

Preliminary Syllabus

**PLSC 854 01: Business Power and American Politics**

Spring 2012; M 10:25-12:15

ISPS Library (77 Prospect Street, 2<sup>nd</sup> Floor)

Professor Jacob S. Hacker

(203) 432-5554; [jacob.hacker@yale.edu](mailto:jacob.hacker@yale.edu)

Office Hours: Monday, 3:30-5:30 ([Sign Up](#))

**PLEASE NOTE THAT THIS COURSE WILL BE HELD MONDAYS, 10:25-12:15 (NOT 9:25-11:15; STUDENTS ATTENDING LEITNER WORKSHOP MAY LEAVE EARLY)**

This course is an examination of the power of business in American politics, with a focus on business's role in the making of public policy. Topics will include lobbying, campaign finance, interest group organization, inside and outside strategies (e.g., lobbying versus shaping public opinion), divisions within the business community, the ideologies and social networks of business leaders, and the policy preferences of corporations and their organized representatives.

Historically, the course will focus on the period after the rise of industrial capitalism, with a special emphasis on the revival of business organization in the 1970s and 1980s. Thematically, it will transit through the community power debate of the 1960s and 1970s, the dispute over the "structural" power of business between Marxists and their critics, and more recent analyses of business's role in elections and policy formation (including some cross-national studies). Students will be expected to write a final research paper, as well as two short discussion papers, and to participate actively in section discussion.

This is a small-group seminar. Although I will begin each session with a brief presentation, the remainder of each meeting will be given over to in-class discussion. As such, broad participation is essential. You should come to class having done the week's readings and prepared to discuss them. To encourage informed participation, I require that students prepare 2 short discussion papers (3-4 pp., double-spaced). Their purpose is to take up a key topic, issue, or argument in the week's readings and evaluate it. These are not, therefore, to be summaries of the week's readings, but independent analyses of themes and claims therein (for example, a critique of an argument made in the readings). Students can choose the weeks on which they write papers, but the first must be completed on or before week 5 and the second on or before week 10. The papers are due in my email inbox by 5PM on Sunday, the day before the seminar.

The overall grade will be determined by: (1) two short papers; (2) a final paper, and (3) participation. Each paper is worth 1/8 of the overall grade, the final paper is worth 1/2, and participation 1/4.

## Preliminary Syllabus

The books listed below are required. They are available at the Yale bookstore. Additional readings are available online (see the links in the syllabus – more to come).

1. Peter Gourevitch and James Shinn, *Political Power and Corporate Control* (Princeton, 2007).
2. David Vogel, *Fluctuating Fortunes* (Basic, 1989)
3. Mark Smith, *American Business and Political Power* (Chicago, 2000)
4. Jacob S. Hacker and Paul Pierson, *Winner-Take-All Politics* (Simon & Schuster, 2010)
5. Dani Rodrik, *The Globalization Paradox* (Norton, 2011).

## Weekly Schedule

### Week 1 (1/9) Course Introduction and Administration

[Max Weber, “Class, Status, Party”](#)

## **Part I: Foundations**

### Week 2 (1/13) The Community Power Debate

[Peter Bachrach and Morton S. Baratz, “Two Faces of Power,” \*American Political Science Review\* \(1962\).](#)

[Robert Dahl and Charles Lindblom, revised introduction to the second edition of \*Politics, Economics, and Welfare\* \(Chicago, 1976\).](#)

[Terry Moe, “Power and Political Institutions,” \*Perspectives on Politics\* \(2005\)](#)

### Week 3 (1/23) Structural vs. Instrumental Business Power

[Charles Lindblom, “The Market as Prison,” \*Journal of Politics\* \(1982\)](#)

[Fred Block, “The Ruling Class Does Not Rule,” \*Socialist Revolution\* \(1977\).](#) [Looking for a better printout]

David Brian Robertson, “The Bias of American Federalism,” *Journal of Policy History* (1989).

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### Week 4 (1/30) Business Preferences vs. Strategies

[Jacob S. Hacker and Paul Pierson, "Business Power and Social Policy," \*Politics & Society\* \(2002\).](#)

[Hacker and Pierson](#) vs. [Swenson](#) in *Studies in American Political Development* (2004)

[Walter Korpi, Power Resources and Employer-Centered Approaches in Explanations of Welfare States and Varieties of Capitalism," \*World Politics\* \(2006\).](#)

## **Part II: Organization and Activities**

### Week 5 (2/6) Varieties of Capitalist Organization (*Last week for first short paper*)

[Cathie Jo Martin and Duane Swank, "Does the Organization of Capital Matter," \*American Political Science Review\* \(2004\).](#)

Gourevitch and Shin, *Political Power and Corporate Control*, Chs. 1-4, plus at least one of empirical chapters (5-7 )

### Week 6 (2/13) Campaign Finance

[\*Citizens United vs. FEC\* \(2009\)](#) Majority opinion (Kennedy), pp. 40-57; Stevens dissent, pp. 56-90.

