

University of Cologne

Cologne Center for Comparative Politics (CCCP)

Chair of International Comparative Political Economy and Economic Sociology

Winter Term 2022/23

Who Rules the Economy? The Political Economy of Labor and Business Power

ECTS: 6 ECTS (2021 examination regulations) / 9 ECTS (2015 examination regulations)

Room: 3.40, 3rd floor IBW Building

Time: Wednesday, 12:00-13:30, weekly Oct 12 to Dec 21; Mini-Conference probably at Jan 25, 2023

Instructor: Friedrich Kersting

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Office Hours: by individual appointment

Course Description

Who rules the economy? Comparative political economy comprises the analysis of the power relationship between labor and capital. Do both have the same amount of political power? How can labor and business power (resources) be measured? How do labor and business influence public policies at the national and international level? How are labor and business power affected by mega trends such as economic globalization, de-industrialization and digitalization? On the basis of conceptual papers and empirical studies, this course discusses theories and concepts for the comparative analysis of labor and business power. As the seminar's overarching goal is to enable participants to write their own research papers on labor or business influence based on the concepts introduced and discussed in class, regular attendance is of utmost importance for the quality of term papers. All texts are available on the ILIAS-website of the course.

Requirements

Participants are expected to hand in a two-page outline of their planned term papers before January 18, 2023. This outline will be discussed in our mini-conference on research projects on January 25, 2023. To prepare your outlines and the mini-conference there will be individual office hours in early January.

Final grading is based on individual summaries (which means a summary and review of the respective paper; to be submitted until Monday, 8am before the respective session) and the term

paper in which the participants investigate an empirical research question, adopting theories and concepts of this class (handed in on March 15, 2023, 8am)

Attention: 9 ECTS students (2015 examination regulation) are required to hand in as an additional assignment a short summary of one of the weekly sessions. It is student's choice which one they select. It should just summarize the main "take aways" of the respective session. The summary on the session will not be graded.

The final grading is as follows: 30% individual summary; 70% term paper. You have to fulfil both assignments as requirement.

Bonus points: You can earn a bonus of "0,3" on your final grade if you hand in 3 questions on three different mandatory readings (until Monday 8am before the respective slot).

Prerequisites

Students are expected to: attend sessions regularly, actively contribute to class discussions, complete assigned readings according to schedule: "compulsory reading" = all students read; "summary" = reading only for the respective presenter; write a term paper of not more than 10,000 words, own research on literature/data/material is required. All papers will be checked for plagiarism. Term papers have to be written in English language. Since all reading assignments are in English, this will be the general classroom language as well. Participants therefore must know enough English to be able to participate actively. Perfection is neither expected nor required – you just need to understand and make yourself understood. As the seminar is discussion-based, it is expected that all students are present, have read the compulsory texts for the week and are able to discuss them. Here, it is the joint responsibility of teachers and students to create a respectful, inclusive and attentive atmosphere in the seminar.

Course Outline

Session 01: **Introduction & Basics** – 12.10.2022

Compulsory reading

- Pierson, P. (2016): Power in Historical Institutionalism. In: Fioretos, O., Falletti, T.G., Sheingate, A. (eds): *The Oxford Handbook of Historical Institutionalism*, Oxford: Oxford University Press. 124-141.
- Weber, M. (1978): Economy and Society: An Outline of Interpretative Sociology. 16. Power and Domination. In: Roth, G., & Wittich, C. (eds): *Economy and Society: An Outline of Interpretative Sociology*. Berkeley: University of California Press. 53-54.
- Dür, A. (2008). Measuring Interest Group Influence in the EU: A Note on Methodology. *European Union Politics* 9(4), 559-576.

Session 02: **Labor Power** – 19.10.2022

Compulsory reading

- Korpi, W. (1983): *The Democratic Class Struggle*. London: Routledge & Kegan Paul. 1-6, 7-25, 184-207.

Presentation/Summary readings

- Huber, E., Huo, J., Stephens, J.D. (2019): Power, Policy, and Top Income Shares. *Socio-Economic Review* 17(2): 231–253.
- Rathgeb, P., Klitgaard, M. B. (2021). Protagonists or Consenters: Radical Right Parties and Attacks on Trade Unions. *Journal of European Public Policy*, 1-23; online first.

Session 03: **Business Power I** – 26.10.2022

Compulsory reading

- Culpepper, P.D. (2010): *Quiet Politics and Business Power: Corporate Control in Europe and Japan*. Cambridge University Press. 177-98.
- Culpepper, P.D. (2015): Structural Power and Political Science in the Post-Crisis Era. *Business and Politics* 17(3), 391-409.

Presentation/Summary readings

- Culpepper, P.D., Reinke, R. (2014): Structural Power and Bank Bailouts in the United Kingdom and the United States. *Politics & Society* 42(4), 427-454.
- Young, K. (2015): Not by Structure Alone: Power, Prominence, and Agency in American Finance. *Business and Politics* 17(3), 443-472.

