Institutionalism in Comparative Politics', in Sven Steinmo, Kathleen Thelen and Frank Longstreth (eds.), *Structuring Politics. Historical Institutionalism in Comparative Analysis*. Cambridge: Cambridge University Press, Chap.1.

Hall, P. (1989). 'Introduction', in P. Hall (ed.), *The political power of economic ideas : Keynesianism across nations*. Princeton: Princeton University Press.

Blyth, M. (1997). 'Any More Bright Ideas? The Ideational Turn of Comparative Political Economy', *Comparative Politics* 29/2.

March, J. and J. Olsen (1984). 'The New Institutionalism: Organisational Factors in Political Life', *American Political Science Review* 78: 734-49.

Hall, Peter and Rosemary Taylor (1996). 'Political Science and the Three New Institutionalisms', *Political Studies* 44: 936-57.

Sartori, Giovanni (1997). *Comparative Constitutional Engineering*. London: Macmillan, 2nd Ed.

Lijphart, Arend (1999). *Patterns of Democracy. Government Forms and Performance in Thirty-Six Countries*. Oxford: Oxford University Press.

4. Welfare States and Taxation

This session introduces some basic findings about the growth of state taxation and spending in the 20th century, and assesses some of the best known theoretical accounts of the emergence of the welfare state and the contemporary challenges it faces. This work

will provide a framework for the remainder of the course, which deals with more in-depth studies of the principal welfare regime types and the way they redistribute resources.

Esping-Andersen, Gosta (1990), *The Three Worlds of Welfare Capitalism*. Cambridge: Polity Press.

Castles, Frank (1998). *Comparative Public Policy. Patterns of Postwar Transformation*. Cheltenham: Edward Elgar, Chs.1-5.

Castles, Frank and Deborah Mitchell (1993). 'Worlds of Welfare and Families of Nations' in F. Castles (ed.), *Families of Nations: Patterns of Public Policy in Western Democracies*. Aldershot: Dartmouth, pp.93-128.

Tanzi, Vito and Ludger Schuknecht (2000). *Public Spending in the 20th Century*. Cambridge: Cambridge University Press, Chs.1-3.

Hibbs, Douglas (1977). 'Political Parties and Macroeconomic Policy', *American Political Science Review* 71(4): 1467-87.

Steinmo, Sven (1993). *Taxation and Democracy: Swedish, British and American Approaches to Financing the Welfare State*. New Haven: Yale University Press.

Goodin, Robert *et al* (1999). *The Real Worlds of Welfare Capitalism*. Cambridge: Cambridge University Press.

Hicks, Alexander and Swank, Duane (1992). 'Politics, Institutions and Welfare Spending in Industrialised Democracies 1960-82', *American Political Science Review* 86: 658-74.

Hicks, Alexander (1999). *Social Democracy and Welfare Capitalism*. Ithaca: Cornell University Press.

Soskice, David (1999). 'Divergent Production Regimes: Coordinated and Uncoordinated Market Economies in the 1980s and 1990s', in Herbert Kitschelt *et al* (eds.), *Continuity and Change in Contemporary Capitalism*. Cambridge: Cambridge University Press, pp.101-34.

Swank, Duane (2002). *Global Capital, Political Institutions, and Policy Change in Developed Welfare States*. Cambridge: Cambridge University Press.

5. Alternatives to the Market (I): Social Democracy

This session looks at the Social Democratic welfare regime type, paying particular attention to Sweden, and assesses its historical origins and responses to contemporary pressures. Particular attention will be paid to the role of political parties and labour

movements in building the welfare state, and to the role of markets in the social democracies.

Garrett, Geoffrey (1998). *Partisan Politics in the Global Economy*. Cambridge: Cambridge University Press.

Boix, Carles (1998). *Political Parties, Growth and Equality. Conservative and Social Democratic Economic Strategies in the World Economy*. Cambridge: Cambridge University Press, Chs.1-4.

Esping-Andersen, Gøsta (1985), *Politics against Markets. The Social Democratic Road to Power*, Princeton: Princeton University Press.

Rothstein, Bo (1992). 'Labour-market institutions and working-class strength', in Steinmo, S., Thelen, K. and Longstreth, F. (eds.), *Structuring Politics. Historical Institutionalism in Comparative Analysis*. Cambridge: Cambridge University Press, Chap.2.