Thomas Ferguson, *Golden Rule* (Chicago, 1995), Introduction and Ch. 1.

[Richard L. Hall and Frank W. Wayman, "Buying Time: Moneyed Interests and the Mobilization of Bias in Congressional Committees," \*American Political Science Review\* \(1990\).](#)

[Stephen Ansolabehere, John M. de Figueiredo, and James M. Snyder Jr., "Why is There so Little Money in U.S. Politics?" \*Journal of Economic Perspectives\* \(2003\).](#)

### Week 7 (2/20) Lobbying (*Proposal for final paper due in class.*)

Selections from Baumgartner et al., *Lobbying and Policy Change* (Chicago, 2009)

[Jordi Blanes i Vidal, et al., "Revolving Door Lobbyists," \*American Economic Review\* \(forthcoming\)](#)

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[Igan, Deniz, et al., A Fistful of Dollars: Lobbying and the Financial Crisis,” \*IMF Working Paper\* \(2009\).](#)

BONUS MATERIAL: Berkeley Ph.D. student, Lee Drutman, who wrote his dissertation on corporate lobbying guest-blogged on The Monkey Cage for a week:

[http://www.themonkeycage.org/2009/10/how\\_business\\_gets\\_done\\_in\\_wash\\_1.html](http://www.themonkeycage.org/2009/10/how_business_gets_done_in_wash_1.html)  
[http://www.themonkeycage.org/2009/10/its\\_not\\_all\\_about\\_the\\_benjamin.html](http://www.themonkeycage.org/2009/10/its_not_all_about_the_benjamin.html)  
[http://www.themonkeycage.org/2009/10/getting\\_into\\_the\\_weeds\\_what\\_do\\_1.html](http://www.themonkeycage.org/2009/10/getting_into_the_weeds_what_do_1.html)  
[http://www.themonkeycage.org/2009/10/relationships\\_expertise\\_and\\_th\\_1.html](http://www.themonkeycage.org/2009/10/relationships_expertise_and_th_1.html)  
[http://www.themonkeycage.org/2009/10/the\\_imbalanced\\_lobbying\\_system.html](http://www.themonkeycage.org/2009/10/the_imbalanced_lobbying_system.html)  
[http://www.themonkeycage.org/2009/10/the\\_importance\\_of\\_shaping\\_issu.html](http://www.themonkeycage.org/2009/10/the_importance_of_shaping_issu.html)  
[http://www.themonkeycage.org/2009/10/graphing\\_interest\\_groups.html](http://www.themonkeycage.org/2009/10/graphing_interest_groups.html)  
[http://www.themonkeycage.org/2009/10/a\\_lobbying\\_and\\_influence\\_final.html](http://www.themonkeycage.org/2009/10/a_lobbying_and_influence_final.html)

### **Part III: Book-Length Treatments**

Week 8 (2/27) *Fluctuating Fortunes*

### **SPRING BREAK**

Week 9 (3/19) *American Business and Political Power*

Week 10 (3/26) *Winner-Take-All Politics* (*Last week for second short paper*)

### **Part IV: Global Corporations and the Nation State**

Week 11 (4/2) Tax Policy without Borders

[Steinmo, Sven, and Duane Swank, “The New Political Economy of Taxation,” \*American Journal of Political Science\* \(2002\).](#)

David Cay Johnston, *Perfectly Legal* (Portfolio, 2003), selections.

William Brittain-Catlin, *Offshore: The Dark Side of the Global Economy* (New York: MacMillan, 2006), ch. 7.

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### Week 12 (4/9) Globalization and Its Discontents

Jeffrey Sachs, *The Price of Civilization* (New York, 2010), selections

Rodrik, *The Globalization Paradox* (Norton, 2011).

**Recommended:** Menzie Chinn and Jeffry Frieden, *Lost Decades* (New York: Norton, 2011).

### Week 13 (4/16) The New Business Elite

[Chrystia Freeland, "The Rise of the New Global Elite," \*Atlantic\* \(January/February 2011\).](#)

Lucian Bebchuck, et al, "The CEO Pay Slice," *Journal of Financial Economics* (2011).

[Jon Bakija, et al., "Jobs and Income Growth of Top Earners and the Causes of Changing Income Inequality: Evidence from U.S. Tax Return Data," Working Paper \(November 2010\).](#)

**Reading period begins Monday, April 23. Papers are due in my inbox or mailbox (77 Prospect) at the end of reading period (April 30) by 4:30 PM.**