POLI 7903 Special Topics in American Politics: Seminar in American Political Economy

Fall 2018

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The purpose of this seminar is to survey the extensive and growing literature on domestic political economy. A wide range of questions has been raised in this body of research. What are the effects of economic conditions on mass political behavior? How do political elites and masses influence macroeconomic outcomes? Is there evidence that economic conditions are (or can be) manipulated by political elites for electoral gain in democratic societies? To what extent does the public (governmental) sector draw resources from the private (economic) sector, and what explains such patterns? Once government has drawn resources from the private sector, how are these resources allocated among competing claimants? What explains distributions of government expenditures among different programs, agencies, and expenditure categories? Finally, what is the role of government in shaping levels of income inequality in democratic societies? What are the implications of income inequality for politics and policy?

The field of political economy is very broad, and it is impossible to cover all relevant topics in a single seminar. Given this, in this seminar we focus on three major issues. First, we will explore the interaction between the political and economic spheres in the United States and, to a lesser extent, in other advanced industrial countries. In this section of the course we will examine the demand for economic outcomes in the United States and other western democracies by discussing the literature on economic determinants of mass political behavior and attitudes. We will also examine the supply of macroeconomic policies and outcomes by focusing on the political (electoral) business cycle and the political determinants of macroeconomic policy.

Second, we will explore the literature on government growth and expenditure determinants. We will examine the macro-level literature on the relative sizes of the public and private sectors, as well as how governmental expenditures are distributed. We will also explore the micro-level foundations of the public sector by considering the scholarly literature relating to the views of the mass public toward government spending, taxation, and the relative size of the public and private sectors.

Third, we will explore the political determinants and effects of income inequality. There is widespread agreement that income inequality has increased in the United States over the past several decades, and this has spawned scholarly efforts to understand the political and policy determinants of income inequality, as well as the political implications of income inequality.

Prerequisites

There are no formal prerequisites for this seminar. However, because this is an advanced seminar with a heavy focus on empirical research, students are expected to have some training in research methodology and statistics. Ideally, students should have completed (or be in the process of completing) the required research methodology sequence (POLI 7961-7962) or its equivalent.

Course Requirements and Evaluation

Each student will be evaluated on the basis of the following:

Research paper	60%
General class participation	40%

1. Research Paper. Each student will complete a major research paper. This paper will involve original empirical research on a topic of each student's own choosing that addresses a theoretically-grounded research question of interest to political scientists studying domestic political economy. Students will be expected either to (1) develop and provide an empirical test of some hypothesis(es) pertaining to domestic political economy, or (2) where data are not readily available, develop a research design to evaluate the empirical validity of a (set of) hypothesis(es) pertaining to domestic political economy. It is expected that the finished research papers will be, subject to modest revision, of a quality suitable for presentation at a professional conference or submission to (and, hopefully, publication in) a refereed, scholarly political science journal.

Each student should begin to consider possible research topics as soon as possible, and should consult frequently with the instructor about potential topics and relevant literature. Further, each student is expected to clear the selected topic with the instructor before beginning work, and should be prepared to work closely with the instructor in fine-tuning the proposed research.

All research papers are due on Friday, December 7 by 2:00 P.M. Late papers will be penalized 10 points per day. Furthermore, the papers should be (1) typed (double-spaced), (2) written in accordance with the APSA style manual, (3) proofread for mistakes, and (4) neat and professional presented.

In order to facilitate the completion of papers by the end of the semester, the following timeline for various components of the paper should be met:

September 28	Selection of paper topic
October 19	Draft of introduction and literature review completed
November 9	Draft of theory and research design sections
November 23	Draft of tables and figures for empirical results
December 7	Final paper completed and submitted

Detailed information pertaining to the research paper will be provided in a separate handout.

2. Class Participation. Class participation and preparedness are major components of evaluation in graduate seminars. Each student will be evaluated on the basis of the quality of informed participation and contribution to seminar discussion. Specifically, each student is expected (1) to attend every seminar meeting, (2) to have read and reflected upon all assigned readings before class, and (3) to be prepared to discuss critically the issues raised in the literature during the seminar meeting. Contributions to seminar discussion will be evaluated on the basis of both quantity and quality of informed discussion. A class participation grade of 0 will be assigned to students who have an unexcused absence from class on a given day.

