

POLS W3962-001 – Spring 2013

Left versus Right in a Globalizing Economy:

An undergraduate seminar in political economy

Day & Time: Wednesday 10:10am – 12:00pm
Location: 1302 IAB
Instructor: Yotam Margalit
Office hours: Wednesday 2-4pm.
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Course Description: Most voters share similar goals of wanting their country's economy to grow and citizenry to prosper. Why then do we often see such heated policy disagreements between the political left and right? Are the disagreements about what policies work best at achieving these shared goals, or do the disagreements stem from different moral views regarding the desired type of society the policies should help form? This course will review some of the major issues dividing the left and right on social and economic policy. Students will learn about the ideological foundations of the debates as well as engage the empirical literature evaluating the strength of the competing claims. Special emphasis will be put on the question of how international market forces shape the left-right divide in an increasingly globalized economy. The course will help students develop both qualitative and quantitative methods necessary for critical assessment of contemporary policy debates.

Course Requirements:

I. *Class Participation (25% of final grade)* - students are expected to attend all classes, to do the required readings for each week, and to take an active role in class discussion. Participation will be evaluated as preparedness and input to discussion. Required readings for each week are listed below. Students will be expected to invest significant time and effort in studying the readings carefully and thinking about them.

The course seeks to develop students' critical thinking about contemporary policy debates. As part of this training, each class will begin with a 5-10 minute discussion of an item in the news that relates to the topics of the course. To this end, students will be expected to read ahead of each class "The world this week", a one page summary from the *Economist* magazine covering the previous week's main events in world politics. The summary becomes available each Thursday on the Economist.com website (look under the "World Politics" tab >> then select the "Politics this Week" option).

III. *Mid-term (25 %)* – Mid-way through the course students will take a mid-term exam that will cover the topics studied until that point.

II. *Public Opinion Analysis (10%)* – During the semester students will learn how to use Stata to analyze public opinion data. In this assignment students will be asked to write a short analysis of public opinion data on a specific policy issue.

IV. *Final Paper (40%)* – the final assignment of the course will be to write a paper that will analyze a social-economic policy debate that is of interest to the student and is relevant to the topic of the course. The analysis will integrate methods of analysis studied in class. The paper will be prepared in two stages. First, on Friday, March 22nd, students will submit a short proposal that will contain a brief description of the policy question and a preliminary list of relevant sources. The completed paper will be submitted in hard copy by noon on Friday, May 10th, 2013.

Readings: Several books are available for purchase at Book Culture Bookstore (536 West 112th Street). The rest of the readings are on reserve at Lehman Library, except for web articles – which can be downloaded from the original source- and Journal articles -which are available through Columbia’s Libraries Online Catalog (using E-Journal services such as JSTOR, Ingenta, EBSCO, etc.). Some of the readings will also be made available in electronic format through Courseworks.

Announcements: You should check Courseworks periodically for announcements regarding the course.

Books you may want to purchase (* recommended):

* Kymlicka, Will. (2002). *Contemporary political philosophy: an introduction*. Oxford ; New York, Oxford University Press.

* Bartels, Lawrence. M. (2008). *Unequal democracy : the political economy of the new gilded age*. New York Princeton, Russell Sage Foundation ; Princeton University Press.

* Alesina, Alberto. and Edward. L. Glaeser (2004). *Fighting poverty in the US and Europe: a world of difference*. Oxford, Oxford University Press. [Also available in electronic version via CLIO]

Friedman, Milton (2002). *Capitalism and Freedom*. Chicago, University of Chicago Press.

Kenworthy, Lane. (2008). *Jobs with equality*. Oxford ; New York, Oxford University Press. [Available in electronic version via CLIO]

Nozick, Robert. (1974). *Anarchy, state, and utopia*. New York, Basic Books.

Rawls, John. (2005). *A Theory of Justice*. Cambridge, Mass., Belknap Press.

