



**Department of Social and Political Sciences**  
*Second term Research Seminar*  
*Winter 2017*

## **The Study of Economic and Political Crises**

*Dorothee Bohle and Hanspeter Kriesi*

**Tuesdays 9:00 AM-11:00 AM, Badia Seminar Room 4**

Registration with Maureen Lechleitner (Maureen.Lechleitner@EUI.eu)

### **Description**

This seminar opens a discussion between the political economy and the comparative politics literature on the Great Recession in Europe. The Great Recession which broke out in 2008 has been followed by a crisis of representative democracy, as witnessed for instance by the destabilization of party systems and the rise and power grab of populist parties. How can we explain the Great Recession, and how the crisis of representation? Are these two crises related, and if so, how? What – if anything – can we learn on this relationship from previous major economic and political crises? How do politics and the political economy play out in policy responses to the Great Recession?

These are broad questions, to which no definite answer can be given. The aim of the seminar is to explore a range of approaches that seek to address these questions. We chose the literature based on two criteria: on the one hand, we provide a selection of approaches that have been proposed to come to terms with the question of the origins, consequences and interrelationship of political and economic crises. On the other hand, we have selected a set of papers that present empirical evidence about the different forms the political crisis has taken in the three regions of Europe – Northwestern, Southern and Central- and Eastern Europe – in the shadow of the economic crisis. We consider this discussion very much as work in progress

### **Requirements**

Students are expected to submit three 500-word response papers to the readings for a given session and post that paper on the course website. This is a reading intensive seminar, and the response papers are fundamental for holding a good discussion of the material, as is a thorough reading of the assigned texts. These response papers have to be turned in at the latest by noon the day before the seminar meets.

Writing a term paper is encouraged. Those who wish to write a term paper should submit it to us by email and in paper copy, with a cc to Maureen Lechleitner.

## Sessions, topics and readings

### 1. Introduction: economic and political crises in capitalism (January 10)

- Sewell, William H. 2012. Economic Crises and the Shape of Modern History, *Public Culture* 24 (2 67): 303–27.
- Schumpeter, Josef A. 1942. “Can Capitalism Survive?” in Schumpeter Joseph, 1942 *Capitalism, Socialism and Democracy* Harper & Row Publishers, chapters 7, 11-14, pp. 81-86, 130-163.
- Harvey, David. 2011. Roepke Lecture in Economic geography—Crises, Geographic Disruptions and the Uneven Development of Political Responses, *Economic Geography* 87 (1): 1–22.
- Streeck, Wolfgang. 2011. The Crises of Democratic Capitalism. *New Left Review*, II, no. 71(October): 5–29.

### 2. Crisis, breakdown and reequilibration (January 17)

- Linz, Juan 1978. *The Breakdown of Democratic Regimes. Crisis, Breakdown, and Reequilibration*. Baltimore: The Johns Hopkins University Press. (pp. 3-124)
- Linz, Juan 1988. Legitimacy of democracy and the socioeconomic system, pp. 65-74 in *Comparing pluralist democracies. Strains on legitimacy*, edited by Mattei Dogan, Boulder: Westview Press.

### 3. Sectoral coalitions and policy preferences (January 24)

- Kurth, James R. 1979. “The Political Consequences of the Product Cycle: Industrial History and Political Outcomes.” *International Organization* 33 (01): 1-34.
- Frieden, Jeffry A. 1991. “*Invested Interests: The Politics of National Economic Policies in a World of Global Finance.*” *International Organization* 45 (4): 425–451.
- Gourevitch, Peter Alexis. 1986. *Politics in Hard Times: Comparative Responses to International Economic Crises*. Ithaca: Cornell University Press. (chapters 1-2, pp. 17-68)
- Gourevitch, Peter Alexis. 2013. Afterword. In Kahler, Miles, and David A. Lake, eds., *Politics in the New Hard Times: The Great Recession in Comparative Perspective*, Ithaca: Cornell University Press, pp. 252-74

**4. How the voters operate – in general and in times of crisis (January 31)**

- Achen, Christopher H. and Larry M. Bartels 2016. *Democracy for realists. Why elections do not produce responsive government*, Princeton University Press. Chapters 1, 2, 7-9, 11) (171 pages)

**5. Political economy of debt (crises) (February 7)**

- Frieden, Jeff. 1988. “Classes, Sectors, and Foreign Debt in Latin America.” *Comparative Politics* 21 (1): 1–20.
- Crouch, Colin. 2009. “Privatised Keynesianism: An Unacknowledged Policy Regime.” *The British Journal of Politics & International Relations* 11 (3): 382–99.
- Ansell, Ben W. 2012. “Crisis as Political Opportunity? Partisan Politics, Housing Cycles, and the Credit Crisis.” In *Coping with Crisis. Government Reactions to the Great Recession*, edited by Nancy Bermeo and Jonas Pontusson, 327–60. New York: Russel Sage Foundation.
- Bohle, Dorothee. 2014. “Post-Socialist Housing Meets Transnational Finance: Foreign Banks, Mortgage Lending, and the Privatization of Welfare in Hungary and Estonia.” *Review of International Political Economy* 21 (4): 913–48.
- Streeck, Wolfgang. 2015. “The Rise of the European Consolidation State.” MPIfG Discussion Paper 15/1. <http://www.econstor.eu/handle/10419/107091>.