The grading scale for the course is as follows:

A+	97.5% - 100%
Α	92.5% - 97.5%
A-	89.5% - 92.5%
B+	87.5% - 89.5%
В	82.5% - 87.5%
B-	79.5% - 82.5%
C+	77.5% - 89.5%
С	72.5% - 77.5%
C-	69.5% - 72.5%
D+	67.5% - 69.5%
D	62.5% - 67.5%
D-	59.5% - 62.5%
F	Below 59.5%

Readings

We will read the following books this semester. These books will be read in the following order during the semester:

Larry Bartels *Unequal Democracy: The Political Economy of the New Gilded Age* ISBN 978-0-691-13663-9 Princeton University Press

Nolan McCarty, Keith T. Poole, and Howard Rosenthal *Polarized America: The Dance of Ideology and Unequal Riches* ISBN 978-0-262-63361-1 MIT Press

Spencer Piston
Class Attitudes in America: Sympathy for the Poor, Resentment of the Rich, and Political Implications
ISBN 978-1-108-44712-6
Cambridge University Press In addition to the books ordered for the seminar, there is a sizable set of additional articles and book chapters that will be required reading for the seminar. All additional readings are listed on the following semester outline. These readings will be made available to students electronically so that arrangements can be made for downloading and printing.

I have also provided you with a separate document that includes a full bibliography for this class. Readings on the seminar bibliography are divided into two categories. First are those readings required of all students; these are denoted with an asterisk (*). Second are supplemental readings, which may be read depending on each student's interest and inclination. In particular, these supplemental readings can be particularly helpful in providing a good start on relevant literature for the required seminar paper.

Office Hours

Monday morning, 9:30 - 11:00

Other hours by appointment

Course Moodle Page

I have created a Moodle page for this course. The site will include the course syllabus, bibliography, and all of the readings for the course. The course Moodle web site can be found by logging on to your PAWS account.

Academic Misconduct Statement

Academic misconduct is defined by the Code of Student Conduct. You are encouraged to familiarize yourself with the LSU policy on academic misconduct, particularly regarding plagiarism. The LSU Code of Student Conduct can be found on the web site for the LSU Dean of Students:

https://www.lsu.edu/saa/students/codeofconduct.php

Please read the section labelled "10.0 Misconduct." Academic misconduct is a serious violation of university policy, but more importantly it is a significant scholarly violation for political scientists and other social scientists. Plagiarism and other forms of academic misconduct will not be tolerated in this course. Charges of academic misconduct will be turned over to the Dean of Students for appropriate disciplinary action.

I am serious about this.

About the Instructor

James C. Garand (Ph.D., University of Kentucky, 1984) is the Emogene Pliner Distinguished Professor of Political Science at Louisiana State University.

Professor Garand has teaching and research interests in the fields of legislative politics, electoral politics, public opinion, public policy, state politics, racial and ethnic politics, domestic political economy, and research methodology and statistics. His research on a wide range of topics in American politics has been published in numerous journals, including the *American Political Science Review, American Journal of Political Science, Journal of Politics, British Journal of Political Science, Political Research Quarterly, Western Political Quarterly, Comparative Political Studies, Legislative Studies Quarterly, PS: Political Science and Politics, American Politics Research, American Politics Quarterly, Public Choice, Social Science Quarterly, and Electoral Studies, among others. His coedited book, Before the Vote: Forecasting American National Elections, was published by Sage Publications in 2000. His current research agenda includes numerous projects relating to the study of American politics.*

Professor Garand received the 2006 LSU Distinguished Research Master Award in recognition of outstanding faculty accomplishments in research and scholarship. In 2009 he was recognized as an LSU "Rainmaker," an award given by the LSU Office of Research and Economic Development (ORED) for national and international recognition "for innovative research and creative scholarship." He served as President of the Southern Political Science Association in 2004, and he is also former president of the State Politics Section of the American Political Science Association. He served as Vice-President and Program Chair in 2001 for the Southern Political Science Association. Professor Garand is former editor of the *American Politics Quarterly*, one of the leading subfield journals in American politics. He currently serves on the editorial boards of *PS: Political Science and Politics*, the *American Politics and Politics and Political Science, Journal of Politics, State Politics and Policy*, and *Legislative Studies Quarterly*. He also serves as a member of the International Advisory Board of the *Online Portal for Social Science Education in Methodology* (OPOSSEM).

