Lecture 11 – November 28


1. What are the legitimate roles of government, according to Wolf? How does this conception of the role of government differ from that of 1960? To what degree do governments in the advanced industrial states today approximate these roles?

2. What is the trend of government spending in the last 40-50 years? What does the evidence introduced by Wolf suggest about the constraints economic openness is placing on government capacity? Do you agree with Wolf that the constraints placed on developed and developing countries’ governments are largely benign?

3. Wolf argues that comparative advantage continues to function in a world of mobile capital (p.261). Why is this the case? How similar is Wolf’s argument with that of Berger from last week’s reading? What does Wolf’s conception of comparative advantage imply for the role of government in the economy?

Duane Swank, *Global Capital*, ch. 1, 7, 8.

1. Swank outlines one economic and two political logics through which capital mobility may constrain governments. What are they? How important do you think each of these factors are in determining outcomes, as opposed to the national political institutions Swank cites?

2. What does Swank conclude about the influence of the internationalization of capital markets on European developed economies? Are the two totally unrelated, or does he suggest there is an indirect, or non-linear, relationship between them?

3. Which domestic institutions, according to Swank, have been important in blunting neoliberal reform in the European corporatist states? How have these institutions fared in the 1980s and 1990s, and what are the implications of these changes for social welfare policy change?

Peter Lindert, *Growing Public*, 1, 2.

1. What is the central puzzle that Lindert attempts to explain? What are the *main* mechanisms he points to as determining levels of social welfare? What are the implications of his conclusions for future policy settings in developed and developing countries?

2. Lindert suggests that redistributional policies may raise, lower, or have no effect on national output. This stands in contrast to arguments that argue that productivity declines with the provision of generous social welfare by the state. How does Lindert account for the difference in expected and actual outcomes?

1. In her review of the debate, Berger points to a number of mechanisms through which globalization constrains state action. What are these? What are the main ways in which theorists have argued that economic openness constrains the state? What does the evidence show, according to Berger?

2. What are the main characteristics of a production regime? How many main types of production regime are there, according to the literature, and what are their differences? Do you think this is a useful framework for thinking about the structure of national economies? Can you think of examples that do not fit the models proposed by Hall and Soskice?

Suzanne Berger and Ronald Dore (eds.), *National Diversity and Global Capitalism*, ch. Intro, 1, 2, 5, 11, 15