

Tulane University
Undergraduate Program in Political Economy
PECN 3010
Positive Political Economy
Spring 2023

Professor: Patrick Testa

Course hours: Tuesdays and Thursdays, 9:30-10:45am

Course location: 118 Norman Mayer Building

Office: 201 Tilton Memorial Hall

ZOOM office: tulane.zoom.us/j/2087148040

Office hours: Thursday, 12:00-2:00pm (please email to schedule an appointment)

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Overview

Political economy is the study of political decision-making and its implications for economic and policy outcomes. This course serves as an introduction to political economy as a positive social science and is intended for undergraduate political economy students. It is designed to provide students with a thorough overview of the rational choice approach to understanding political decision-making as well as introduce them to more recent theoretical and empirical research on institutions. Students should have prior training in basic microeconomics. It is also helpful to have a background in basic game theory and econometrics, although it is not necessary.

Course goals and objectives

The goals of this course are:

- Provide students with a history of modern political economic thought.
- Teach the quantitative tools of positive political economy, as applied to understanding voting rules, social dilemmas, and institutions.
- Introduce students to recent theoretical and empirical research in political economy, institutions and culture, and the economics of growth.

As a result of this course, students will be able to:

- Analyze politics in new ways, using basic rational choice models of political behavior and institutions, including game theory.
- Understand how political actors and institutions influence economic outcomes.

Texts

For most of the course, lectures will follow *Analyzing Politics* by Shepsle and Bonchek (1997). Many later lectures will reference additional readings, as noted below, though we will not be able to discuss all of these. All readings are considered optional, unless specifically assigned.

COVID-19/Influenza policy

Lecture will be in-person only by default. We will move online in the event of any college- or university-wide policy change regarding in-person lecture. If you are sick (with COVID or otherwise) and cannot attend, you will not be penalized. However, you will be expected to keep up with the reading material and rely on peers and office hours to make up for other missed course materials. Only a formal note from a doctor may qualify you to delay any deadline. Masks are required conditional on a university-wide mask mandate and optional otherwise. Failure to comply is a violation of the Code of Student Conduct and students will be subject to University discipline, which can include suspension or permanent dismissal. Please see tulane.edu/covid-19/health-strategies for University policies regarding COVID-19 testing and isolation. Masking and other COVID-19 policies are subject to change.

Attendance policy

Students should attend every class and take notes so that they are aware of assignments and deadlines as well as any scheduling changes that may arise. Students should communicate to me via email if they must be absent and rely on office hours (please come see me!) as well as help from peers to fill in any blanks. Only a formal note from a doctor may qualify a student to delay any deadline. If a student must miss an exam otherwise, they may opt for the second grading plan as outlined below.

Office hours

My normal office hours will be Thursdays from noon to 2. If you would like to schedule an in-person meeting during office hours or at a different time, please let me know. If you would like to schedule a ZOOM meeting, also let me know.

Grades

Your grade will be based on either (i) three written assignments (10%), two midterm exams (25% each), and a cumulative final exam (40%), or (ii) three written assignments (10%) and the final exam (90%), whichever is greater. Grades will follow the typical system ($\geq 93\%$ is A range, 90-92.5% an A-, 88-89.5% a B+, 83-87.5 a B, etc.). I reserve the right to round up in marginal cases.

ADA/Accessibility

Tulane University strives to make all learning experiences as accessible as possible. If you anticipate or experience academic barriers based on your disability, please let me know immediately so that we can privately discuss options. I will never ask for medical documentation from you to support potential accommodation needs. Instead, to establish reasonable accommodations, I may request that you register with the Goldman Center for Student Accessibility. After registration, make arrangements with me as soon as possible to discuss your accommodations so that they may be implemented in a timely fashion. Goldman Center contact information: goldman@tulane.edu, accessibility.tulane.edu, or (504) 862-8433.

Code of academic conduct

The Code of Academic Conduct applies to all undergraduate students, full-time and part-time, in Tulane University. Tulane University expects and requires behavior compatible with its high standards of scholarship. By accepting admission to the university, a student accepts its regulations (i.e., Code of Academic Conduct and Code of Student Conduct) and acknowledges the right of the university to take disciplinary action, including suspension or expulsion, for conduct judged unsatisfactory or disruptive.

Statement of equity, diversity, and inclusion

Equity, diversity, and inclusion (EDI) are important Tulane values that drive excellence in our learning environments and help us build a supportive culture and climate for every member of our community. Diversity refers to many different identities and experiences that include the following and more: race, color, sex, religion, national origin, age, disability, genetic information, sexual orientation, gender identity, gender expression, pregnancy, marital status, military status, veteran status (or any other classification protected by applicable law). To live our values of EDI with one another, we acknowledge that each of us have areas of strength and growth in our EDI learning and competency that we each continuously work on to sustain EDI on our campus.

Religious accommodation policy

Per Tulane's religious accommodation policy and our core values of diversity and inclusion, I will make every reasonable effort to ensure that students are able to observe religious holidays without jeopardizing their ability to fulfill their academic obligations. Excused absences do not relieve the student from the responsibility for any course work required during the period of absence. Students should notify me within the first two weeks of the semester about their intent to observe any holidays that fall on a class day or on the day of the final exam.

Tulane Journal of Policy and Political Economy

This second half of this course covers a broad array of empirical and theoretical research in political economy. As a complement to this, I encourage students to read and submit their writing to the Tulane Journal of Policy and Political Economy at tulanejournal.org. The Journal is an internationally recognized undergraduate publication partnered with Tulane's departments of Political Science and Economics and School of Public Health, focused on amplifying student research in broader academic conversations. Previous editions received submissions from across the world and are indexed in the Library of Congress.