Professor Garand has received numerous faculty awards. In 1997 Professor Garand received the LSU Alumni Association Distinguished Faculty Award in recognition of sustained excellence in teaching, research, and service. In 2012 he received the Tiger Athletic Foundation Undergraduate Teaching Award recognizing excellence in teaching in the LSU Honors College. In 2001 he received the LSU Foundation Distinguished Faculty Award in recognition of his excellence in graduate teaching, and he is the 1990 recipient of the university-wide Student Government Association Teaching Excellence Award for undergraduate teaching. He is also a recipient of the Alpha Lambda Delta Freshman Honor Society certificate of recognition for superior instruction of freshman students during the Fall 2000 semester.

Schedule of Class Meetings

August	23	Introduction to American Political Economy
	30	Politics and Macroeconomic Outcomes
September	6	Politics and Macroeconomic Outcomes
	13	Public Reactions to the Economy
	20	Public Reactions to the Economy
	27	Public Reactions to the Economy
October	4	Fall Holiday (no class meeting)
	11	The Size and Growth of the Public Sector
	18	The Size and Growth of the Public Sector
	25	The Size and Growth of the Public Sector / The Politics of Income Inequality
November	1	The Politics of Income Inequality
	8	The Politics of Income Inequality
	15	The Politics of Income Inequality
	22	Thanksgiving Holiday (no class meeting)
	29	The Politics of Income Inequality
December	7	Seminar paper due

The following represent journal abbreviations that may be found in this outline:

APSR	American Political Science Review
AJPS	American Journal of Political Science
JOP	Journal of Politics
LSQ	Legislative Studies Quarterly
APQ	American Politics Quarterly
APR	American Politics Research
WPQ	Western Political Quarterly
PRQ	Political Research Quarterly
BJPS	British Journal of Political Science
MWJPS	Midwest Journal of Political Science
SSQ	Social Science Quarterly
PS	PS: Political Science and Politics
PB	Political Behavior
POQ	Public Opinion Quarterly
ES	Electoral Studies
PSJ	Policy Studies Journal
JPAM	Journal of Policy Analysis and Management
ASR	American Sociological Review
AER	American Economic Review
PAR	Public Administration Review
JPART	Journal of Public Administration Research and Theory

Course outline

I. Introduction

II. Politics and Macroeconomic Outcomes

- A. Politics and Economic Performance
- B. Party Differences in Macroeconomic Policy and Outcomes
- C. The Political (Electoral) Business Cycle
- D. Macroeconomic Policy: Monetary and Fiscal Policy

III. Public Reactions to the Economy

- A. The Demand for Macroeconomic Outcomes
- B. Economic Performance and Government Popularity
- C. Economic Performance and Electoral Outcomes: General
- D. Economic Performance and Electoral Outcomes: Presidential Elections
- E. Economic Performance and Electoral Outcomes: Congressional Elections
- F. Economic Performance and Electoral Outcomes: State and Local Elections
- G. Economic Performance and Electoral Outcomes: Comparative Elections

IV. The Size and Growth of the Public Sector

- A. Trends and General Explanations
- B. Empirical Tests
- C. The Size of Government and Political Institutions
- D. The Price Deflator Controversy
- E. Cross-National Perspectives on Government Growth
- F. Popular Demand for the Public Sector

V. The Politics of Income Inequality and Poverty

- A. General Trends and Patterns in Income Inequality
- B. General Perspectives on Politics and Income Inequality
- C. Linking Politics and Economic Inequality
- D. Inequality and Political Representation
- E. Understanding Attitudes toward the Rich and the Poor
- F. Linking Politics and Economic Inequality: Attitudes, Perceptions, and Behavior
- G. Inequality and Political Participation
- H. Income Inequality and Political Polarization
- I. Income mobility
- J. Linking Politics and Poverty

Weekly reading list

1. Politics and Macroeconomic Outcomes (August 30)

Hendrick and Garand, "Variation in State Economic Growth: Decomposing State, Regional, and National Effects," JOP (November 1991: 1093-1110).

