End of term feedback survey

- Please complete the survey in the first 5 minutes of the class: you should have an email with the link in your LSE inbox.

GV101
Introduction to Political Science
Week 19: Public Spending
and Economic Inequality

Classes, Monday 16 March, 2020
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Order of Play

- Class discussion: Dr. Charlotte Haberstroh abstract (15 minutes)

- Group discussion of public spending and inequality (20 minutes)

- Feedback and questions arising from group discussion (15 minutes)

Reading Overview and Contemporary Example

- Clark, Golder, and Golder outline the Meltzer-Richard model (again, but with different terminology), the partisan model of macroeconomic policy (predicting fiscal policy change based on governing party ideology), and suggest that PR might drive redistribution by facilitating left-wing governments or centrist compromise with left-wing parties, by reducing pork barrel politics in favour of spending on public goods (depending on open or closed lists), or by allowing greater demand for spending through having multiple parties in government.

- Alesina and Glaeser show that comparison with the US, Europe generally offers more benefits to an average family, has more redistributive pension policy, has less unequal incomes (before and after taxation), and has greater market regulation. Similarly to Clark, Golder, and Golder, argue that this may be to do with the presence of left-wing parties, pork barrel politics and single party government in SMDP, the federal structure of the US, and checks and balances in the US (and we might relate the latter two to Tsebelis).

- Contemporary example of public spending and economic inequality: the world versus Iceland in the aftermath of the 2008 economic crisis (in relation to broader equality too).

Group Discussion of Public Spending and Economic Inequality

- Each group will be allocated one question from the handout, which is available via [Moodle](#) (GV101 > Course Information and News Forum > Joe Greenwood's Classes > Week 19 Public Spending and Economic Inequality)

- Each group discusses their question and summarises on padlet, including any uncertainties or questions about the ideas or concepts:
    - Classes 08, 10, and 12: padlet.com/j_greenwood3/GV101A
    - Classes 09, and 11: padlet.com/j_greenwood3/GV101B

Clark, Golder, and Golder versus Alesina and Glaeser

Clark, Golder, and Golder on Redistribution in Proportional and Majoritarian Systems	Alesina and Glaeser on Redistribution in the US and Europe
Proportional systems are more accommodating to (geographically concentrated) left-wing parties, or change the electoral calculus of centrist voters and parties leading to left-leading coalitions.	The US lacks strong socialist or communist parties (and trade union movements), so they have not been electorally viable or entered government.
Majoritarian system promote pork barrel politics (due to marginal seats with small districts) whereas large districts in proportional systems point to public goods provision (which can be linked to selectorate theory). More parties in government in proportional systems leads to more calls for spending in an array of areas.	The SMPD electoral system promotes pork barrel politics rather than national redistribution, and doesn't accommodate multiple party voices in budget negotiations.
	The federal structure means that wealth cannot be easily redistributed from affluent to poor areas.
	Checks and balances (especially Senate and the Supreme Court) put a brake on redistributive efforts.