

Tulane University
Fall 2016
Class meetings – TR 2:00-3:15
Classroom – Norman Mayer 200A

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POLC 4030: THE COMPARATIVE POLITICAL ECONOMY OF THE WELFARE STATE

This course focuses on the historical development of and contemporary change in the welfare states of advanced industrial countries, with a particular focus on the political, economic, and institutional sources of outcomes during the post-war era. The importance and effects of developed welfare states have been the subjects of extensive debate during the past decade. For some, the welfare state is, at best, an unaffordable luxury in an era of globalization and increased fiscal and demographic strains, and, at worst, an unpardonable interference with the proper functioning of market economies. For others, the welfare state is both an essential component of modern capitalism and a reflection of an inclusive and modern political world-view. Across Europe and the United States, policy makers are rethinking existing social policies and their role in supporting (or impeding) prosperity and economic growth. This course addresses these issues by investigating how and why welfare states have developed historically, how they vary among countries, and how élites are responding to pressures on inherited social-policy arrangements in a variety of national contexts. Students should emerge from this course, not only with a knowledge of the broad historical outlines of welfare-state development in the advanced industrial world, but also with an enhanced capacity to adjudicate among rival assessments of the importance of social policies in the functioning of developed capitalist economies. Some basic background in comparative politics, economics, and/or political economy will be helpful, though it is not required.

I take writing very seriously. I therefore *strongly* suggest that you begin early on your essay, edit multiple drafts, and proofread carefully before turning it in. Grammar, diction, and style all shape the effectiveness of your writing and, as a result, will affect your grade. Consult William Strunk, Jr., and E. B. White, *The Elements of Style*, for helpful hints regarding written expression. Joseph M. Williams and Gregory G. Colomb, *The Craft of Argument* (New York: Longman, 2003), provides an excellent overview of the art of effective persuasive writing.

Requirements (and weighting in final grade)

1. An essay of 8-10 pages in length on topics to be assigned by the instructor (25%). The essay will be due at the beginning of class (3:00) on 21 October. It may be turned in before the due date and time but not afterwards. No exceptions or extensions.
2. In-class midterm examination (20%)
3. Final examination, covering the material from the entire course (40%)
4. Active, informed participation in in both lecture and discussion sections; attendance and reading quizzes will be counted towards this total (15%)

All course reading is expected to have been completed by the beginning of the week in which that material is listed on the syllabus. Periodic, unannounced reading quizzes will be administered and will become part of the participation grade.

Please refer to the Tulane University honor code for details on academic dishonesty. I will enforce the honor code strictly and deal severely with any violations of any kind.

Attendance is a required component of academic performance, though attendance alone is not sufficient for earning a good participation grade. Excessive absences will be reported and will result, at a minimum, in a poor class participation grade. No computers, phones, or any other electronic devices may be used in class for any reason—no exceptions. Any such devices on your person must be *off* (e.g., not merely on silent) and put completely away. Those who do not respect this requirement will be asked to leave class.

Reading Material

The following are the required texts for the course and should be purchased:

1. Karl Polanyi, *The Great Transformation: The Political and Economic Origins of Our Time* (Boston: Beacon, 2001 [1944]).
2. Paul Pierson, ed., *The New Politics of the Welfare State* (Oxford: Oxford University Press, 2001).
3. Mark I. Vail, *Recasting Welfare Capitalism: Economic Adjustment in Contemporary France and Germany* (Philadelphia: Temple University Press, 2010).

All other reading material will be available on Blackboard.

PART I: THE HISTORICAL DEVELOPMENT OF THE WELFARE STATE

Weeks 1-2 (30 August-6 September): INTRODUCTION AND THE ORIGINS OF THE WELFARE STATE

Karl Polanyi, *The Great Transformation* (Boston: Beacon, 1944), chs. 6-7, 12, 14.

T. H. Marshall, "Citizenship and Social Class," in *Class, Citizenship, and Social Development* (Westport, CT: Greenwood Press, 1964), pp. 65-122.

Peter Swenson, "Bringing Capital Back In, or Social Democracy Reconsidered: Employer Power, Cross-Class Alliances, and Centralization of Industrial Relations in Denmark and Sweden," *World Politics* 43, no. 4 (1991): 513-544.

