

Formal Theory

The current offerings in Formal Theory are:

1. Math Camp (during the last weeks of August)
2. Introduction to Game Theory (no pre-requisites)
3. Fundamentals of Modeling I, 517A (pre-requisite: Math Camp or equivalent prep)
4. Fundamentals of Modeling II, 518B (pre-requisite: 517A)
5. Models of Bargaining (pre-req: 517A, 518B)
6. Models of Political Economy (pre-req: 517A, 518B)
7. Political Competition 575A (pre-req: 517A, 518B)
8. Theories of distributive justice (pre-req: 517A, 518B)
9. Formal models of comparative politics 736B (pre-req: 517A, 518B)

A student may become certified in the field either by taking the written exam, which will be based upon the courses, or by writing a paper. The expectation is that all students who take the field will complete Fundamentals of Modeling I and II and at least one advanced course. If the student chooses the paper option in lieu of the exam, he or she *must* work closer with a faculty adviser on the paper, and will be expected to present the paper in seminar format to a group of faculty upon its completion.

The techniques of formal modeling are imparted principally through teaching and doing problem sets, rather than independent reading. Therefore, we believe that a student who has performed well in the courses will be well prepared for the exam without extensive further reading. The exam will consist of required questions which test the material of Fundamentals of Modeling I and II, and a choice from among elective questions testing material in the advanced courses.

Below we publish recent syllabi from the various courses, which contain recommended readings.

PLSC 517A Fundamentals of Modeling

The student must have participated in either the Political Science math camp, or have had a year of calculus. A course in intermediate economics is highly advised though not, strictly speaking, a necessity.

This course is an introduction some of the important ideas about market economies, that are essential knowledge for political economists, and to methods of analysis developed in economics that are useful in politics, particularly general equilibrium and game theory. The game theory in this course is simple Nash equilibrium, applied to political equilibrium. The second course 517B concentrates on more complex game theory.

There is no text for the course: a good set of notes is the proper text. Students should rewrite their class notes, preferably after each class, into presentable text. There will be about eight problem sets and a final exam.

This course is a prerequisite for 517B, as well as for the other courses using formal theory, which are offered in the department.

The first five lectures are standard material in intermediate microeconomics. If you wish to see another presentation, pick up any text book of same: for instance, *Intermediate Microeconomics* by Hal Varian. The difference is that we will use calculus, and most intermediate texts do not.

Lecture 1. Some comments on preferences and the rational choice model

Lecture 2. Three concepts of efficiency (technological, distributive, Pareto)

Lectures 3 and 4. Competitive economic equilibrium and the first theorem of welfare economics

- * the Robinson Crusoe model

- * the Edgeworth box with two consumers and two goods

Lectures 5 Risk aversion and von Neumann Morgenstern preferences

- * market failures

- * the roles of the state (efficiency and distribution)

Lectures 6,7, and 8 introduce the main concepts of classical game theory, and apply them to the two most important models of political competition: the Hotelling-Downs model and the Nash-Wittman model. You will find some of these ideas in *Analytical Politics*

by Melvin Hinich and Michael Munger. A more advanced treatment is J. Roemer, *Political Competition*.

Lecture 6 Introduction to non-cooperative games.

- * Dominant strategy equilibrium: The prisoners' dilemma.
- * A simple Hotelling-Downs political game.
- * Battle of the sexes.
- * Nash equilibrium

Lecture 7. Nash equilibrium in an altered Hotelling-Downs game. Battle of the sexes. Elementary probability concepts: probability measures, distribution functions, density functions. Uncertainty in political competition.

Lecture 8 The Hotelling-Downs model with uncertainty. Wittman equilibrium with exogenous parties. Wittman equilibrium with endogenous parties. Computation of examples.

The next two lectures introduce Nash's *bargaining* theory, and apply it to modeling endogenous party formation. We compute some examples using *Mathematica*, an important programming tool for theorists.

Lecture 9 Nash bargaining theory; Nash's solution concept.

Lecture 10 Parties as bargaining games among constituents. Endogenous party formation with bargaining members. Computation of an example; comparative statics. What are the possible explanations of the deviation of the model from reality?

The last three lectures treat topics in social-choice theory. These topics are studied more intensively in PLSC 595. There is no good elementary published treatment of this material that I know of.

