

Spring 2018 / Tuesday 2:00 - 4:30pm / Woodburn Hall 218

Political Science Y490: The Political Economy of Global Inequality

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Hours: Thursday 4:00-5:45, oba
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course description

This senior seminar offer an opportunity to survey the empirical and theoretical literature on the political economy of global inequality. Concern over the growth of inequality in many advanced and developing societies has placed the issue of economic distribution at the forefront of many political debates. At the same time, it appears that inequality *between* societies may have decreased in recent times, mostly due to rapid growth in populous countries such as China and India. As this seminar progresses, we will explore the different ways of conceptualizing and measuring inequality, will consider the effects of inequality on economic and political systems, and will debate the policy options available for combatting inequality and/or dealing with its effects.

requirements

Y490 Senior Seminars in Political Science involve intensive reading and writing. As a result, students will be assessed on their diligence in reading (80-120 pages per week) and competence in fulfilling the writing assignments. Attendance at each meeting is mandatory and absences will

not be excused barring truly unfortunate circumstances. I expect you to come to each meeting having read the assigned material carefully, and to participate in discussions. The other requirements involve writing:

1. 10%: Attendance and participation.
 - Attendance is mandatory. In class we will combine discussion in small and large groups, exercises to facilitate your writing projects, and (short) clarifying lectures to elaborate on complex theory or math in the readings. You need to be present to benefit from these activities. Only one unexcused absence is allowed. *More than four absences will result in automatic failure of the course.*
2. 10%: Group presentations on each week's readings.
 - Provide a (brief) summary of the readings, and introduce some questions for the group to discuss.
 - These should be 10-15 minutes – no more! – and are due to me in Powerpoint or PDF by midnight the evening before the class.
 - There will be nine groups of 2-3 students each; each group will present once, beginning in February. The groups are [redacted]:
3. 30%: Weekly open-book (but timed) short quizzes on each week's readings.
 - These are taken on the course website in the 'Assignments' tab and *must* be completed before class. No make-ups are allowed.
 - Once you begin the quiz you will have one hour to complete it, *so do not open the quiz until you are ready to take it!* These are intended to prepare you to discuss the material in class, and thus will usually not be very difficult.
 - Quizzes will be available each week by Thursday at midnight, usually before then.
4. 50%: An article-length research paper (~5k - 6k words) related to the politics of inequality. A successful paper will survey relevant academic literature succinctly, formulate an appropriate research design (theory, hypotheses, methodology), and perform the analysis. The grade will be assigned as follows:

- 5%: *Paper proposal*: This should be a 1 page or less description of your final paper. Included in this proposal should be your topic (e.g., the effect of tax policy changes on income equality in the U.K.) and argument (e.g., Thatcher's tax reforms led to increased inequality). You also need to describe your method of analysis; if you plan to use quantitative data you will need to briefly describe what sources you intend to use. You need my approval on the paper topic and approach before you can continue. **Due Date: February 13, 2018.**
- 5%: *Literature Review/Bibliography*: This assignment requires you to compose a short discussion of academic literature related to your topic and compile a bibliography of these sources. This does not need to be exhaustive, but does need to adequately cover your topic and argument. **Due Date: March 6, 2018.**
- 10%: *First Draft*: This is the first full and completed draft of your paper, which should be approximately 4,000 words (roughly 15 double-spaced pages). This draft should be well-written; contain a clear thesis; and be free of typos, misspellings, and grammatical errors. TWO hard copies must be delivered to class, one to me and one to your peer review partner. **Due Date: March 27, 2018.**
- 5%: *Peer Review*: This assignment involves reading another student's work and providing critical feedback that are useful during revisions. This review must be written (1 - 2 pages) and submitted to both the instructor and student. **Due Date: April 10, 2018.**
- 25%: *Final Paper*: This should be a revised version of the previous draft, incorporating comments received from your peer reviewer and from me. Evaluation will be focused on the importance of the topic, strength of the argument, use of the academic literature, quality of the evidence, and quality of the writing. **Due Date: April 24, 2018.**

I have included several writing guides on the course website, in the 'Resources/Guides' tab. It would be very wise for you to consult these.

Data can be found from:

- The World Top Incomes Database (<http://topincomes.parisschoolofeconomics.eu/>),
- Thomas Piketty's replication data (<https://www.quandl.com/PIKETTY>),
- Branko Milanovic's Gini coefficients data (<https://www.gc.cuny.edu/Page-Elements/Academics-Research-Centers-Initiatives/Centers-and-Institutes/Luxembourg-Income-Study-Center/Branko-Milanovic,-Senior-Scholar/Datasets>),
- The Luxembourg Income Study Database (<http://www.lisdatacenter.org/our-data/lis-database/>),
- The Luxembourg Wealth Study Database (<http://www.lisdatacenter.org/our-data/lws-database/>),
- The World Bank World Development Indicators (<http://data.worldbank.org/data-catalog/world-development-indicators>).