**6. Varieties of capitalism and varieties of crises (February 14)**

- Rueda, David, Erik Wibbels, and Melina Altamirano. 2015. “The Origins of Dualism.” In *The Politics of Advanced Capitalism*, edited by Pablo Beramendi, Silja Häusermann, Herbert Kitschelt, and Hanspeter Kriesi, 89–111. New York: Cambridge University Press.
- Bohle, Dorothee, and Béla Greskovits. 2012. *Capitalist Diversity on Europe’s Periphery*. Ithaca: Cornell University Press, chapter 12: The Return of Hard Times, pp. 223-258.
- Baccaro, Lucio, and Jonas Pontusson. 2016. “Rethinking Comparative Political Economy. The Growth Model Perspective.” *Politics & Society* 44 (2): 175–207.
- Iversen, Torben, David Soskice, and David Hope. 2016. “The Eurozone and Political Economic Institutions.” *Annual Review of Political Science* 19: 163–185.

**7. Political crisis: Northwestern Europe (February 21)**

- Mair, Peter 2006. Ruling the void? The hollowing of Western democracy. *New Left Review* 42, November/December: 25-51
- Mair, Peter 2002. Populist democracy vs party democracy, pp. 81-98 in *Democracies and the populist challenge*, edited by Yves Mény and Yves Surel, Basingstoke: Palgrave.

- Van der Brug, Wouter, Meindert Fennema, and Jean Tillie 2005. Why some anti-immigrant parties fail and others succeed. A two-step model of aggregate electoral support, *Comparative Political Studies* 38, 5: 537-573.
- Kitschelt, Herbert 2007. Growth and Persistence of the radical right in postindustrial democracies: advances and challenges in comparative research, *West European Politics* 30, 5: 1176-1206
- Kriesi, Hanspeter, Swen Hutter and Jasmine Lorenzini 2016. *Contesting economic and new cultural issues in the Great Recession*, unpubl ms.

## 8. Political crisis: Southern Europe (February 28)

- Roberts, Kenneth M. 2013. Market Reform, Programmatic (De)alignment, and Party System Stability in Latin America, *Comparative Political Studies* 46(11): 1422-1452.
- Mudde, Cas and Cristobal Rovira Kaltwasser 2013. Exclusionary vs. inclusionary populism: comparing contemporary Europe and Latin America, *Government and Opposition* 48, 2: 147-174.
- Hutter, Swen, Hanspeter Kriesi and Guillem Vidal 2016. *Old vs. New politics. The political spaces in Southern Europe in times of crisis*, unpubl ms (41 pp.)
- Altiparmakis, Argyrios 2016. *Leadership and political competition: the case of Greece and Syriza's victory in the September 2015 elections*, unpubl ms.
- Altiparmakis, Argyrios and Jasmine Lorenzini 2016. *Disclaiming national representatives. Protest waves in Southern Europe during the Eurozone crisis*, unpubl ms.

## 9. Political crisis: Central- and Eastern Europe (March 7)

- Mair, Peter 1997. *Party system change. Approaches and interpretations*, Oxford: Clarendon Press. Chapter 8: What is different about post-communist party systems? pp. 175-198)
- Pop-Eleches, Grigore 2010. Throwing out the bums. Protest voting and unorthodox parties after communism, *World Politics* 62, 2: 221-60.
- Hanley, Sean and Allan Sikk 2014. Economy, corruption or floating voters? Explaining the breakthroughs of anti-establishment reform parties in eastern Europe, *Party Politics* 22, 4: 522-533.
- Rovny, Jan and Jonathan Polk 2016. Stepping in the same river twice: stability amidst change in Eastern European party competition, *European Journal of Political Research*, doi: 10.1111/1475-6765.12163.
- Gessler, Theresa and Anna Kyriazi 2016. A 'Hungarian crisis' or 'the crisis in Hungary'? Chapter 7 in *Transformative elections? Restructuring the national political space in Europe in times of multiple crises*, edited by Swen Hutter et al., unpubl ms. (34p.)

- Batory, Agnes 2016. Populists in government? Hungary's system of national cooperation', *Democratization* 23, 2: 283-303

#### **10. Economic ideas and policy change (March 14)**

- Hall, Peter A. 1993. "Policy Paradigms, Social Learning, and the State: The Case of Economic Policymaking in Britain." *Comparative Politics*, 275–96.
- Blyth, Mark. 2013. *Austerity: The History of a Dangerous Idea*. Oxford ; New York: Oxford University Press Chapters 2, 3, 7, pp. 21-96, 229-244.
- Helgadóttir, Oddný. 2016. "The Bocconi Boys Go to Brussels: Italian Economic Ideas, Professional Networks and European Austerity." *Journal of European Public Policy* 23 (3): 392–409.
- Dellepiane-Avellaneda, Sebastian. 2015. "The Political Power of Economic Ideas: The Case of 'Expansionary Fiscal Contractions.'" *The British Journal of Politics and International Relations* 17 (3): 391–418.
- Van Esch, Femke AWJ. 2014. "Exploring the Keynesian–Ordoliberal Divide. Flexibility and Convergence in French and German Leaders' Economic Ideas During the Euro-Crisis." *Journal of Contemporary European Studies* 22 (3): 288–302.