Lecture 11 Social welfare functions; distributive justice

Lecture 12 Arrow's Impossibility theory

Lecture 13 Equality of opportunity

PLSC 518b Fundamentals of Modeling II

Mon 3:30-5:30 pm. 77 Prospect Street Room A002

Instructors:

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Teaching Fellow:

Shuping Wang

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Course Description

This course is a rigorous introduction to noncooperative game theory. Over the past two decades, applications of game theory to political phenomena have exploded. The goal of this course is to help students understand the various solution concepts employed by game theorists (e.g., Nash equilibrium, subgame perfection, perfect Bayesian equilibrium), to illuminate several of its central theoretical results (e.g., conditions that guarantee equilibrium existence), and to provide a road map for applying game theoretic tools to one's own research. Students are expected to have a knowledge of mathematics at the level of the summer math course provided by the political science department and to know basic decision-making models at the level of Fundamentals of Modeling I.¹

Through the application of the various solution concepts we introduce in class, we will provide an overview of several seminal models of elections and lawmaking; additionally, we will cover a couple important models of international conflict. Both literatures have been rather influential in guiding empirical scholarship, as well as in framing policy debates.

To get a sense of the terrain we will cover, you might take a look at Robert Gibbon's "An Introduction to Applicable Game Theory," published in the *Journal of Economic Perspectives*.² By the end of the semester, you will have mastery of the material covered in his short, twenty-four page survey.

Weekly Recitation

Shuping Wang will hold a weekly recitation at a time and location to be announced. Recitations will cover some of the more difficult materials assigned in the weekly problem sets. Moreover, recitation is an

¹See for example, Mas-Colell *et al.*, pages 167-183, or Kreps, pages 72-98.

²Available for download on the class web page.

important setting in which you can learn from each other, ask questions, and discuss matters related to the course materials.

Course Readings

The following books are *required*:

- M. J. Osborne. 2003. *An Introduction to Game Theory*. Oxford University Press.
- D. Fudenberg and J. Tirole. 1991. *Game Theory*. MIT Press.

The two required books are available at the Yale Bookstore.

Recommended texts include:

- N. McCarty and A. Meirowitz. 2007. *Political Game Theory*. Cambridge University Press.
- A. Mas-Colell, M. Whinston, and J. Green. 1995. *Microeconomic Theory*. Oxford University Press. Part II, and ch 13, ch 14, and ch 23.
- D. Kreps. 1990. *A Course in Microeconomic Theory*. Princeton University Press. Part 3 and Part 4.

Other excellent texts on game theory include:

- P. Dutta. 1999. *Strategies and Games: Theory and Practice*. MIT Press.
- M. Osborne and A. Rubinstein. 1994. *A Course in Game Theory*. MIT Press.

In recent years, experimentalists have been using game-theoretic models of human interaction to frame their studies of various social phenomena – ranging from cooperation to signaling – in laboratory settings. This area of scholarship is known as “behavioral game theory.” An excellent survey of this literature is Colin Camerer’s *Behavioral Game Theory*. The book reviews published experiments that examine how real subjects play a number of games that we will explore over the course of the semester; in addition, it also provides a nice overview of the topics that have interested game theorists over the last two decades.

We have selected the readings from both the required and recommended texts that we anticipate will correspond loosely with our lectures. Finally, the following list of topics to be covered is tentative. We may proceed faster or more slowly than the below schedule suggests. We will update the schedule accordingly as we go along.

Course Work and Grading

Students are to regularly attend the class and to regularly attend Shuping Wang's weekly recitation. There are three additional requirements:

1. *Weekly Problem Sets.* You are expected to complete the weekly problem sets. Problem set will be uploaded to the course web page by noon on Tuesdays. Problem sets are due Tuesdays at noon. You should place your completed problem sets in Shuping's mailbox.
2. *A Short Critical Analysis.* You are to write a critical analysis of an applied game-theory paper published within the last decade. Your analysis should be four to six pages long, double spaced, twelve-point font, etc. The analysis should provide an overview of the problem the model is being used to help illuminate, discuss how the author models his situation of interest, and describe its main results, including the intuition and proof technique underlying them. At least one full page of your review should be devoted to discussing directions for future work; for example, if the results are entirely dependent upon a certain assumptions, then you might decide to sketch out how the studied interactions might unfold once that assumption is relaxed. Alternatively, you might discuss how the interactions studied might vary under alternative institutional settings. Or you might discuss how the results might be generalized. The essay is due at 5 PM, Monday, May 6th. You should place it in Justin's mailbox in Brewster.
3. *A Final Exam.* The final is tentatively schedules for May 14th, from 3:30-6:30 PM.

