

University of Cologne
Cologne Center for Comparative Politics
Summer Term 2025

Lecture: **Comparative Political Economy: Theories and Methods**
Module: BM Comparative Political Economy (PO 2021) (6 ECTS)
Room: H 111, IBW Building (211), Herbert-Lewin-Straße 2
Date: Wednesdays, 10:00-11:30 (April 9 – July 16)

Instructor: Dr. Michael Kemmerling
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Office hours: Thursdays, 2pm-3pm

What will this course be about?

Reflecting key theories and methods of comparative political economy (CPE), the lecture presents analytical approaches and methods used in the comparative analysis of capitalism. It puts a special focus on the relationship between states and markets and the interaction of political and economic power. We discuss classics like Adam Smith and Karl Marx as well as newer concepts of labor and business power. In addition, the lecture covers some of the most important challenges political economies have been dealing with: the rise of the financial sector (financialization), the emergence of new types of firms (digital capitalism) and climate change. Through a combination of theories, concepts, and different applications of quantitative and qualitative methods, the lecture illustrates how to compare political economies across countries and over time and situates them in the respective international context.

What will you learn in this course?

You will learn...

- ... (advanced) theories and methods of CPE and their application in cutting-edge research
- ... to critically discuss research designs and findings in CPE

... by ...

- ... identifying the central actors, their interests, ideas, and power resources in different stages and types of capitalism
- ... reflecting and justifying your (independently developed) positions or problem solutions

... to ...

- ... succeed in the exam
- ... be prepared to take advanced classes
- ... pursue a master's thesis in CPE

What do you need to bring to the course?

As master's students, you will bring sound knowledge of basic concepts and methods of political science. Prior knowledge of political economy is not required. Classroom and exam language is English.

How will we interact?

I invite you to attend the lecture regularly and do the preparatory readings. Our common learning endeavor will benefit greatly if we come to class prepared. Interactive elements (e.g., think-pair-share, live votings, classroom discussions) in the lecture make it more fun for all of us, prepare you better for the exam, and deepen our understanding of CPE, but they depend on active participation.

If you require accommodations, please reach out to the [Service Center Inclusion](#) of the University and let me know how I can help.

I welcome you to contact me outside of class during my office hours if you need help clarifying a reading or slide or just want to know more about CPE. If you cannot make it during the office hours, reach out to find an alternative date.

If you choose to use AI, keep in mind that studying at a university is not only about learning subject-specific skills, but also about developing general skills such as critical and structured thinking. Please consider the benefits and limitations of AI independently and for your specific use case. In general, AI can enhance the learning process, but it cannot replace it.

Where do you register? Where do you find the course materials?

Registration via KLIPS 2. Mandatory readings and course materials are available via ILIAS.

How will your learning be assessed?

Grading will be based on a 60-minute exam consisting of two to three questions. You should respond in text format and will be able to apply the theories and concepts you learned during the lecture to analyze key developments in modern capitalism. The exam is scheduled for **July 16, 2025, 10:00-11:30 am (Location: H111, IBW Building)**. Registration via KLIPS 2 ends on **##, 2025, 11:59 pm (exact date tba)**.

Course schedule - overview

Session	Date	Topic(s)
1	09.04.2024	Introduction
2	16.04.2024	Classics
3	23.04.2024	Labor Power
4	30.04.2024	Business Power
5	07.05.2024	Skills and Capitalism
6	14.05.2024	Varieties of Capitalism
7	21.05.2024	Growth Models
8	28.05.2024	Inequality & Welfare State
9	04.06.2024	Financialization & Corporate Governance
-	11.06.2024	No Session: Pentecost Break
10	18.06.2024	Public Finances
11	25.06.2024	Digital Capitalism
12	02.07.2024	Decarbonization
13	09.07.2024	Recap and Summary (Online)
14	16.07.2024	Exam