A variety of other economic data sources can be found here: <http://www.nsd.uib.no/macroataguide/topic.html>. If you need help finding some data please contact me.

grading policy

I will not allow make-up quizzes or late paper assignments except in the case of a documented medical emergency. Grade appeals must be made in writing, with an explanation of why additional points are deserved, no sooner than one week after a graded assignment is returned – to allow for appropriate reflection – and no later than two weeks after a graded assignment is returned. Please note that following a request for re-grading the grade could go up, down, or stay the same, so choose your appeals wisely.

academic honesty

“As a student at IU, you are expected to adhere to the standards and policies detailed in the Code of Student Rights, Responsibilities, and Conduct (Code). When you submit a paper with your name on it in this course, you are signifying that the work contained therein is all yours, unless otherwise cited or referenced. Any ideas or materials taken from another

source for either written or oral use must be fully acknowledged. If you are unsure about the expectations for completing an assignment or taking a test or exam, be sure to seek clarification beforehand. All suspected violations of the Code will be handled according to University policies. Sanctions for academic misconduct may include a failing grade on the assignment, reduction in your final grade, a failing grade in the course, among other possibilities, and must include a report to the Dean of Students, who may impose additional disciplinary sanctions.”

More here: <http://www.iu.edu/~code/>.

“The *Indiana University Code of Student Rights, Responsibilities, and Conduct* defines academic misconduct [as]:

[A]ny activity that tends to undermine the academic integrity of the institution . . . Academic misconduct may involve human, hard-copy, or electronic resources . . . Academic misconduct includes, but is not limited to . . . cheating, fabrication, plagiarism, interference, violation of course rules, and facilitating academic misconduct. (II. G.1-6).”

More here: http://teaching.iub.edu/policies_misconduct.php?nav=policies.

An online presentation of this material is here: <http://prezi.com/s-vvodf3avu/academic-misconduct-iu-college-of-arts-and-sciences/>.

Please note that if you are unsure whether some conduct is a violation of the Code, it is fine to ask. There is no penalty involved with seeking a clarification on policies, or advice on how to stay within them, and I am happy to help. The goal of these policies is to help you, not hurt you. That said, I take violation of these rules very seriously and will take appropriate action if I find that you are not living up to them.

disability

Please contact me after class, during my office hours, or by individual appointment if you will require assistance or academic accommodations for a disability. You must have established your eligibility for disability support services through the Office of Disability Services for Students in Wells Library W302, 812-855-7578.

student privacy

It is expected that the privacy of the class will be respected. Personal information disclosed in course should not be repeated or discussed outside of the course, especially with students not enrolled in the course.

technology policy

The use of laptops and tablets is permitted for class-related activities (i.e. note-taking) *only*. The use of cellphones is not permitted at all. Note: it's pretty obvious (to me) when you're text messaging, instant messaging, or otherwise using technology for purposes unrelated to the course. This is disrupting to your classmates, and to me. I reserve the right to ask you to leave the classroom or deduct points from your final grade if I observe you failing to observe by these rules.

extra help

Do not hesitate to come to my office during office hours or by appointment to discuss course materials, examination results, paper projects, or any aspect of the course. I will post to the course website several articles that provide good advice for writing research papers in political science. You also may want to consider the tutoring services offered by Indiana University, in particular the reading and writing tutoring (which is free). Information is available at: <http://studentaffairs.iub.edu/academic-resources-and-support/>.

readings and schedule

All readings will be available on the course website in the "Resources" tab.

i: introduction to the course (jan. 9)

No readings.

ii: conceptualizing and measuring inequality (jan. 16)

Branko Milanovic. *The Haves and the Have-Nots*. Basic Books, New York, NY, 2011.

Note: Read chapter 1 (Vignettes 1.1 - 1.10) only.

Facundo Alvaredo, Lucas Chancel, Thomas Piketty, Emmanuel Saez, and Gabriel Zucman. World inequality report 2018 executive summary. World Inequality Lab, 2017.

iii: inequality across space and time (jan. 23)

Branko Milanovic. *The Haves and the Have-Nots*. Basic Books, New York, NY, 2011.

Note: Read chapter 2 and 3 (Vignettes 2.1 - 3.9).

iv: describing global inequality (jan. 30)

Branko Milanovic. Introduction. In Branko Milanovic, editor, *Globalization and Inequality*. Edward Elgar Publishing, Cheltenham, UK, 2012.

Branko Milanovic. *Global Inequality: A New Approach for the Age of Globalization*. Harvard University Press, Cambridge, MA, 2016.

Note: Read the Introduction and chapter 1 only.

