

POLITICAL ECONOMY 301
INTRODUCTION TO POLITICAL ECONOMY

Professor: Douglas Nelson
Office: Tilton 108 (Murphy Institute), Phone: 865-5317
Office Hours: Tuesday and Thursday, 3:30-5:30

Broadly speaking, Political Economy is the study of the interaction between the economy and the political system. Given the interdisciplinary nature of this field, it is not surprising that there is an extremely wide array of schools (Liberal, Marxist, Statist, ...), approaches (individualist, structuralist, functionalist, institutionalist, ...), methodologies (formal/mathematical, quantitative/econometric, historical, ...), *et cetera*. There are at least equally many ways to organize an introductory course on this topic: we could attempt a survey, touching briefly on each of the multitude of combinations implied by the list above; we could examine a variety of issues from any one these; or we can take some middle approach. We will take a middle approach. The main textbook (Shepsle and Bonchek) provides a synthetic analysis based on an essentially micro-analytic (i.e. rational choice) approach. In each of the main sections of the course we will supplement the main textbook with readings taking other approaches.

Your performance in this course will be evaluated on the basis of three examinations (worth 100 points each); and two reaction papers (worth 50 points each). To receive an A, you must earn at least 360 points out of the total of 400 points available. To pass the course you must earn at least 240 total points. Grades between these limits will be determined on the basis of your performance relative to that of the class as a whole.

With regard to the examinations. Each of the examinations will be made up of a number of identification and/or short-answer questions, and two or three essay questions that ask you to synthesize and apply material from the part of the course immediately preceding the examination. The **midterm examinations** will be given only on **2 October** and **3 November** in class. The **final examination** will be given only on **Saturday, 14 December 2000 at 1:00 pm**. Do not make travel or other plans that conflict with these dates.

With regard to the reaction papers. The subject of the reaction papers will be any two of the three supplementary books (i.e. one reaction paper per selected book). A reaction paper is a short paper discussing some aspect of the relevant reading, it is *not a book report*. In the reaction paper you must explicitly discuss the relevant reading and evaluate some central aspect of its discussion. Note: "evaluate" means that you must identify some central aspect of the books analysis, explain why you think this aspect is interesting/important, and present your evaluation of the author's position (note that you must make an argument, simply asserting your agreement or disagreement will not be sufficient for a passing grade). The reaction papers are **due in class on the first date scheduled for discussion of the readings** (see syllabus), late papers will not be accepted and will earn a grade of zero.

Readings for the course will be drawn from the following books:

K. Shepsle and M. Bonchek (1997). *Analyzing Politics*. New York: Norton.

E.E. Schattschneider (1983). *The Semisovereign People*. New York: Holt, Rinehart.

W. Keech (1995). *Economic Politics: The Costs of Democracy*. Cambridge: Cambridge University Press.

C. Noble (1997). *Welfare as We Knew It: A Political History of the American Welfare State*. Oxford: OUP.

SYLLABUS FOR POLITICAL ECONOMY 301
Introduction to Political Economy

August 30, September 1: General Course Introduction--Political Economy and Rational Choice

-Shepsle and Bonchek, Chapters 1 and 2

Part I: Group Choice

September 6, 13, 15: The General Analysis of Group Choice

-Shepsle and Bonchek, Chapters 3 and 4

September 8, 11: No Class

September 18, 20, 22: Spatial Models of Majority Rule

-Shepsle and Bonchek, Chapter 5

September 25, 27, 29: Collective Action and Democracy

-Schattschneider, *The Semisovereign People*.

First Midterm Examination: 2 October 2000

October 4, 6, 11: Voting Methods and Electoral Systems

-Shepsle and Bonchek, Chapter 7

Part II: Collective Action

October 13, 16: Some Simple Analytics of Cooperation

-Shepsle and Bonchek, Chapter 8

October 18, 20 23: The Collective Action Problem

-Shepsle and Bonchek, Chapter 9

October 25, 27, 30, November 1: The Political Economy of the U.S. "Welfare State"

-Noble, *Welfare as We Knew It*.

Second Midterm Examination: 3 November 2000

Part III: Institutional Analysis

November 6, 8, 10: Strategic Action in Group Choice (Sophisticated Voting)

-Shepsle and Bonchek, Chapter 6

November 13, 15, 17 Legislatures

-Shepsle and Bonchek, Chapter 11, Chapter 5, pp. 115-133, and Chapter 12

November 20, 27, 29: Bureaucracies

-Shepsle and Bonchek, Chapter 13

December 1, 4, 6, 8: Elections and Macroeconomic Policy

-Keech, *Economic Politics: The Costs of Democracy*.

Final Examination: Thursday, 14 December, 1:00-5:00