Jones, "Public Policies and Economic Growth in the American States," JOP (February 1990: 219-33).

Leblang, "Property Rights, Democracy, and Economic Growth," PRQ (March 1996: 5-26).

Leblang and Mukherjee, "Government Partisanship, Elections, and the Stock Market: Examining American and British Stock Returns, 1930-2000," *AJPS* (October 2005: 780-802).

Bartels, Unequal Democracy: The Political Economy of the New Gilded Age, chapters 2, 4.

Campbell, James, "The Economic Records of the Presidents: Party Differences and Inherited Economic Conditions," *The Forum* (2011: 1-29).

Xu and Garand, "Partisanship, Divided Government, and Income Inequality in the American States," working paper (2013).

2. Politics and Macroeconomic Outcomes (September 6)

Hibbs, The American Political Economy, chapter 8.

- Garand, Ulrich and Xu, "Fiscal Policy in the American States," in Donald Haider-Markel (ed.), *The Oxford Handbook of State and Local Government Politics*, New York: Oxford University Press, 2013.
- Whitten and Williams, "Buttery Guns and Welfare Hawks: The Politics of Defense Spending in Advanced Industrial Democracies," *AJPS* (January 2011: 117-34).
- Berry, Burden, and Howell, "The President and the Distribution of Federal Spending," APSR (November 2010: 783-99).
- Connolly and Mason, "Ideology and Local Public Expenditure Priorities," PRQ (2016: 830-41).
- Berry and Berry, "Tax Innovation in the States: Capitalizing on Political Opportunity," AJPS (August 1992: 715-42).
- Garand and Kapeluck, "Understanding Surpluses, Deficits, and Debt in the American States, 1950-1998," in Louis Imbeau and Francois Petry (eds.), *Politics, Institutions, and Fiscal Policy: Public Deficits and Surpluses in Federated States*, 2004.
- Krause, "Partisan and Ideological Sources of Fiscal Deficits in the United States," *AJPS* (July 2000: 541-59).

3. Public Reactions to the Economy (September 13)

- Conover, Feldman, and Knight, "Judging Inflation and Unemployment: The Origins of Retrospective Evaluations," *JOP* (August 1986: 565-88).
- Conover, Feldman, and Knight, "The Personal and Political Underpinnings of Economic Forecasts," *AJPS* (August 1987: 559-83).
- Holbrook and Garand, "Homo Economus? Economic Information and Economic Voting," *PRQ* (June 1996: 351-75).
- Rudolph, "Who's Responsible for the Economy? The Formation and Consequences of Responsibility Attributions," *AJPS* (October 2003: 698-713).
- Popp and Rudolph, "A Tale of Two Ideologies: Explaining Public Support for Economic Interventions," JOP (July 2011: 808-20).
- Newman and Bartels, "Politics at the Checkout Line: Explaining Political Consumerism in the United States," PRQ (2011: 803-17).
- Nadeau, Niemi, Fan, and Amato, "Elite Economic Forecasts, Economic News, Mass Economic Judgments, and Presidential Approval," JOP (February 1999: 109-35).
- Cohen and King, "Relative Unemployment and Gubernatorial Popularity," JOP (November 2004: 1267-82).
- Brown, "Are Governors Responsible for the State Economy? Partisanship, Blame, and Divided Federalism," JOP (July 2010: 605-15).

4. Public Reactions to the Economy (September 20)

- Healy and Malhotra, "Retrospective Voting Reconsidered," *Annual Review of Political Science* (2013: 285-306).
- Norpoth, "Divided Government and Economic Voting," JOP (May 2001: 414-35).
- Burden and Wichowsky, "Economic Discontent as a Mobilizer: Unemployment and Voter Turnout," *JOP* (October 2014: 887-98).
- Markus, "The Impact of Personal and National Economic Conditions on the Presidential Vote: A Pooled Cross-Sectional Analysis," *AJPS* (February 1988: 137-54).
- Garand and Ulrich, "The Economy, Subjective Economic Evaluations, and the Presidential Vote," working paper (2008).
- Campbell, "Forecasting the Presidential Vote in the States," AJPS (May 1992: 386-407).
- Nadeau and Lewis-Beck, "National Economic Voting in U.S. Presidential Elections," JOP (February 2001: 159-81).
- Margalit, "Costly Jobs: Trade-related Layoffs, Government Compensation, and Voting in U.S. Elections," APSR (February 2011: 166-88).
- Gomez and Wilson, "Political Sophistication and Economic Voting in the American Electorate: A Theory of Heterogeneous Attribution," AJPS (October 2001: 899-914).
- Holbrook, Clouse, and Weinschenk, "Bringing the President Back In: The Collapse of Lehman Brothers and the Evolution of Retrospective Voting in the 2008 Presidential Election," *PRQ* (2012: 263-74).