Rothstein, Bo (1998). *Just Institutions Matter*. Cambridge: Cambridge University Press.

Schwartz, Herman (2001), The Danish "Miracle": Luck, Pluck or Stuck?, *Comparative Political Studies* 34/2: 131-55.

Swenson, Peter (1991). 'Bringing Capital Back In, or Social Democracy Reconsidered', *World Politics* 43: 513-34.

Huber, Evelyne and John D. Stephens (1998). 'Internationalization and the Social Democratic Model', *Comparative Political Studies*, 31, 3, pp. 353-97.

Korpi, Walter (1978). *The Working Class in Welfare Capitalism*. London: Routledge and Kegan Paul.

Korpi, Walter (1983). *The Democratic Class Struggle*. London: Routledge and Kegan Paul.

Moberg, E. (2000). 'The Swedish Model: A Comment on Mancur Olson's Analysis', in Mancur Olson and Satu Kahkonen (eds.), *A Not-So-Dismal Science*. Oxford: Oxford University Press, pp.168-81.

6.Alternatives to the Market (II): Christian Democracy

This session looks at the Christian Democratic welfare regime type in continental Western Europe and assesses its historical origins and the way in which distributive policies fit into a broader pattern of state-market relations. We will examine how

redistributive institutions are affected by the impact of late democratization, and the nature of electoral politics in the postwar period.

Van Kersbergen, Kees (1995). *Social Capitalism. A Study of Christian Democracy and the Welfare State*. London: Routledge.

Van Kersbergen, Kees (1999). 'Contemporary Christian Democracy and the Demise of the Politics of Mediation', in Herbert Kitschelt *et al* (eds), *Continuity and Change in Contemporary Capitalism*. Cambridge: Cambridge University Press, pp.293-317.

Ferrera, Maurizio (1998). 'The Four Social Europes: Between Universalism and Selectivity', in Martin Rhodes and Yves Mény (eds.), *The Future of European Welfare: A New Social Contract?* London: Macmillan, pp.81-96.

Levy, Jonah (1999) "Vice into Virtue? Progressive Politics and Welfare Reform in Continental Europe," *Politics and Society* 27: 239-273.

Streeck, W. (1997). 'German Capitalism: Does it Exist? Can it Survive?', in Crouch, C. and Streeck, W. (eds.), *Political Economy of Modern Capitalism*. London: Sage, pp.33-54, also, *New Political Economy* 2, 237-256.

Van Kersbergen, Kees , and Uwe Becker (1988). "The Netherlands: A Passive Social Democratic Welfare State in a Christian Democratic Ruled Society." *Journal of Social Policy* 17: 477-499.

Hemerijck, A. and J. Visser (2000). 'Change and Immobility: Three Decades of Policy Adjustment in the Netherlands and Belgium', *West European Politics* 23/2: 229-56.

Visser, Jelle and Hemerijck, Anton (1997). *A Dutch Miracle. Job Growth, Welfare Reform and Corporatism in the Netherlands*. Amsterdam: Amsterdam University Press.

Jurado Guerrero, T. and Naldini, M. (1997). 'Is the South So Different?: Italian and Spanish Families in Comparative Perspective', in Martin Rhodes (ed.), *Southern European Welfare States*. London: Frank Cass, pp.42-66.

Regini, M. (1997). 'Social Institutions and Production Structure: The Italian Variety of Capitalism in the 1980s', in Crouch, C. and Streeck, W. (eds.), *Political Economy of Modern Capitalism*. London: Sage, pp.102-116.

Ferrera, M. and E. Gualmini (2000). 'Reforms Guided by Consensus: The Welfare State in the Italian Transition', *West European Politics* 23/2: 187-208.

7. Redistribution in the English-Speaking Democracies

This session examines the 'Anglo-Saxon' democracies, particularly the US and the UK, where the welfare state has come under heavy pressure in recent times. We will examine

the historical origins of redistributive institutions, and the ways in which electoral politics interact with institutional legacies to promote welfare state retrenchment. The nature of redistributive policies after a period of retrenchment is also carefully examined.

Lipset, Seymour M. and Gary Marks (2001). *It Didn't Happen Here. Why Socialism Failed in the United States*. New York: W.W. Norton.

Mulé, Rosa (2001). *Political Parties, Games and Redistribution*. Cambridge: Cambridge University Press.

