



## Course and Examination Fact Sheet: Spring Semester 2023

### 6,313: Egalitarian Capitalism in Crisis

ECTS credits: 4

#### Overview examination/s

(binding regulations see below)

Decentral - examination paper written at home (individual) (45%)

Examination time: term time

Decentral - Group examination paper with presentation (all given the same grades) (55%)

Examination time: term time

#### Attached courses

Timetable -- Language -- Lecturer

[6,313,1.00 Egalitarian Capitalism in Crisis](#) -- Englisch -- [Emmenegger Patrick](#)

#### Course information

#### Course prerequisites

Students should be interested in the relation between politics and economics and have a basic understanding of public policy.

This "Global Challenges" seminar is a good complement to the "Integrated Fundamentals" lecture Comparative Political Economy (6312), but it is not necessary to attend both courses in parallel.

#### Learning objectives

Students acquire the analytical tools indispensable for an understanding of the dynamic interdependencies between politics and the economy in today's world. They learn to look at key issues from a historically informed perspective comprising the main political economy regimes of the 20th and 21st centuries in advanced capitalist societies. They are able to discuss the systematic tensions inherent in market-based political regimes.

#### Course content

"In 1966, the largest U.S. employer was General Motors, and compensation for its workers averaged \$40 an hour (in 2016 dollars). The CEOs of big U.S. firms at that time earned about 21 times as much as their average workers. Forty years later, the largest U.S. employer was Walmart, which paid its workers \$8 an hour on average, and the CEOs of large companies earned 271 times as much as their employees" (Hall, 2020, The Electoral Politics of Growth Regimes).

Egalitarian capitalism is in crisis. At the latest with the publication of Thomas Piketty's "Capital in the Twenty-First Century", it is well known that inequality is on the rise. But rising inequality is not simply the result of structural changes such as globalization, skill-biased technological change, and the transition to the service economy. Instead, these structural pressures are politically mediated, leading to surprising variation in inequality levels between countries and across groups.

At the launch of a new report of the Organisation for Economic Cooperation and Development, then Secretary-General Angel Gurría warned of the dangers posed by inequality and the need to tackle it: "Growing inequality is divisive. It polarizes societies, it divides regions within countries, and it carves up the world between rich and poor. Greater income inequality stifles upward mobility between generations, making it harder for talented and hard-working people to get the rewards they deserve. Ignoring increasing inequality is not an option" (cited in Emmenegger et al. 2012, How We Grow Unequal).

In this "Global Challenges" seminar, we will discuss the drivers of increasing inequality and the political processes that mediate the effects of these pressures. For instance, we will look at the role of tax policies and ask why tax rates decline despite growing inequality and popular support for progressive taxation. We will discuss the role of trade unions and ask to what extent these developments are the result of the weakening of collective bargaining rather than technological change. We will look at the growing importance of the financial industry and ask what role financial market regulation plays in driving inequality. These are



just some examples of the questions we will discuss. Each week, we will explore the question why egalitarian capitalism might be in crisis from a different (but complementary) angle. In this way, we will be able to understand why there are such stark differences in terms of inequality between countries and why inequality has been on the rise in most advanced capitalist economies - albeit at surprisingly different speeds.

## Course structure and indications of the learning and teaching design

We will meet weekly for two hours each (in total twelve meetings). In each meeting, we will discuss challenges to egalitarian capitalism based on the assigned reading (one paper per meeting) and a student presentation. This course emphasizes joint discussion and application to new examples. Hence, it is important that all participants read the assigned papers and actively participate in the discussion.

## Course literature

In this seminar, we will discuss journal articles and book chapters that introduce to a specific analytical perspective in limited space. All these journal articles / book chapters will be made available on StudyNet as pdf files. Virtually all of these articles are based on book-length analyses that offer a more detailed discussion. Below, a few exemplary books are listed. In the course, however, we will not read these books (for reasons of time) but shorter journal articles and book chapters that are based on these longer analyses.

Baccaro, Lucio, Blyth, Mark, and Jonas Pontusson, 2022, *Diminishing Returns: The New Politics of Growth and Stagnation*. Oxford University Press.

Baccaro, Lucio and Howell, Chris, 2017, *Trajectories of Neoliberal Transformation: European Industrial Relations since the 1970s*. Cambridge University Press.