Session 04: **Business Power II** – 02.11.2022

Compulsory reading

- Culpepper, P.D. (2021): Quiet Politics in Tumultuous Times: Business Power, Populism, and Democracy. *Politics & Society* 49(1), 133-143

Presentation/Summary readings

- Feldmann, M., Morgan, G. (2021). Brexit and British Business Elites: Business Power and Noisy Politics. *Politics & Society* 49(1), 107-131.
- Bohle, D., & Regan, A. (2021). The comparative political economy of growth models: Explaining the continuity of FDI-led growth in Ireland and Hungary. *Politics & Society* 49(1), 75-106.

Session 05: **Business Power & The State** – 09.11.2022

Compulsory reading

- Mann, M. (1984): The Autonomous Power of the State: Its Origins, Mechanisms and Results. *European Journal of Sociology* 25(2), 185-213.

Presentation/Summary readings

- Braun, B. (2020): Central Banking and the Infrastructural Power of Finance: The Case of ECB Support for Repo and Securitization Markets. *Socio-Economic Review* 18(2), 395–418.
- Weiss, L., Thurbon, E. (2018). Power Paradox: How the Extension of US Infrastructural Power Abroad Diminishes State Capacity at Home. *Review of International Political Economy* 25(6), 779-810.

Session 06: **Power & International Political Economy** – 16.11.2022

Compulsory reading

- Barnett, M., Duvall, R. (2005): Power in International Politics. *International Organization* 59(1), 39-75

Presentation/Summary readings

- Malkin, A. (2020). The Made in China Challenge to US Structural Power: Industrial Policy, Intellectual Property and Multinational Corporations. *Review of International Political Economy*, 1-33; online first.
- Farrell, H., Newman, A. L. (2019). Weaponized Interdependence: How Global Economic Networks Shape State Coercion. *International Security* 44(1), 42-79.

Session 07: **Lobbying & EU Policy Making** – 23.11.2022

Compulsory reading

- Buena, A., Ibenskas, R. (2015): Quantitative Text Analysis and the Study of EU Lobbying and Interest Groups. *European Union Politics*, 16(3), 429–455. & Klüver, H. (2015): The Promises of Quantitative Text Analysis in Interest Group Research: A Reply to Buena and Ibenskas. *European Union Politics*, 16(3), 456–466.

Presentation/Summary readings

- Kalyanpur, N., Newman, A.L. (2019): The MNC-Coalition Paradox: Issue Salience, Foreign Firms and the General Data Protection Regulation. *Journal of Common Market Studies* 57(3), 448-467.
- De Bruycker, I., & Beyers, J. (2019): Lobbying Strategies and Success: Inside and Outside Lobbying in European Union Legislative Politics. *European Political Science Review* 11(1), 57-74.

Session 08: **Power & Finance** – 30.11.2022

Compulsory reading

- Young, K.L., Marple, T., Heilman, J. (2017): Beyond the Revolving Door: Advocacy Behavior and Social Distance to Financial Regulators. *Business and Politics* 19(2), 327-364.

Presentation/Summary readings

- Trampusch, C., Fastenrath, F. (2021): States' Interests as Limits to the Power of Finance: Regulatory Reforms in Early Local Government. *Regulation & Governance* 15(2), 245-261.

- Bell, S., Hindmoor, A. (2016): Structural Power and the Politics of Bank Capital Regulation in the United Kingdom. *Political Studies*, 65(1), 103-121.

Session 09: **Power & Financialization** – 07.12.2022

Compulsory reading

- Wittko, C. (2016): The Politics of Financialization in the United States, 1949-2005. *British Journal of Political Science* 46(2), 349-370.

Presentation/Summary readings

- Meyer, B. (2019). Financialization, Technological Change, and Trade Union Decline. *Socio-Economic Review* 17(3), 477–502.
- Mertens, A., Trampusch, C., Fastenrath, F., Wangemann, R. (2021): The Political Economy of Local Government Financialization and the Role of Policy Diffusion. *Regulation & Governance* 15(2), 370-387.

Session 10: **Power & Digital Economy I** – 14.12.2022

Compulsory reading

- Rahman, K.S, Thelen, K. (2019): The Rise of the Platform Business Model and the Transformation of Twenty-First-Century Capitalism. *Politics & Society* 47(2), 177-204.

Presentation/Summary readings

- Hope, D., Martelli, A. (2019). The Transition to the Knowledge Economy, Labor Market Institutions, and Income Inequality in Advanced Democracies. *World Politics* 71(2), 236-288.
- Kemmerling, M., C. Trampusch (2021): Corporate Power Sources in the Digital(ized) Economy. Paper for the SASE Conference, July 2021.

Session 11: **Power & Digital Economy II** – 21.12.2022

Compulsory reading

- Culpepper, P.D., Thelen, K. (2020): Are We All Amazon Primed? Consumers and the Politics of Platform Power. *Comparative Political Studies* 53(2): 288–318.

Presentation/Summary readings

- Seidl, T., (2020): The Politics of Platform Capitalism: A Case Study on the Regulation of Uber in New York. *Regulation & Governance*, Online First
- Helmerich, N., Raj-Reichert, G., & Zajak, S. (2021): Exercising Associational and Networked power through the Use of Digital Technology by Workers in Global Value Chains. *Competition & Change* 25(2), 142-166.

Session 12: **Mini Conference** – 09:00-15:00 25.01.2023 (not finally confirmed yet)