NO CLASS, THURSDAY, 1 SEPTEMBER

PART II: NATIONAL VARIATION AND WELFARE-STATE DEVELOPMENT

Week 2 (8 September) WELFARE CAPITALISM AND VARIETIES OF WELFARE STATES

Gøsta Esping-Andersen, *The Three Worlds of Welfare Capitalism* (Princeton, N.J.: Princeton University Press, 1990), pp. 1-78.

Giuliano Bonoli, "Classifying Welfare States: A Two-Dimension Approach," *Journal of Social Policy* 26, no. 3 (1997): 351-372.

Francis Castles and Deborah Mitchell, "Worlds of Welfare and Families of Nations," in Francis Castles, ed., *Families of Nations* (Brookfield, Vt.: Dartmouth University Press, 1993), pp. 93-128.

Evelyne Huber and John D. Stephens, "Welfare State and Production Regimes in the Era of Retrenchment," in Paul Pierson, ed., *The New Politics of the Welfare State* (Oxford: Oxford University Press, 2001), pp. 107-145.

Week 3 (13-15 September): WELFARE STATES IN THE U.S. AND BRITAIN: THE VICTORY OF THE MARKET?

Margaret Weir, Ann Orloff, and Theda Skocpol, "Introduction: Understanding American Social Policies," in Margaret Weir, Ann Shola Orloff, and Theda Skocpol, eds., *The Politics of Social Policy in the United States* (Princeton, N.J.: Princeton University Press, 1988), pp. 3-27.

Theda Skocpol, "State Formation and Social Policy in the United States," in *idem*, ed., *Social Policy in the United States: Future Possibilities in Historical Perspective* (Princeton, N.J.: Princeton University Press, 1995), pp. 11-36.

Peter Baldwin, "Beveridge in the *Longue Durée*," in John Hills, John Ditch, and Howard Glennerster, eds., *Beveridge and Social Security: An International Retrospective* (Oxford: Clarendon Press, 1994), pp. 37-55.

Howard Glennerster, *British Social Policy since 1945* (Oxford: Blackwell, 1999), pp. 1-42.

Week 4 (20-22 September): THE SOCIAL DEMOCRATIC WELFARE STATE: SCANDINAVIA

Gøsta Esping-Andersen, "Social Democracy in Theory and Practice," in *idem*, ed., *Politics against Markets: The Social Democratic Road to Power* (Princeton, N.J.: Princeton University Press, 1985), pp. 3-38.

Gøsta Esping-Andersen and Walter Korpi, "Social Policy as Class Politics in Post-war Capitalism: Scandinavia, Austria, and Germany," in John Goldthorpe, ed., *Order and Conflict in Contemporary Capitalism* (Oxford: Oxford University Press, 1984), pp. 179-208.

Mats Benner and Torben Vad, "Sweden and Denmark: Defending the Welfare State," in Fritz Scharpf and Vivien A. Schmidt, eds., *Welfare and Work in the Open Economy*, Vol. II, *Diverse Responses to Common Challenges* (Oxford: Oxford University Press, 2000), pp. 399-466.

ESSAY TOPICS DISTRIBUTED IN CLASS, THURSDAY, 22 SEPTEMBER

Week 5 (27-29 September): THE CHRISTIAN DEMOCRATIC WELFARE STATE: GERMANY AND THE NETHERLANDS

Kees van Kersbergen, *Social Capitalism: A Study of Christian Democracy and the Welfare State* (New York: Routledge, 1995), pp. 174-191.

Philip Manow, "Welfare State Building and Coordinated Capitalism in Japan and Germany," in Wolfgang Streeck and Kozo Yamamura, eds., *The Origins of Nonliberal Capitalism: Germany and Japan in Comparison* (Ithaca, N.Y.: Cornell University Press, 2001), pp. 94-120.

Anton C. Hemerijck and Mark I. Vail, "The Forgotten Center: State Activism and Corporatist Adjustment in Holland and Germany," in Jonah D. Levy, ed., *The State after Statism: New State Activities in the Age of Liberalization* (Cambridge, Mass.: Harvard University Press, 2006), pp. 57-92.

Week 6 (4-6 October): THE FRENCH WELFARE STATE BETWEEN STATE AND SOCIETY

Jonah Levy, "Economic Policy and Policy-Making," in Alistair Cole, Patrick Le Galès, and Jonah Levy, eds. *Developments in French Politics 3* (New York: Palgrave Macmillan, 2005), pp. 170-194.