Outline and Weekly Reading List

Week 1 – January 23 – Course Introduction

Week 2 – January 30 - Historical Background: The Left-Right Divide

Alain Noël and Jean-Philippe Thérien (2008). *Left and Right in Global Politics*, Cambridge: Cambridge University Press (chapters 4-6).

Norberto Bobbio (1994). *Left & Right: The Significance of a Political Distinction*, Chicago: The University of Chicago Press (chapters 4-6)

Arthur Okun (1975). *Equality and Efficiency: The Big Tradeoff*. Washington, The Brookings Institution (chapters 1-2).

Week 3 – February 6 – Theoretical Foundations I: Utilitarianism

Jeremy Bentham – *An Introduction to the Principles of Morals and Legislation*, chapter 1

John Stuart Mill - *Utilitarianism*, chapters 1- 2

Will Kymlicka, *Contemporary Political Philosophy*, Introduction and chapter 2

Further Reading:

Henry Sidgwick, (1883), *The Methods of Ethics*, Book IV. Utilitarianism (available electronically as e-book via Columbia’s online catalog).

Week 4 – February 13 - Theoretical Foundations II: Social Egalitarianism

John Rawls, *A Theory of Justice*. Part I (excl. sections 7-9, 18-19), and read section 77 of part III

Ronald Dworkin, “What is Equality? Part II: Equality of Resources”, *Philosophy and Public Affairs*, (1981), 10 3 /4: 283-345.

Will Kymlicka, *Contemporary Political Philosophy*, chapter 3 (Liberal Equality)

Edmund Andrews, “My personal credit crisis”, *New York Times*, May 2009

Week 5 – February 20 - Theoretical Foundations III: Libertarianism

Robert Nozick, (1974). *Anarchy, State, and Utopia*, Basic Books. Chapter 7 section 1 (pp. 149-182), section 2 (pp. 213-227)

Milton Friedman, *Capitalism and Freedom* , pp. 1-37.

Friedrich A. Hayek, (1960). *The Constitution of Liberty* (London, Routledge and Kegan Paul), Introduction, chapters 17 and 20 (pp 1-10, 253-266; 306-323)

Will Kymlicka, *Contemporary Political Philosophy*, chapter 4 (Libertarianism)

Russell Roberts, "If You're Paying, I'll Have Top Sirloin", *Wall Street Journal*, 5/18/1995

Week 6 – February 27 –Inequality and Left-Right Politics

Larry Bartels, (2008). *Unequal Democracy: The Political Economy of the New Gilded Age*, chapters 1-2.

Jacob S. Hacker and Paul Pierson (2010). Winner take all politics: public policy, political organization, and the precipitous rise of top incomes in the United States. *Politics and Society*, May 24, 2010 vol. 38 no. 2 pp. 152-204

Robert Frank, (2007). *Falling Behind: How Rising Inequality Harms the Middle Class*, University of California Press, pp. 1-52.

Further Reading:

Lane Kenworthy, (2005). *Egalitarian Capitalism*, Chapter 4: An Equality-Growth Trade-off?

Milton Friedman, *Capitalism and Freedom*, Chapter X (pp. 161-176).

Week 7 – March 6 - Tax Policy (part I)

Emanuel Saez and Thomas Piketty, (2007). "How Progressive is the U.S. Federal tax system? A Historical and International Perspective" with, *Journal of Economic Perspectives*, 21(1), 3-24, Winter

Larry Bartels, (2008). *Unequal Democracy: The Political Economy of the New Gilded Age*, Chapter 6

Lane Kenworthy, *Jobs with Equality*, chapter 8 (pp. 173-199)

Background Reading:

Gregory Mankiw, *Principles of Microeconomics*, chapter 6 (pp. 124-130) and chapter 8.

