Objectives of the Course
This course provides a selective overview of modern political economics to equip the students with a set of common research tools. Specifically, the course gives an introduction to the basic theoretical models, empirical methodologies, and substantive findings in political economics. It covers not only theoretical and empirical research, but also, importantly, the links between the two.

This basic course is followed in the next quarter by Political Economics III, a course which presents selected topics at the current research frontier.

Schedule and Examination
The course has eight three-hour lectures. It also includes a number of theoretical and empirical exercises that will be discussed in separate sessions. Examination is through a written exam.

Reading List

Background

Part 1, Lectures 1-3, Electoral Competition and Voter Behavior

Basic workhorse models
*Chapter 3 and 7 in P-T 2000.
Who votes?

Who is informed?

Who are the marginal voters?

Voter response to economic performance

Voter response to taxes

Voter response to targeted spending

Targeted spending

Electoral size
**Median voter**


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**Part 2, Lectures 4-6, Partisan politics and political agency**

**Basic partisan models**

*Chapter 5 and 7 in P-T 2000.


**Partisan influence on policy**


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**Citizen candidates**


**Agenda setters**


**Legislative bargaining**

Arnold, D. [1979], Congress and the Bureacracy, Yale University Press.


**Basic agency models**

*Chapter 4 in P-T 2000.


**Evidence on agency**


Part 3, Lectures 7-8, Political institutions and economic policy

Background
*Chapter 1 in Persson, T. and G. Tabellini [2003], The Economic Effects of Constitutions, MIT Press (P-T 2003 below)

Theoretical predictions
*Chapters 8-10 in P-T 2000

Empirical strategy and results
Chapters 3-4, in P-T 2003
*Chapters 5 and 6 in P-T 2003.