5. Public Reactions to the Economy (September 27)

- Romero and Stambough, "Personal Economic Well-Being and the Individual Vote for Congress: A Pooled Analysis, 1980-1990," PRQ (September 1996: 607-16).
- Gomez and Wilson, "Causal Attribution and Economic Voting in American Congressional Elections," PRQ (September 2003: 271-82).
- Chubb, "Institutions, the Economy, and the Dynamics of State Elections," APSR (March 1988: 133-52).
- Ebeid and Rodden, "Economic Geography and Economic Voting: Evidence from the US States," BJPS (2006: 527–547)
- Anderson, "Economic Voting and Multilevel Governance: A Comparative Individual-Level Analysis," *AJPS* (April 2006: 449-63).
- Flavin and Radcliff, "Labor Union Membership and Voting Across Nations," *Electoral Studies* (2011: 633-41).

Nadeau, Lewis-Beck, and Belanger, "Economics and Elections Revisited," CPS (2013: 551–573.

6. The Size and Growth of the Public Sector (October 11)

Garrett and Rhine, "On the Size and Growth of Government," Federal Reserve of St. Louis, 2006.

- Lowery and Berry, "The Growth of Government in the United States: An Empirical Assessment of Competing Explanations," *AJPS* (November 1983: 665-94).
- Lewis-Beck and Rice, "Governmental Growth in the United States," JOP (February 1985: 2-30).
- Marlow and Orzechowski, "Public Sector Unions and Public Spending," *Public Choice* (October 1996: 1-16).
- Garand and Kaehler, "Bureaucratic Constituency Influence on Congressional Roll-Call Behavior," paper presented at the 2016 annual meeting of the Midwest Political Science Association, Chicago, Illinois, April 7-10, 2016.
- Garand, Myers, and Renegar, "Seniority, political experience, and support for government spending in the US House: a culture of spending?" *Public Choice* (2016: 217–238).
- Garand, "Government Growth in the American States: Decomposing Real Growth and Deflator Effects," *American Politics Quarterly* (October 1988: 405-24).
- Blais, Blake, and Dion, "Do Parties Make a Difference? Parties and the Size of Government in Liberal Democracies," *AJPS* (February 1993: 40-62).
- Bawn and Rosenbluth, "Short versus Long Coalitions: Electoral Accountability and the Size of the Public Sector," *AJPS* (April 2006: 251-65).

Boix, "Democracy, Development, and the Public Sector," AJPS (January 2001: 1-17).

7. The Size and Growth of the Public Sector (October 18)

Green, "The Price Elasticity of Mass Preferences," APSR (March 1992: 128-48).

- Garand, Parkhurst, and Seoud, "Bureaucrats, Policy Attitudes, and Political Behavior: An Extension of the Bureau Voting Model of Government Growth," *Journal of Public Administration Research and Theory* (April 1991: 177-212).
- Feldman and Steenbergen, "The Humanitarian Foundation of Public Support for Social Welfare," *AJPS* (July 2001: 658-77).
- Garand and Blais, "Understanding Joint Support for Government Spending and Taxes: Linking Benefits and Costs in the Mass Public," paper presented at the annual meeting of the American Political Science Association, 2003.

Jacoby, "Public Attitudes toward Government Spending," AJPS (May 1994: 336-61).

Rudolph and Evans, "Political Trust, Ideology, and Public Support for Government Spending," *AJPS* (July 2005: 660-81).

Bowler and Donovan, "Popular Responsiveness to Taxation," PRQ (1995: 79-99).