Course schedule – session details

1	09.04	<p>Comparative Political Economy: Introduction</p> <p>This introductory session offers an overview of what constitutes Comparative Political Economy as a discipline. We discuss issues concerning course organization, examination and the syllabus.</p>
2	16.04	<p>Political Economic Classics: Smith, Marx, Kalecki and Polanyi</p> <p>Modern approaches to Comparative Political Economy would be unimaginable without the foundation laid by many canonical texts and thinkers in economics, philosophy and sociology. This session focuses on Adam Smith, Karl Marx, Michael Kalecki and Karl Polanyi and discusses key parts of their extensive work and its impact on contemporary CPE.</p> <ul style="list-style-type: none"> • Kalecki, Michael (1943). Political Aspects of Full Employment. <i>Political Quarterly</i> 14(4), 322-330. • Marx, Karl (1996) [1867]. <i>Capital. Volume 1</i>. Chicago. Encyclopedia Britannica. Part 8, Ch. 26-32 (pp. 354-378). • Polanyi, Karl (1957) [1944]. <i>The Great Transformation</i>. Boston. Beacon Press. Ch. 5+6 (pp. 56-76), Ch. 11+12 (130-50) and Ch. 21 (249-58). • Smith, Adam. (1996) [1776]. <i>An Inquiry into the Nature and Causes of the Wealth of Nations</i>. Book 1. Chicago. Encyclopaedia Britannica. Ch. 1-3 (pp. 3-15)
3	23.04	<p>Labor Power</p> <p>Many important contributions to CPE have dealt with questions of how labor, as one of the key social forces in capitalism, has been able to exercise power, mobilize resources and realize its interests. Archetypically, this is associated with the roles of trade unions and left parties.</p> <ul style="list-style-type: none"> • Pierson, Paul (2016). Power in Historical Institutionalism. In: Fioretos, Orfeo, Falleti, Tulia G., and Sheingate, Adam (eds.). <i>The Oxford Handbook of Historical Institutionalism</i>. Oxford: Oxford University Press. 124-141. • Davidsson, Johann Bo and Emmenegger, Patrick (2013). Defending the Organisation, not the Members: Unions and the Reform of Job Security Legislation in Western Europe. <i>European Journal of Political Research</i>, 52 (3), 339-63. • Korpi, Walter (1985). Power Resources Approach vs Action and Conflict: On Causal and Intentional Explanations in the Study of Power. <i>Sociological Theory</i>, 3 (2), 31-45. • Offe, Claus and Wiesenthal, Helmut (1980). Two Logics of Collective Action: Theoretical Notes on Social Class and Organizational Form. <i>Political Power and Social Theory</i>, 1 (1), 71-87.

4	30.04	Business Power <p>In addition to labor, capital constitutes the other important social force in the political economy. In this session we look at the roots of business power and the different forms it can take when (non-)decisions are made.</p> <ul style="list-style-type: none"> • Culpepper, Pepper D. (2015). Structural Power and Political Science in the Post-Crisis Era. <i>Business and Politics</i>, 17(3), 391–409. • Dahl, Robert A. (1959): Business and Politics: A Critical Appraisal of Political Science. <i>American Political Science Review</i>, 53(1), 1-34. • Lindblom, Charles E. (1982): The Market as Prison. <i>The Journal of Politics</i>, 44(2), 323-36. • Keller, Eileen (2018). Noisy Business Politics: Lobbying Strategies and Business Influence after the Financial Crisis. <i>Journal of European Public Policy</i>, 25(3), 287–306.
5	07.05	Skills and Capitalism <p>One of the core institutional spheres in political economies, where business, labor and governments interact, are systems of vocational education and training. Not only do they equip workers with distinct skill sets – and thus co-determine their job perspectives – they also complement innovation systems within different production regimes.</p> <ul style="list-style-type: none"> • Busemeyer, Marius and Trampusch, Christine (2019). The Politics of Vocational Training: Theories, Typologies, and Public Policies. In: Guile, David and Unwin, Lorna (eds.). <i>The Wiley Handbook on Vocational Education and Training</i>. Hoboken, NJ, 137-64. • Han, Kyung Joon and Castater, Eric Graig (2016). They may not have the Skills, but they have the Desire: Why the Skill Composition of Trade Unions Matters for Wage Inequality. <i>Research in Social Stratification and Mobility</i>, 45, 1-12. • Kerr, C. (1954): Balkanization of Labor Markets. In: Bakke, E. W. (ed.). <i>Labor Mobility and Economic Opportunity</i>. Cambridge: MIT Press, 92-110. • Trampusch, Christine (2010). Co-evolution of Skills and Welfare in Coordinated Market Economies? A Comparative Historical Analysis of Denmark, the Netherlands, and Switzerland. <i>European Journal of Industrial Relations</i>, 16 (3), 197-220.