Problem sets will constitute 50 percent of your grade, the analytical essay will constitute 10 percent, and the final will constitute 40 percent.

A Note On Learning Game Theory

Like any topic, in order to master game theory, you must put in serious time. And like most topics, your understanding of its central results, as well as its potential applications, deepens slowly over time.

To get the most out of this class, we recommend the following: Before class, read some of the selected readings associated with that class's lecture. After class, immediately go over your notes. In addition, read some more on the topics associated with lecture.

Regarding the weekly problem sets, the day that they are assigned, you should read them over and begin to think about their possible solutions. For most problems, the solution will not be immediate. Occasionally it will take several days to identify the key insight necessary to answer a given problem. This is perfectly normal. If after a day or two of thinking about how to solve a problem, you still are unsure of how to work

it out, then talk a classmate or us (Seok-ju and Justin) about your thought process. While it is perfectly fine to work with others in solving problem sets, you'll maximize your learning if you puzzle them out on your own for a couple days first.

We are here to help you learn this stuff. So if you find yourself getting lost in class or find some of the assigned problems entirely opaque, the come talk to us immediately.

Course Outline

The first six topics will be covered by Seok-ju Cho, and the remaining seven topics will be covered by Justin Fox.

Week 1 – JAN 22. Strategic Form Games.

- Osborne, pp.1-20.
- Fudenberg and Tirole, pp. 1-6.
- Kreps, pp. 17-32, 71-81.
- Mas-Colell, pp. 6-9, 168-182.

Week 2 – JAN 29. Dominance, Iterative Dominance, Nash Equilibrium in Pure Strategies.

- Osborne, pp. 21-50, 50-97, 377-392.
- Fudenberg and Tirole, pp. 6-29, 45-53.
- Kreps, pp. 387-406.
- Mas-Colell, pp. 235 - 252.

Week 3 – FEB 5. Nash Equilibrium in Mixed Strategies.

- Osborne, pp. 99-150.
- Fudenberg and Tirole, pp. 4-29.
- Kreps, 407 - 410.

Week 4 – FEB 12. Existence and Properties of Nash Equilibria.

- Osborne, pp. ...
- Fudenberg and Tirole, pp. 29-36.
- Mas-Colell, pp. 260-262, 949-953.

Week 5 – FEB 19. Extensive Form Games and Backward Induction

- Osborne, pp. 153-203.
- Fudenberg and Tirole, pp. 65-83.
- Kreps, pp. 356-384, 399-402.
- Mas-Colell, pp. 267-274.

Week 6 – FEB 26. Subgame Perfect Equilibrium

- Osborne, pp. 205-236.
- Fudenberg and Tirole, pp. 83-100.
- Kreps, pp. 417-425.
- Mas-Colell, pp. 274-282.

Week 7 – MAR 5. Infinite-Horizon Games

- Osborne, pp. 419-491
- Fudenberg and Tirole, pp. 146-200.
- Kreps, pp. 503-535.

Week 8 – MAR. 26 Markov Perfect Equilibrium

- Fudenberg and Tirole, pp. 501-536.

Week 9 – APR 2. Bayesian Games and Bayesian Nash Equilibrium

- Osborne, pp. 273-311.

- Fudenberg and Tirole, pp. 207-237.

Week 10 – APR 9. Mechanism Design

- Fudenberg and Tirole, pp. 243-291.
- Kreps, pp. 661-712.
- Mas-Colell, pp. 857-917

Week 11 – APR 16. Dynamic Games of Incomplete Information and Perfect Bayesian Equilibrium

- Osborne, pp. 313-336.
- Fudenberg and Tirole, pp. 319-350.
- Kreps, pp. 425-432, 463-489.
- Mas-Colell, pp. 282-296.

Week 12 – APR 23. Applications of Perfect Bayesian Equilibrium, and its refinements.

- Fudenberg and Tirole, pp. 367-391
- Kreps, pp. 625-654.
- Mas-Colell, pp. 436-473

Week 13 – APR 30. Common Knowledge/Global Games/Monotone Comparative Statics.

- Fudenberg and Tirole, pp. 451-554
- Morris and Shin, “Global Games: Theory and Applications.”³
- Ashworth and Bueno de Mesquita, “Monotone Comparative Statics for Models of Politics.”⁴

³Available on class web page.