- Krimmel and Rader, "The Federal Spending Paradox: Economic Self-Interest and Symbolic Racism in Contemporary Fiscal Politics," APR (2017: 727-54).
- Garand, Xu, and Davis, "Immigration Attitudes and Support for the Welfare State in the American Mass Public," AJPS (January 2017: 146–162).

8. The Politics of Income Inequality (October 25)

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

Piketty and Saez, "Updated data through 2015," available at https://eml.berkeley.edu/~saez/.

Piketty and Saez, "Inequality in the Long Run," Science (May 2014: 838-43).

- Donovan, Labonte, and Dalaker, "The U.S. Income Distribution: Trends and Issues," Congressional Research Service report (December 2016: 1-47), available at https://fas.org/sgp/crs/misc/R44705.pdf.
- Noah, "The Great Divergence: What is Causing America's Growing Income Inequality," 10-part series on income inequality, *Slate Magazine Online*, http://www.slate.com/id/2267157/, 2010.
- APSA Task Force Report, "American Democracy in an Age of Rising Inequality," PS: Political Science and Politics (December 2004: 651-66).

Kelly, "Political Choice, Public Policy, and Distributional Outcomes," AJPS (October 2005: 865-80).

Xu, Garand, and Zhu, "Imported Inequality: Immigrants and Income Inequality in the American States," *State Politics and Policy Quarterly* (June 2016: 147-71).

9. The Politics of Income Inequality (November 1)

Bartels, Unequal Democracy: The Political Economy of the New Gilded Age, chapters 5-7.

Lupia, Levine, Menning, and Sin, "Were Bush Tax Cut Supporters Simply Ignorant? A Second Look at Conservatives and Liberals in 'Homer Gets a Tax Cut,'" *Perspectives on Politics* (December 2007: 773-84).

Bartels, Unequal Democracy: The Political Economy of the New Gilded Age, chapters 9.

Gilens, "Inequality and Democratic Responsiveness?" POQ (2005: 778-96).

Ellis, "Social Context and Economic Biases in Representation," JOP (July 2013: 773–786).

Hayes, "Responsiveness in an Era of Inequality: The Case of the U.S. Senate," PRQ (2012: 585-99).

Branham, Soroka, and Wlezien, "When Do the Rich Win," MPSA 2016 paper.

10. The Politics of Income Inequality (November 8)

Piston, Class Attitudes in America: Sympathy for the Poor, Resentment of the Rich, and Political Implications.

11. The Politics of Income Inequality (November 15)

- Xu and Garand, "Economic Contexts and Americans' Perceptions of Income Inequality," SSQ (December 2010: 1220-41).
- Scott, Matland, Michelbach, and Bornstein, "Just Deserts: An Experimental Study of Distributive Justice Norms," *AJPS* (October 2001: 749-67).
- Osberg and Smeeding, "Fair Inequality? Attitudes to Pay Differentials: The United States in Comparative Perspective," *American Sociological Review* (June 2006: 450-73).
- McCarthy, Davis, Garand, and Olson, "Religion and Attitudes toward Redistributive Policies among Americans," *PRQ* (2016: 121-33).
- Newman, Johnston, and Lown, "False Consciousness or Class Awareness? Local Income Inequality, Personal Economic Position, and Belief in American Meritocracy," *AJPS* (April 2015: 326–340).
- Newman, "Breaking the Glass Ceiling: Local Gender-Based Earnings Inequality and Women's Belief in the American Dream," AJPS (October 2016: 1006–1025).
- Galbraith and Hale, "State Income Inequality and Presidential Election Turnout and Outcomes," SSQ (December 2008: 887-901).
- Garand and Kaehler, "Income Inequality and Voter Turnout in the American States, 1960-2012," paper presented at the annual meeting of the Southern Political Science Association, 2015.

12. The Politics of Income Inequality (November 29)

McCarty, Poole, and Rosenthal, Polarized America: The Dance of Ideology and Unequal Riches.

- Garand, "Income Inequality, Party Polarization, and Roll-Call Voting in the U.S. Senate," *JOP* (October 2010: 1109-28).
- Tavits and Potter, "The Effect of Inequality and Social Identity on Party Strategies," *AJPS* (July 2015: 744–758).