Bonoli, Giuliano and Natali, David, 2012, *The Politics of the New Welfare State*. Oxford University Press.

Bonoli, Giuliano and Emmenegger, Patrick, 2022, *Collective Skill Formation in the Knowledge Economy*. Oxford University Press.

Emmenegger, Patrick, Häusermann, Silja, Palier, Bruno, and Martin Seeleib-Kaiser, 2012, *The Age of Dualization: The Changing Face of Inequality in Deindustrializing Societies*. Oxford University Press.

Emmenegger, Patrick, 2014, *The Power to Dismiss: Trade Unions and the Regulation of Job Security in Western Europe*. Oxford University Press.

Emmenegger, Patrick and Lierse, Hanna, 2022, *The Politics of Taxing the Rich: Declining Tax Rates in Times of Rising Inequality*. Taylor and Francis.

Esping, Andersen, Gosta, 2009, *The Incomplete Revolution: Adapting to Women's New Roles*. Polity.

Garrizmann, Julian et al., 2022, *The World Politics of Social Investment*. Oxford University Press.

Iversen, Torben and Soskice, David, 2019, *Democracy and Prosperity: Reinventing Capitalism through a Turbulent Century*. Princeton University Press.

Palier, Bruno and Hassel, Anke, 2021, *Growth and Welfare in Advanced Capitalist Economies: How Have Growth Regimes Evolved?* Oxford University Press.

Rathgeb, Philip, 2018, *Strong Governments, Precarious Workers: Labor Market Policy in the Era of Liberalization*. Cornell University Press.

Streeck, Wolfgang, 2017, *How Will Capitalism End?* Verso.

Thelen, Kathleen, 2014, *Varieties of Liberalization and the New Politics of Social Solidarity*. Cambridge University Press.

## Additional course information

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## Examination information



## Examination sub part/s

### 1. Examination sub part (1/2)

#### Examination time and form

Decentral - examination paper written at home (individual) (45%)

Examination time: term time

#### Remark

Written summaries of three assigned articles

#### Examination-aid rule

Free aids provision

Basically, students are free to choose aids. Any restrictions are defined by the faculty members in charge of the examination under supplementary aids.

#### Supplementary aids

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#### Nature of examination

analog

#### Examination languages

Question language: English

Answer language: English

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### 2. Examination sub part (2/2)

#### Examination time and form

Decentral - Group examination paper with presentation (all given the same grades) (55%)

Examination time: term time

#### Remark

Presentation in class and paper

#### Examination-aid rule

Free aids provision

Basically, students are free to choose aids. Any restrictions are defined by the faculty members in charge of the examination under supplementary aids.

#### Supplementary aids

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#### Nature of examination

analog

#### Examination languages

Question language: English

Answer language: English

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## Examination content

The examination consists of two parts.

First, students summarize three of the course texts and develop questions for discussion (45%).

Second, students make a presentation on a topic of their choice but related to the course topic (in groups). Based on their



presentation as well as the feedback/discussion in class, students submit a group examination paper (55%).

## Examination relevant literature

The relevant literature will be provided online during the semester (as of 22 May 2023 at the latest).

### Please note

Please note that only this fact sheet and the examination schedule published at the time of bidding are binding and takes precedence over other information, such as information on StudyNet (Canvas), on lecturers' websites and information in lectures etc.

Any references and links to third-party content within the fact sheet are only of a supplementary, informative nature and lie outside the area of responsibility of the University of St.Gallen.

Documents and materials are only relevant for central examinations if they are available by the end of the lecture period (CW21) at the latest. In the case of centrally organised mid-term examinations, the documents and materials up to CW 12 are relevant for testing.

Binding nature of the fact sheets:

- Course information as well as examination date (organised centrally/decentrally) and form of examination: from bidding start in CW 04 (Thursday, 26 January 2023);
- Examination information (regulations on aids, examination contents, examination literature) for decentralised examinations: in CW 12 (Monday, 20 March 2023);
- Examination information (regulations on aids, examination contents, examination literature) for centrally organised mid-term examinations: in CW 12 (Monday, 20 March 2023);
- Examination information (regulations on aids, examination contents, examination literature) for centrally organised examinations: two weeks before the end of the de-registration period in CW 15 (Monday, 10 April 2023).