⁴Available on class web page.

Models of Political Economy: PLSC 795 - ECON 795¹

8:30 – 10:30 Monday 8 Prospect Place Room 121

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Course Abstract: The course has two objectives. The first objective is to provide coverage of a variety of techniques employed in formal political economy as applied to models of lawmaking and elections. The second objective is to introduce students to a variety of applications of these techniques, many of which analyze the welfare consequences of alternative institutional arrangements. The majority of our focus in this class will be how political institutions shape and constrain the policy choices of lawmakers. Ultimately, we are interested in questions of mechanism design: under what conditions will a given set of institutional arrangements generate policy outcomes which maximize some welfare criteria.

Prerequisites: There are no formal prerequisites for the course. However, an understanding of the key solution concepts in game theory – Nash Equilibrium and Perfect Bayesian Equilibrium – and a working knowledge of optimization theory is necessary. Both topics receive excellent coverage in *Microeconomic Theory*, by Andreu Mas-Colell, Michael Whinston, and Jerry Green. In addition, an excellent reference on optimization theory and fixed point theorems is *A First Course in Optimization Theory* by Rangarajan K. Sunduram.

Class Organization: Each week is organized topically. We will aim to discuss two papers in each class.

There are now a number of excellent textbooks dealing with political economy. Among them, include:

- Austen-Smith, David, and Jeffrey S. Banks. 2000. *Positive Political Theory I: Collective Preferences*. Ann Arbor: University of Michigan Press.
- Austen-Smith, David and Jeffrey S. Banks. 2005. *Positive Political Theory II: Strategy and Structure*. Ann Arbor: University of Michigan Press.
- Besley, Timothy. 2005. *Principled Agents? The Political Economy of Good Government*. (available on author's website)
- Drazen, Allan. 2000. *Political Economy in Macroeconomics*. Princeton: Princeton University Press.
- Grossman, Gene M. and Elhanan Helpman. 2001. *Special Interest Politics*. Cambridge: MIT Press.

¹Last edited on January 8, 2006.

- Persson, Torsten and Guido Tabellini. 2000. *Political Economics: Explaining Economic Policy*. Cambridge: MIT Press.
- Roemer, John E. 2001. *Political Competition: Theory and Applications*. Cambridge: Harvard University Press.

Text long applications of these techniques can be found in:

- Acemoglu, Daron, and James A. Robinson. 2005. *Economic Origins of Democracy and Dictatorship*. Cambridge: MIT Press.
- Bueno de Mesquita, Bruce, Alastair Smith, Randolph M. Siverson, and James D. Morrow. 2003. *The Logic of Political Survival* Cambridge: MIT Press.

I have ordered Perrson and Tabellini's book. It should arrive in the Yale Bookstore shortly. For a first cut through the literature, it might be useful to work through it over the course of the semester.

Course Requirements: There are four basic course requirements: The first is to come to class prepared to discuss the week's required readings. The second is to present two of the required readings over the course of the semester. The third is to write six short analyses which summarize the main points and proof techniques of one of that week's required readings. These summaries should be no longer than four double-spaced typed pages. Finally, I will pass out a problem set during our final class meeting.

Class Discussion: Bring your questions and comments to class. Ask the presenter and you classmates questions about the paper being presented.

Class Presentation: In presenting a paper to the class, you should present it as if it were your "job talk" paper. In the first slide or two, set up the paper's central question and briefly note the literature that it is building upon. This should take less than five minutes. Next, present the paper's model in detail. Feel free to fill in holes in the author's presentation where you think they exist. Then present the paper's central results. For each result you present, first state its intuition. Then outline the key steps needed to prove it. (Ex. In proving that the model has an equilibrium, the author establishes that there is a fixed point to the best-response correspondence... To see why this is the case, I constructed an example where ...; In proving that the politician's effort is increasing in the degree to which the media monitors her, the author applies Eldin and Shannon's (1997) Strict Monotonicity Theorem to ...). I'd like you to stop by my office hours to go over the slides which you have prepared. You will have fifty minutes to present the paper. If you wish, you may use the last five minutes of your presentation to discuss possible extensions of the model and/or directions for future work.