Further Reading:

Duane Swank, (2006) "Tax Policy in an Era of Internationalization: Explaining the Spread of Neoliberalism", *International Organization*, 60(4):847-82

Steffen Ganghof, (2008). "The Politics of Tax Structure", chapter 3 from *Divide and Deal: The Politics of Distribution in Democracies*, Edited by Ian Shapiro, Peter Swenson, Daniela Donno, New York University Press

Week 8 – March 13 - Tax Policy II: The Estate Tax Debate

Michael J. Graetz and Ian Shapiro (2006), *Death by a Thousand Cuts*, Princeton University Press, pp. 1-23, 219-265, 279-282

Larry Bartels, (2008). *Unequal Democracy*, chapter 7.

Debate: Is the estate tax justified?

- Will Hutton, "The Case for Keeping the Inheritance Tax"
- George Reisman, "A Wage Earner against the Estate Tax"

Week 9 - March 20 – Spring Recess: No Class**Week 10 – March 27 - The Politics of Social Policy**

Alberto Alesina, and Edward L. Glaeser (2004). *Fighting poverty in the US and Europe: a world of difference*. Oxford, Oxford University Press, (read chapters 1-4, 7; skim rest).

Isabela Mares. (2003). *The Politics of Social Risk: Business and Welfare State Development*. Cambridge, UK; New York, Cambridge University Press, pp. 12-20, 41-60.

James P. Allan and Lyle Scruggs (2004)., Political Partisanship and Welfare State Reform in Advanced Industrial Societies, *American Journal of Political Science*, Vol. 48, No. 3

Further Reading:

Albert O. Hirschman (1991). *The Rhetoric of Reaction: Perversity, Futility, Jeopardy*. Cambridge, Mass., Belknap Press, chapter 1

[Note: Final paper proposals due Friday, March 23rd]

Week 11 – April 3 - Mid-Term Exam + Introduction to Analysis with Stata

Introduction to Stata

Week 12 – April 10 – Unemployment and Labor Market Policy

Lane Kenworthy, *Jobs with Equality*, chapter 6 (pp. 115-136)

Isabela Mares. (2006). *Taxation, Wage Bargaining and Unemployment*. Cambridge ; New York, Cambridge University Press. (pp. 1-26)

David Rueda (2007). *Social Democracy Inside Out*. Oxford University Press. Chapter 5: Partisan Government and Employment Protection (pp. 104-146).

Debate: Should unemployment benefits be extended?

Two testimonies held before the Subcommittee on Income Security and Family Support of the Household Committee on Ways and Means" (April 10, 2008)

Week 13 – April 17 - Low-End Wage Policy

Alan Kreuger and David Card, (1995). *Myth and Measurement*, Princeton University Press, chapters 1,2,12

Lane Kenworthy, *Jobs with Equality*, chapter 5

Larry Bartels, (2008). *Unequal Democracy*, chapter 8.

Debate: Does increasing the minimum wage hurt employment?

- Gregory Mankiw, "The Case against the Living Wage", *Harvard Crimson*
- D. W. Mackenzie "Mythology of the Minimum Wage"
- Jeannette Wicks-Lim "Measuring the Full Impact of Minimum and Living Wages Laws", *Dollars and Sense*, May/June 2006

Week 14 – April 24 - Trade Policy and Compensating the Losers from Globalization

Joseph M. Grieco and G. John Ikenberry, (2003). *State Power and World Markets: The International Political Economy*. New York, WV Norton. chapter 2: The Economics of International Trade (pp. 19–56)

Helen Milner and Ben Judkins, (2004). Partisanship, Trade Policy, and Globalization: Is There a Left Right Divide on Trade Policy? *International Studies Quarterly* (48):95–119

Lori G. Kletzer, (2003) Trade-related Job Loss and Wage Insurance: A Synthetic Review

Sallie James, (2007) "Maladjusted: The Misguided Policy of Trade Adjustment Assistance", Cato Institute, No. 26.

Kenneth Scheve, and Matthew J. Slaughter. (2007). A New Deal for Globalization. *Foreign Affairs* 86.4:34–47

Week 15 – May 1 – Summary and Student Presentations (Note: this is a 3-hour session)

Final papers due at noon on Friday, May 10th, 2013.