Ellen Immergut, "The Rules of the Game: The Logic of Health Policy-Making in France, Switzerland, and Sweden," in Sven Steinmo, Kathleen Thelen, and Frank Longstreth, eds., *Structuring Politics: Historical Institutionalism in Comparative Analysis* (New York: Cambridge University Press, 1992), pp. 57-89.

Mark I. Vail, "The Better Part of Valour: The Politics of French Welfare Reform," *Journal of European Social Policy* 9, no. 4 (Winter 1999), pp. 311-330.

Patrick Hassenteufel, "Welfare Policies and Politics," in Alistair Cole, Patrick Le Galès, and Jonah Levy, eds. *Developments in French Politics 4* (New York: Palgrave Macmillan, 2008), pp. 227-242.

NO CLASS, TUESDAY, 11 OCTOBER-THURSDAY, 13 OCTOBER (FALL BREAK)

Week 7 (18 October): WELFARE STATES IN SOUTHERN EUROPE: FROM FAMILIAISM TO UNIVERSALISM?

Maurizio Ferrera, "The 'Southern Model' of Welfare in Social Europe," *Journal of European Social Policy* 6, no. 1 (1996), pp. 17-37.

George Katrougalos and Gabriella Lazaridis, *Southern European Welfare States: Problems, Challenges, and Prospects* (Houndmills, UK: Palgrave Macmillan, 2003), pp. 1-30.

IN-CLASS MIDTERM EXAMINATION THURSDAY, 20 OCTOBER

PART III: CONTEMPORARY CHALLENGES TO THE WELFARE STATE

Week 8 (25-27 October): NEOLIBERALISM, “GLOBALIZATION,” SLOWED GROWTH, AND DEMOGRAPHIC CHANGE

Paul Pierson, “Coping with Permanent Austerity: Welfare State Restructuring in Affluent Democracies,” in *idem*, ed., *The New Politics of the Welfare State* (Oxford: Oxford University Press, 2001), pp. 410-456.

Andrew Gamble, “The New Right,” in *The Free Economy and the Strong State: The Politics of Thatcherism* (Houndmills, U.K.: Macmillan, 1994), pp. 34-68.

John Stephens, Evelyne Huber, and Leonard Ray, “The Welfare State in Hard Times,” in Herbert Kitschelt *et al.*, eds., *Continuity and Change in Contemporary Capitalism* (Cambridge: Cambridge University Press, 1999), pp. 164-193.

Jonas Pontusson, “Welfare States in Retrenchment,” ch.8 in Pontusson, *Inequality and Prosperity: Social Europe vs. Liberal America* (Ithaca, N.Y.; Cornell University Press, 2005), pp.182-203.

ESSAY DUE AT THE BEGINNING OF CLASS, THURSDAY, 27 OCTOBER

Week 9 (1-3 November): WELFARE REFORM AND THE POLITICS OF RETRENCHMENT

Paul Pierson, “The New Politics of the Welfare State,” *World Politics* 48, no. 2 (1996), pp. 143-179.

Richard Clayton and Jonas Pontusson, “Welfare-State Retrenchment Revisited: Entitlement Cuts, Public Sector Restructuring, and Inegalitarian Trends in Advanced Capitalist Societies,” *World Politics* 51, no. 1 (October 1998): 67-98.

Herman Schwartz, “Round Up the Usual Suspects! Globalization, Domestic Politics, and Welfare State Change,” in Paul Pierson, ed., *The New Politics of the Welfare State* (Oxford: Oxford University Press, 2001), pp. 17-44.

Giuliano Bonoli, “Political Institutions, Veto Points, and the Process of Welfare State Adaptation,” in Paul Pierson, ed., *The New Politics of the Welfare State* (Oxford: Oxford University Press, 2001), pp. 238-264.

Bryce Covert, “We All Get ‘Free Stuff’ from Government,” *New York Times*, 8 October 2015.

Week 10 (8-10 November): CARING FOR THE SICK OR SICK OF CARING? HEALTH REFORM AND WELFARE-STATE ADAPTATION

Jacob s. Hacker, “Yes We Can? The New Push for American Health Security,” *Politics and Society* 37, no. 1 (March 2009): 3-32.

Julian Le Grand, “Knights, Knaves, or Pawns? Human Behavior and Social Policy,” *Journal of Social Policy* 26, no. 2 (1997): 149-169.

