This course is reorganized relative to previous years. I still make use a lot of the book by T. Persson and G. Tabellini “Political Economics. Explaining Economic Policy”, MIT PRESS 2000 which synthesizes the large literature that has been growing analyzing the interaction between economic and political processes. However, I have reorganized the course in a way that I think is better.

Students are supposed to do the problem sets after each lecture. The exam will be based on problem sets.

**Lecture 1. From Social Choice to Political Economics.**


**Lectures 2, 3 and 4. Median voter models, their applicability and applications to general interest politics.**


Other readings:


**Lecture 5. Probabilistic models of voting.**


**Lecture 6 and 7. Agency models of politics.**


Lecture 8. Partisan Politicians.


Lecture 9, 10 and 11. Special Interest Politics.


Lecture 12. Political Regimes.

Persson-Tabellini (2000): chapter 10

Lectures 13: Democratization.

Students are recommended to read other chapters of the book.

**Lecture 14: Optimal majority rules.**


GRADE: final exam based on problem sets.
Political economics is a field of study devoted to the analysis of political institutions and decision making using the analytical and empirical approaches employed in economics (i.e. rational-choice theory, game-theory, econometrics). This course reviews key contributions in the field of political economics, both theoretical and empirical. First, we will focus on studies that illustrate the key approaches in the study of democratic politics, elections, and policy choice. Then we will delve into different forms of non-electoral political bargaining. Political economy is the study of production and trade and their relations with law, custom and government; and with the distribution of national income and wealth. As a discipline, political economy originated in moral philosophy, in the 18th century, to explore the administration of states' wealth, with “political” signifying the Greek word polity and “economy” signifying the Greek word οἰκονομία (household management). The earliest works of political economy are usually attributed to the British Fall 2012.

Instructor: Gérard Roland. This course is reorganized relative to previous years. I still make use a lot of the book by T. Persson and G. Tabellini “Political Economics. Explaining Economic Policy”, MIT PRESS 2000 which synthesizes the large literature that has been growing analyzing the interaction between economic and political processes. However, I have reorganized the course in a way that I think is better. Students are supposed to do the problem sets after each lecture. Bolton, P. and G. Roland (1997) “The Breakup of Nations: A Political Economy Analysis”, Quarterly Journal of Economics, vol. 112 n4, pp. 1057-1090. Cooley, T. and J. Soares (1999) “A Positive Theory of Social Security based on reputation”, Journal of Political Economy 107, 135-160. Other readings Political economics (eco 215A-B). Fall 2012 Instructor: Gérard Roland This course is reorganized relative to previous years. I still make use a lot of the book by T. Persson and G. Tabellini “Political Economics. Explaining Economic Policy”, MIT PRESS 2000 which synthesizes the large literature that has been growing analyzing the interaction between economic and political processes. However, I have reorganized the course in a way that I think is better. Students are supposed to do the problem sets after each lecture. The exam will be based on problem sets. Lecture 1. From Social Choice to Poli... Gérard Roland. We propose a model with micropolitical foundations to contrast different political regimes. Compared to a parliamentary regime, the institutions of a presidential-congressional regime produce fewer incentives for legislative cohesion but more separation of powers. These differences are reflected in the size and composition of government spending. Only a few years after the fall of the Berlin Wall and the introduction of comprehensive economic reform packages, political backlash is being observed nearly everywhere in Central and Eastern Europe. With a few notable exceptions such as the Czech Republic, voters are sending former communists back to power.
We will cover basics of political economics such as models of Downsian political competition, parliamentary decision making, special interests and informative lobbying, and discuss their usefulness in understanding political processes such as recent presidential and parliamentary elections around the World. A less conventional part includes material on political economy of non-democratic regimes.