6	14.05	<p>Varieties of Capitalism</p> <p>Established by Hall & Soskice (2001) in their seminal edited volume, the Varieties of Capitalism (VoC) approach has structured the CPE debate for a long time. Over the years, however, both substantial criticism and an expansion of the original framework have led to modifications and new insights.</p> <ul style="list-style-type: none"> • Hall, Peter & Soskice, David (2001): An Introduction to Varieties of Capitalism. In: <i>ibid.</i> (eds.). <i>Varieties of Capitalism. The Institutional Foundations of Comparative Advantage</i>. Oxford University Press. 1-32. • Schneider, Martin R. and Paunescu, Mihai (2012). Changing varieties of capitalism and revealed comparative advantages from 1990 to 2005: a test of the Hall and Soskice claims. <i>Socio-Economic Review</i>, 10 (4), 731-53. • Estévez-Abe, Margarita (2005). Gender Bias in Skills and Social Policies: The Varieties of Capitalism Perspective on Sex Segregation. <i>Social Politics: International Studies in Gender, State & Society</i>, 12(2), 180–215. • Hancké, Bob, Van Overbeke, Toon, and Voss, Dustin (2022). Crisis and Complementarities: A Comparative Political Economy of Economic Policies after COVID-19. <i>Perspectives on Politics</i>, 20(2), 474–89.
7	21.05	<p>Growth Models</p> <p>In contrast to VoC's focus on supply-side institutions, the growth models perspective analyzes how different countries generate demand to sustain economic growth. We will learn about "wage-led", "export-led" and "consumption-led" growth models and the different coalitions that support them.</p> <ul style="list-style-type: none"> • Baccaro, Lucio and Pontusson, Jonas (2016). Rethinking Comparative Political Economy: The Growth Model Perspective. <i>Politics & Society</i>, 44(2), 175-207. • Hassel, Anke and Bruno Palier (2021). Tracking the Transformation of Growth Regimes in Advanced Capitalist Economies. In: <i>ibid.</i> (eds.). <i>Growth and Welfare in Advanced Capitalist Economies: How Have Growth Regimes Evolved?</i> Oxford University Press. 3-56. • Martin, Cathie Jo (2020). Growth Strategies and Employers' Coalitions: Renewing Welfare States. In: Hassel, Anke and Bruno Palier (eds.). <i>Growth and Welfare in Advanced Capitalist Economies</i>, Oxford University Press, 227–54. • Avlijaš, Sonja, (2020). Growth Models and Female Labor in Post-Socialist Eastern Europe. <i>Social Politics: International Studies in Gender, State & Society</i>, 27(3), 534–61.

8	28.05	Inequality & Welfare States <p>The unequal distribution of income, wealth, skills and "opportunities" is probably at least as old as capitalism itself. Welfare states often reduce these inequalities, but sometimes reproduce them. We learn how different welfare state regimes interact with inequalities of class, gender and race.</p> <ul style="list-style-type: none"> • Esping-Andersen, Gøsta and Myles, John (2011). Economic Inequality and the Welfare State. In: Nolan, Brian, Salverda, Wiemer, and Smeeding, Timothy M. (eds.). <i>The Oxford Handbook of Economic Inequality</i>. Oxford University Press. • Korpi, Walter and Palme, Joakim (2003). New Politics and Class Politics in the Context of Austerity and Globalization: Welfare State Regress in 18 Countries, 1975-95. <i>American Political Science Review</i>, 97 (3), 425-46. • Thurston, Chloe (2021). Racial Inequality, Market Inequality, and the American Political Economy. In: Hacker, Jacob S., Hertel-Fernandez, Alexander, Pierson, Paul, Thelen, Kathleen (eds.). <i>The American Political Economy. Politics, Markets, and Power</i>. Cambridge University Press. 133-157. • Orloff, Ann (1996). Gender in the Welfare State. <i>Annual Review of Sociology</i>, 22(1), 51–78.
9	04.06	Financialization & Corporate Governance <p>The rise of finance is one of the most influential developments in contemporary capitalism. This session will provide an overview of what we mean when we talk about financialization. After a special emphasis on a broader, macroeconomic perspective, we will learn how the rise of finance affects corporate governance. The question of who controls the modern corporation is at the heart of comparative political economy. We will look at different corporate business models, changing ownership structures, and whether global capitalism and "patient capital" can coexist.</p> <ul style="list-style-type: none"> • Van der Zwan, Natascha (2014). Making sense of financialization. <i>Socio-Economic Review</i>, 12(1), 99-129. • Pagliari, Stefano & Kevin L. Young (2021). "How financialization is reproduced politically", in: Mader, Philip, Daniel Mertens and Natascha van der Zwan (eds.), <i>The Routledge International Handbook of Financialization</i>, 113-124. • Braun, Benjamin (2022). Exit, Control, and Politics: Structural Power and Corporate Governance under Asset Manager Capitalism, <i>Politics & Society</i> 50(4), 630-654. • Fichtner, Jan and Eelke M. Heemskerk (2020). The New Permanent Universal Owners: Index funds, patient capital, and the distinction between feeble and forceful stewardship. <i>Economy and Society</i>, 49(4), 493-515.
	11.06	Pentecost Break