Pablo Beramendi. State capacity and inequality. *The Political Economist*, Fall:7–9, 2014.

v: is inequality a problem? politics, philosophy, and economics (feb. 6)

N. Gregory Mankiw. Defending the 1%. *Journal of Economic Perspectives*, 27(3):21–34, 2013.

Lawrence R. Jacobs and Joe Soss. The politics of inequality in america: A political economy framework. *Annual Review of Political Science*, 13:341–364, 2010.

Mark R. Reiff. The difference principle, rising inequality, and supply-side economics: How rawls got hijacked by the right. *Review of Economic Philosophy*, 13(2):119–173, 2012.

Group One Presentation.

vi: capital in the 21st century (feb. 13)

Thomas Piketty. *Capital in the Twenty-First Century*. Belknap Press, Cambridge, MA, 2014.

Note: Read Introduction and Part One (chapters 1-2) only.

Group Two Presentation.

Paper Proposal Due.

vii: interrogating piketty, i (feb. 20)

Branko Milanovic. The return of “patrimonial capitalism”: A review of thomas piketty’s capital in the twenty-first century. *Journal of Economic Literature*, 52(2):519–534, 2014.

Lawrence H. Summers. The inequality puzzle. *Democracy: A Journal of Ideas*, 33:91–99, 2014.

Scott Winship. Inequality and the fate of capitalism. *National Review*, May 19, 2014.

Richard Sutch. The one percent across two centuries: A replication of thomas piketty’s data on concentration of wealth in the united states. *Social Science History*, 41(4):587–613, 2017.

Group Three Presentation.

viii: interrogating piketty, ii (feb 27)

Seth Ackerman. Piketty’s fair-weather friends. *Jacobin* online, May 29 2014.

Deirdre Nansen McCloskey. Measured, unmeasured, mismeasured, and unjustified pessimism: A review essay of thomas piketty’s *Capital in the Twenty-First Century*. *Erasmus Journal of Philosophy and Economics*, Forthcoming, 2015.

Group Four Presentation.

ix: wealth inequality and tax evasion, i (march 6)

Gabriel Zucman. *The Hidden Wealth of Nations*. University of Chicago Press, Chicago, IL, 2015.

Group Five Presentation.

Literature Review Due.

x: interregnum (march 13)

No Class - Spring Break

xi: corporate control and offshore havens (march 20)

- Jan Fichtner, Eelke M. Heemskerk, and Javier Garcia-Bernardo. Hidden power of the big three? passive index funds, re-concentration of corporate ownership, and new financial risk. *Business and Politics*, 19(2):298–326, 2017.
- Vincent Arel-Bundock. The unintended consequences of bilateralism: Treaty shopping and international tax policy. *International Organization*, 71(2):349–371, 2017.

Group Six Presentation.

xii: inequality in emerging markets (march 27)

- Evelyne Huber, Francois Nielsen, Jenny Pribble, and John D. Stephens. Politics and inequality in latin america and the caribbean. *American Sociological Review*, 71:943–963, 2006.
- Thomas Piketty, Li Yang, and Gabriel Zucman. Capital accumulation, private property and rising inequality in china, 1978-2015. NBER Working Paper 23368, 2017.

Group Seven Presentation.

First Draft Due.

xiii: no class - conference travel (april 3)

Peer Reviews Due.

xiv: inequality and american politics (april 10)

- Martin Gilens and Benjamin I. Page. Testing theories of american politics: Elites, interest groups, and average citizens. *Perspectives on Politics*, 12(3):564–581, 2014.
- Omar S. Bashir. Testing inferences about american politics: A review of the “oligarchy” result. *Research & Politics*, October-December:1–7, 2015.
- Peter K. Enns. Relative policy support and coincidental representation. *Perspectives on Politics*, 13(4):1053–1064, 2015.
- J. Alexander Branham, Stuart N. Soroka, and Christopher Wlezien. When do the rich win? *Political Science Quarterly*, 132(1):43–62, 2017.

Group Nine Presentation.

xv: politics of inequality in advanced economies (april 17)

Peter K. Enns, Nathan J. Kelly, Jana Morgan, Thomas Volscho, and Christopher Witko. Conditional status quo bias and top income shares: How u.s. political institutions have benefited the rich. *Journal of Politics*, 76(2):289–303, 2014.

Evelyne Huber and John D. Stephens. Income inequality and redistribution in post-industrial democracies: demographic, economic and political determinants. *Socio-Economic Review*, 12:245–267, 2014.

Group Eight Presentation.

xvi: inequality and mass politics (april 24)

Frederick Solt. Economic inequality and nonviolent protest. *Social Science Quarterly*, 96(5):1314–1327, 2015.

Michael Ritter and Frederick Solt. Economic inequality and campaign participation. *Social Science Quarterly*, Forthcoming, 2018.

Final Papers Due.