Pierson, Paul (1994). *Dismantling the Welfare State? Reagan, Thatcher and the Politics of Retrenchment*. Cambridge: Cambridge University Press.

Hacker, Jacob (2002). *The Divided Welfare State. The Battle Over Public and Private Social Benefits in the United States*. Cambridge: Cambridge University Press.

Hall, Peter (1992). 'The Movement from Keynesianism to Monetarism: Institutional Analysis and British Economic Policy in the 1970s', in Steinmo, S., Thelen, K. and Longstreth, F. (eds.), *Structuring Politics. Historical Institutionalism in Comparative Analysis*. Cambridge: Cambridge University Press, pp.90-113.

King, Desmond and Wood, Stuart (1999). 'The Political Economy of Neoliberalism: Britain and the US in the 1980s', in Kitschelt, H., Lange, P. Marks, G. & Stephens, J. (eds.), *Continuity and Change in Contemporary Capitalism*. Cambridge: Cambridge University Press, pp.371-97.

Castles, Frank (1993). 'Changing Course in Economic Policy: The English-Speaking Nations in the 1980s', in F. Castles (ed.), *Families of Nations: Patterns of public policy in Western democracies*. Aldershot: Dartmouth, pp.3-34.

Jenkins, Simon (1996) 'Recent Trends in the UK Income Distribution: What Happened and Why?', *Oxford Review of Economic Policy* 12: 29-46.

Rhodes, Martin (2000). 'Restructuring the British Welfare State: Between Domestic Constraints and Global Imperatives', in Fritz Scharpf and Vivien Schmidt (eds), *Welfare and Work in the Open Economy. Vol II*. Oxford: Oxford University Press.

Clark, Tom *et al* (2002). 'Taxes and Transfers 1997-2001', *Oxford Review of Economic Policy* 18/2: 187-201.

Johnson, Paul (1996). 'The Assessment: Inequality', *Oxford Review of Economic Policy* 12/1: 1-14.

8.The Labour Market: Parties, Unions and Employers

Income inequalities in the rich democracies are in large part determined by labour market institutions. This session analyzes the role of labour market institutions in redistributing income, and traces the relationships between these labour market institutions and the institutions of electoral and governmental politics. Recent changes in some of the most distinctive wage-setting regimes are also examined.

Wallerstein, Michael (1999). 'Wage-Setting Institutions and Pay Inequality in Advanced Industrial Societies', *American Journal of Political Science* 43: 649-80.

Esping-Andersen, Gosta and Marino Regini (2000). *Why Deregulate Labour Markets?* Oxford: Oxford University Press.

Lijphart, Arend and Markus M.L. Crepaz, (1991). 'Corporatism and Consensus Democracy in Eighteen Countries: Conceptual and Empirical Linkages', *British Journal of Political Science* 21(2): 235-46.

Siebert, Horst (1997). 'Labor Market Rigidities: At the Roots of Unemployment in Europe', *Journal of Economic Perspectives* 11(3): 37-54.

Regini, M. and Regalia, I. (1997) 'Employers, Unions, and the State: The Resurgence of Concertation in Italy?' *West European Politics* 20, no. 1 (January): 210-230.

Pontusson, Jonas and Peter Swenson. 1996. "Labor Markets, Production Strategies, and Wage Bargaining Institutions: The Swedish Employer Offensive in Comparative Perspective." *Comparative Political Studies* 29: 223-250.

Wallerstein, Michael and Miriam Golden (1997). "The Fragmentation of the Bargaining Society: Wage Setting in the Nordic Countries, 1950 to 1992." *Comparative Political Studies* 30(6): 699-731.

Pontusson, Jonas (1992). 'The Political Economy of Class Compromise: Labor and Capital in Sweden', *Politics and Society* 20: 305-32.

Swenson, Peter (1991). 'Labour and the Limits of the Welfare State', *Comparative Politics* 23: 379-99.

Cox, Robert H. (1998), From Safety Net to Trampoline: Labor Market Activation in the Netherlands and Denmark, *Governance*, 11, 4, pp. 397-414.

Etherington, David (1998), 'From Welfare to Work in Denmark', *Policy and Politics*, 26, 2, pp. 147-161.