10	18.06	Public Finances <p>Facing a fiscal dilemma between spending, taxation, investment, evasion and debt, public finances are a crucial territory when examining what is going on in capitalism. This session deals with several studies that highlight problems and prospects of public finances in modern political economies, including the role of business power in lobbying and shaping discourses.</p> <ul style="list-style-type: none"> • The Spider's Web (UK, 2017) https://youtu.be/np_ylvc8Zj8 • Gelepithis, Margarita and Hearson, Martin (2021). The politics of taxing multinational firms in a digital age. <i>Journal of European Public Policy</i>, 29(5), 708-727. • Hakelberg, Lukas and Rixen, Thomas (2021). Is neoliberalism still spreading? The impact of international tax cooperation on capital taxation. <i>Review of International Political Economy</i>, 28(5), 1142-1168.
11	25.06	Digital capitalism <p>Digitalization represents a structural break in the development of capitalism. The rise of new corporate giants and the technology-based re-organization of innovation, financing and production challenges the established frameworks for analyzing capitalism, regulatory politics and power relations.</p> <ul style="list-style-type: none"> • Rikap, Cecilia & Lundvall, Bengt-Ake (2023). Big Tech, Knowledge Predation and the Implications for Development. <i>Innovation and Development</i>, 12(3), 389-416. • Barwise, Patrick and Watkins, Leo (2018). The evolution of digital dominance: how and why we got to GAFA. In: Moore, Martin and Tambini, Damian (eds.). <i>Digital Dominance. The Power of Google, Amazon, Facebook, and Apple</i>. Oxford University Press, 21-49. • Kemmerling, Michael and Trampusch, Christine (2023). Digital power resources (DPR): the political economy of structural and infrastructural business power in digital(ized) capitalism. <i>Socio-Economic Review</i>, 21(4), 1851-1876. • Rahman, K. Sabeel and Thelen, Kathleen (2019). The Rise of the Platform Business Model and the Transformation of Twenty-First-Century Capitalism. <i>Politics & Society</i>, 47(2), 177-204.

12	02.07	The Political Economy of Decarbonization and Climate Change <p>Climate change and environmental degradation pose fundamental challenges to the modus operandi of modern societies, the functioning of economies and the capacities of political systems. How do existing concepts of comparative political economy capture climate change and decarbonization? How does business influence environmental policies? And how can policymakers build coalitions to support the green transition?</p> <ul style="list-style-type: none"> • Newell, Peter, and Paterson, Matthew (2011). Climate Capitalism. In: Altvater, Elmar and Brunnengräber, Achim (eds.). <i>After Cancún: Climate Governance or Climate Conflicts</i>. Wiesbaden: VS, Verlag für Sozialwissenschaften. • Green, Jeremy (2022). Comparative Capitalisms in the Anthropocene: A Research Agenda for Green Transition. <i>New Political Economy</i>, 28(3), 329–346. • Meckling, Jonas, Kelsey, Nina, Biber, Eric, and Zysman, John (2015). Winning Coalitions for Climate Policy. <i>Science</i> 349 (6253), 1170–71. • Vormedal, I., Gulbrandsen, L. H. & Skjærseth, J. B. (2020). Big oil and climate regulation: business as usual or a changing business? <i>Global Environmental Politics</i>, 20(4), 143-166. • Nahm, Jonas (2022). Green Growth Models. In: Baccaro, Lucio, Blyth, Mark, and Pontusson, Jonas (eds.). <i>Diminishing Returns: The New Politics of Growth and Stagnation</i>, Oxford University Press, 443 - 463.
13	09.07	Recap and Summary (Online)
14	16.07	Exam