Susan Giaimo, "Who Pays for Health Care Reform?" in Paul Pierson, ed., *The New Politics of the Welfare State* (Oxford: Oxford University Press, 2001), pp. 334-368.

Atul Gawande, "The Cost Conundrum: What a Texas Town Can Teach Us about Health Care," *The New Yorker*, June 1, 2009, pp. 36-50.

Lawrence R. Jacobs and Theda Skocpol, *Health Care Reform and American Politics* (Oxford: Oxford University Press, 2012), introduction and ch. 1.

Elisabeth Rosenthal, "In Need of a New Hip, but Priced Out of the US," *New York Times*, 3 August, 2013.

"How Health Care Systems Stack Up," Editorial, *New York Times*, 16 June 2014.

Week 11 (15-17 November): DEMOGRAPHIC AGING, INTER-GENERATIONAL CONFLICT, AND PENSION REFORM

John Myles and Paul Pierson, "The Comparative Political Economy of Pension Reform," in Paul Pierson, ed., *The New Politics of the Welfare State* (Oxford: Oxford University Press, 2001), pp. 305-333.

Mitchell Orenstein, "Pension Privatization: Evolution of a Paradigm," *Governance* 26, no. 2 (April 2013): 259-281.

Bernhard Ebbinghaus, "When Labour and Capital Collude: The Political Economy of Early Retirement in Europe, Japan and the USA," in *idem* and Philip Manow, eds., *Comparing Welfare Capitalism: Social Policy and Political Economy in Europe, Japan and the USA* (London: Routledge, 2001), pp. 76-101.

Mark I. Vail, *Recasting Welfare Capitalism: Economic Adjustment in Contemporary France and Germany* (Philadelphia: Temple University Press, 2010), ch. 6.

Jeff Madrick, "The Entitlement Crisis That Isn't," *Harper's*, November 2012, pp. 11-13.

NO CLASS TUESDAY, 22 NOVEMBER-THURSDAY, 24 NOVEMBER (THANKSGIVING BREAK)

Week 12 (29 November-1 December): WELFARE THROUGH WORK? WELFARE REFORM AND LABOR MARKETS

Gøsta Esping-Andersen, "Welfare States without Work: The Impasse of Labour Shedding and Familialism in Continental European Social Policy," in *idem*, ed., *Welfare States in Transition: National Adaptations in a Global Economy* (Thousand Oaks, Calif.: Sage, 1996), pp. 66-87.

Giuliano Bonoli, "The Political Economy of Active Labor-Market Policy," *Politics and Society* 38, no. 4 (2010), pp. 435-457.

Stewart Wood, "Labour Market Regimes under Threat? Sources of Continuity in Germany, Britain, and Sweden," in Paul Pierson, ed., *The New Politics of the Welfare State* (Oxford: Oxford University Press, 2001), pp. 368-409.

Mark I. Vail, *Recasting Welfare Capitalism: Economic Adjustment in Contemporary France and Germany* (Philadelphia: Temple University Press, 2010), ch. 5.

Week 13 (6-8 December): THE FUTURE OF THE WELFARE STATE: CONTEMPORARY POLITICS AND ECONOMIC REFORM IN AN ERA OF AUSTERITY

Jonah Levy, "Vice into Virtue? Progressive Politics and Welfare Reform in Continental Europe," *Politics and Society* 27, no. 2 (June 1999): 239-273.

Bruno Palier and Kathleen Thelen, "Institutionalizing Dualism: Complementarities and Change in France and Germany," *Politics and Society* 38, no. 1 (2010): 119-148.

Joseph Stiglitz, *The Prince of Inequality: How Today's Divided Society Endangers Our Future* (New York: W.W. Norton, 2012), preface and chs. 1-3.

Mark Blyth, *Austerity: The History of a Dangerous Idea* (Oxford: Oxford University Press, 2013), ch. 1.

Suzanne Mettler, *The Submerged State: How Invisible Government Policies Undermine American Democracy* (Chicago: University of Chicago Press, 2011), introduction and chs. 1-2.

Jacob S. Hacker and Paul Pierson, "Making America Great Again: The Case for the Mixed Economy," *Foreign Affairs*, May-June 2016, pp. 69-90.

FINAL EXAMINATION, SATURDAY, 17 DECEMBER, 1:00-5:00