9. Redistribution Between Generations and Genders

Much of the welfare state literature and the political science literature on electoral and interest coalitions emphasizes redistribution between occupational or 'social class' groups. This session looks at how income and wealth are redistributed inside these categories, paying particular attention to the increasingly important gender and age dimensions in welfare politics.

Esping-Andersen, Gosta (1999). *Social Foundations of Postindustrial Economies*. Oxford: Oxford University Press.

Fawcett, Helen (1995). 'The Privatisation of Welfare. The Impact of Parties on the Private/Public Mix in Pension Provision', *West European Politics* 18: 150-69.

Lynch, Julia (2005) *Citizens, Clients and Generations in the Development of the Modern Welfare State*. New York: Cambridge University Press.

Lynch, Julia (2004) 'The Age of Welfare: Patronage, Citizenship, and Generational Justice in Social Policy'. Harvard University Center for European Studies Working Paper No. 111.

Lynch, Julia (2001). 'The Age-Orientation of Social Policy Regimes in OECD Countries' *Journal of Social Policy* 30(3): 411-36.

Myles, John and Paul Pierson (2001). 'The Comparative Political Economy of Pension Reform', in Paul Pierson (ed.), *The New Politics of the Welfare State*. Oxford: Oxford University Press, pp.305-33.

Lewis, Jane (1992) 'Gender and the Development of Welfare Regimes' *Journal of European Social Policy* 3: 159-73.

Orloff, Ann (1993). 'Gender and the Social Rights of Citizenship: The Comparative Analysis of Gender Relations and the Welfare State', *American Sociological Review* 58: 303-28.

Fraser, Nancy (2000). 'Rethinking Recognition', *New Left Review* 3 (May/June): 107-20.

Esping-Andersen, Gosta (2002). 'A Child-Centred Social Investment Strategy', in Gosta Esping-Andersen *et al*, *Why We Need a New Welfare State*. Oxford: Oxford University Press, pp.26-67.

Esping-Andersen, Gosta (2002). 'A New Gender Contract', in Gosta Esping-Andersen *et al*, *Why We Need a New Welfare State*. Oxford: Oxford University Press, pp.68-95.

Myles, John (2002). 'A New Social Contract for the Elderly', in Gosta Esping-Andersen *et al*, *Why We Need a New Welfare State*. Oxford: Oxford University Press, pp.130-72.

10. Rent-Seeking, Corruption and Political Finance

This session looks at redistribution through corruption, clientelism and lobbying. It examines the logic behind corruption in political decision-making, and applies that logic to a range of redistributive issues, including public investment, public enterprise, interterritorial financial transfers, and public employment.

Tanzi, Vito (2000). *Policies, Institutions and the Dark Side of Economics*. Cheltenham: Edward Elgar.

Ferguson, Thomas (1995). *Golden Rule: The Investment Theory of Parties and the Logic of Money-Driven Politics*. Chicago: University of Chicago Press.

Rose-Ackerman, Susan (1999). *Corruption and Government. Causes, Consequences and Reform*. Cambridge: Cambridge University Press.

Piattoni, Simona (ed.) (2001). *Clientelism, Interests, and Democratic Representation*. Cambridge: Cambridge University Press.

Abed, George and Sanjeev Gupta (eds.) (2002). *Governance, Corruption, and Economic Performance*. Washington DC: IMF.

Lohmann, Susanne (1998). 'An Information Rationale for the Power of Special Interests', *American Political Science Review* 92: 809-27.

Ades, Alberto and Rafael di Tella (1997). 'National Champions and Corruption. Some Unpleasant Interventionist Arithmetic', *Economic Journal* 107: 1023-42.

La Porta, Rafael, Florencio López-de-Silanes, Andrei Shleifer and Robert Vishny (1999). 'The Quality of Government', *Journal of Law, Economics and Organization* 15: 222-79.

della Porta, Donatella and Alessandro Pizzorno (1996). 'The Business Politicians: Reflections from a Study of Political Corruption', in Michael Levi and David Nelken (eds.), *The Corruption of Politics and the Politics of Corruption*. Oxford: Blackwell, pp.73-94.

Allum, Percy (1997). 'From Two into One'. The Faces of the Italian Christian Democratic Party, *Party Politics* 3: 23-52.

Shefter, Martin (1994). *Political Parties and the State. The American Historical Experience*. Princeton: Princeton University Press.

West, Darrell (2000). *Checkbook Democracy*. Boston: Northeastern University Press.