Course outline

Introduction (lectures 1-5)

The rational choice approach to modeling politics

Ch. 1-2 of *Analyzing Politics*

Preference relations

Non-cooperative games

Group decision-making (lectures 6-9)

Group choice

Cycling and the Condorcet paradox

Voting rules and criteria for “fairness”

Arrow’s impossibility theorem

Ch. 3-7 of *Analyzing Politics*

Median voter theorem

Strategic voting

Mardi Gras break (February 21)

Midterm exam I (February 16)

Collective action (lectures 10-18)

Cooperation and collective action

Public goods and non-excludability

Social dilemmas

Ch. 8-10 of *Analyzing Politics*

Hardin (1968)

Governing the commons I: social norms and social divisions

Ostrom (2000)

Dippel (2014)

Banerjee, Iyer, and Somanathan (2010)

Alesina, Baqir, and Easterly (1999)

Governing the commons II: formal institutions

Leeson (2007)

Koyama (2010)

Rubin (2011)

Origins of states and nations

Olson (1993)

Allen, Bartazzini, and Heldring (2020)

Stasavage (2021)

Dal Bo, Hernandez-Lagos, and Mazzuca (2019)

Credible commitment and the modern state

North and Weingast (1989)

Cox (2012)

Midterm exam II (March 28)

No class (March 30)

Spring break (April 1–9)

Political economy of democracy (lectures 19-25)

Majoritarian politics: modeling voters and candidates

Ch. 11 of *Analyzing Politics*

Beyond the median voter

Populism and “strategic extremism”

Glaeser, Ponzetto, and Shapiro (2005)

Acemoglu, Egorov, and Sonin (2013)

Partisanship and favoritism

Lee, Moretti, and Butler (2004)

Albouy (2013)

Burgess, Jedwab, Miguel, Morjaria, and Padró i Miquel (2015)

Tiebout competition

Teibout (1956)

Hoxby (2000)

Banzhaf and Walsh (2008)

Ferreira and Gyourko (2009)

Political business cycles

Cahan (2019)

Alston, Jenkins, and Nonnenmacher (2006)

Legislatures, bureaucracies, and interest groups

Ch. 12-13 of *Analyzing Politics*

Blanes i Vidal, Draca, and Fons-Rosen (2012)

Democratic backsliding

Nondemocracy

Edmond (2013)

Adena et al (2015)

Yanagizawa-Drott (2014)

Cantoni et al (2017)

Final exam (May 8 at 4pm)

Note: dates and order of material may be subject to change.

Title IX

Tulane University recognizes the inherent dignity of all individuals and promotes respect for all people. As such, Tulane is committed to providing an environment free of all forms of discrimination including sexual and gender-based discrimination, harassment, and violence like sexual assault, intimate partner violence, and stalking. If you (or someone you know) has experienced or is experiencing these types of behaviors, know that you are not alone. Resources and support are available: you can learn more at <http://allin.tulane.edu>. Any and all of your communications on these matters will be treated as either “Confidential” or “Private” as explained in the chart below. Please know that if you choose to confide in me I am mandated by the university to report to the Title IX Coordinator, as Tulane and I want to be sure you are connected with all the support the university can offer. You do not need to respond to outreach from the university if you do not want. You can also make a report yourself, including an anonymous report, through the form at <http://tulane.edu/concerns>.

Confidential	Private
<i>Except in extreme circumstances, involving imminent danger to one’s self or others, nothing will be shared without your explicit permission.</i>	<i>Conversations are kept as confidential as possible, but information is shared with key staff members so the University can offer resources and accommodations and take action if necessary for safety reasons.</i>
Counseling & Psychological Services (CAPS) (504) 314-2277 or The Line (24/7) (504) 264-6074	Case Management & Victim Support Services (504) 314-2160 or orsrss@tulane.edu
Student Health Center (504) 865-5255	Tulane University Police (TUPD) Uptown - (504) 865-5911. Downtown – (504) 988-5531
Sexual Aggression Peer Hotline and Education (SAPHE) (504) 654-9543	Title IX Coordinator (504) 314-2160 or msmith76@tulane.edu

Emergency preparedness and response

EMERGENCY NOTIFICATIONS: TU ALERT	SEVERE WEATHER
<p>In the event of a campus emergency, Tulane University will notify students, faculty, and staff by email, text, and/or phone call. You were automatically enrolled in this system when you enrolled at the university.</p> <p>Check your contact information annually in Gibson Online to confirm its accuracy.</p>	<ul style="list-style-type: none"> ▪ Follow all TU Alerts and outdoor warning sirens ▪ Seek shelter indoors until the severe weather threat has passed and an all-clear message is given ▪ Do not use elevators ▪ Do not attempt to travel outside if weather is severe <p>Monitor the Tulane Emergency website (tulane.edu/emergency/) for university-wide closures during a severe weather event</p>
ACTIVE SHOOTER / VIOLENT ATTACKER	EVERBRIDGE APP
<ul style="list-style-type: none"> ▪ RUN – run away from or avoid the affected area, if possible ▪ HIDE – go into the nearest room that can be locked, turn out the lights, and remain hidden until all-clear message is given through TU ALERT ▪ FIGHT – do not attempt this option, except as a last resort ▪ For more information or to schedule a training, visit emergencyprep.tulane.edu 	<ul style="list-style-type: none"> ▪ Download the Everbridge app from the App Store or Google Play store ▪ The Report feature allows you to silently and discreetly communicate with TUPD dispatchers ▪ The SOS button allows you to notify TUPD if you need help ▪ The Safe Corridor button serves as a virtual escort and allows you to send check-in notifications to TUPD

References

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