Analytical Papers: I'd like you to turn in four short papers over the course of a paper. Each paper should

analyze on the course's required readings. The analysis should focus on sketching the proofs behind the paper's central results. In addition, it should identify the key features of the model upon which the paper's results hinge upon. The concluding paragraph should lay out open questions and directions for future work. These papers should be no longer than four double-spaced pages. If you choose to write an analysis of a particular paper, I'd like you to turn it in by 5 PM on the Sunday before we go over it in class. For example, if you were interested in writing an analysis of Duggan's "Repeated Elections with Asymmetric Information," you should turn it in by 5 PM, January 22nd. Finally, two other rules re: analytical papers. You can turn in no more than one analytical paper per week. And, you cannot turn in an analytical paper during a week that you are presenting.

Problem Set: On April 24th, I will pass out a problem the set. It is due at 5 PM on May 1st. The idea is to give you practice solving problems related to the material we covered in class and to get a sense of the type of questions you might be asked in a field exam.

Grading: Each assignment will count equally towards your final grade.

Remaining Advice: In terms of your own research, two things which might be useful to do are the following. First, keep a log of research ideas that occur to you over the course of the semester. After reading a paper, sit down for five minutes and write up possible avenues for future research that occur to you. Think about extensions to the model, how the paper's key results would hold up under such extensions, and the technologies involved in proving such results. Finally, note both who might be interested in such research and possible outlets for such a paper.

Second, take advantage of your classmates. View them as your future coauthors and collaborators. Talk to them regularly outside of class about the papers we are reading. And, bounce your research ideas off of each other. Often times, talking through an idea helps sharpen the question at hand and possibly opens up the door for a potentially productive collaboration. Consider writing a paper with one of your classmates over the course of the summer.

Third, take advantage of me. Drop by my office to talk about the class readings, research ideas (even if they are not fully fleshed out), etc. I'm always happy to provide feedback.

I. Introduction.

Week 1 – JAN 9. *Overview.* In the first week, I will provide a survey of the the topics to be covered.

Related Materials:

- Besley, Timothy. 2005. “The New Political Economy.” Working Paper. London School of Economics.
- Besley, Timothy. 2005. *Principled Agents? The Political Economy of Good Government.*, ch 1.
- Persson, Torsten and Guido Tabellini. *Political Economics*, ch 1, ch 2, ch 3.

I. Political Competition, Political Agency, and Candidate Entry.

Week 2 – JAN 23.² *Candidate Location Games.*

Required Papers:

- Virag, Gabor. 2005. “Playing for Your Own Audience: Extremism in Two-Party Elections.” Working Paper. University of Rochester.
- Meirowtiz, Adam. 2005. “Models of Electoral Contests.” Working Paper. Princeton University.

Related Papers:

- Groseclose, Timothy. 2001. “A Model of Candidate Location When One Candidate Has a Valence Advantage.” *American Journal of Political Science* 45(4): 862 – 886
- Kartik, Navin and Preston McAfee. “Signaling Character in Electoral Competition.” Working Paper. University of California at San Diego.

Week 3 – JAN 30. *Political Agency where Voters Know the Consequences of Public Policy Outcomes.*

Required Papers:

- Bank, Jeffrey S. and Rangarajan K. Sundaram. 1998. “Optimal Retention in Agency Problems.” *Journal of Economic Theory* 82: 293 – 323.
- Duggan, John. 2000. “Repeated Elections with Asymmetric Information.” *Economics and Politics*. 12(2):109-54.

Related Papers:

²Note, Jan 13 is a Friday. We meet on the 13th so we can observe Martin Luther King Day on Jan 16th.

- Ashworth, Scott. 2005. “Reputational Dynamics and Political Careers.” *Journal of Law, Economics, and Organization*. 21(2): 441 – 46.

Related Text Selections:

- Persson, Torsten and Guido Tabellini. *Political Economics*, ch 4.
- Besley, Timothy. 2005. *Principled Agents? The Political Economy of Good Government.*, ch 2.

Week 4 – FEB 6. *Political Agency where Voters are Uncertain about the Consequences of Public Policies.*

Required Readings:

- Majumdar, Sumon and Sharun W. Mukand. 2004. “Policy Gambles.” *American Economic Review*. 94(4): 1207-1222.
- Maskin, Eric and Jean Tirole. 2004. “The Politician and the Judge.” *American Economic Review*. 94(4): 1034 – 54.

Related Papers:

- Austen-Smith, David. 1995. “Explaining The vote: Constituency Constraints on Sophisticated Voting.” *American Journal of Political Science*. 36(1): 68 – 95.
- Canes-Wrone, Brandice, Michael Herron and Kenneth W. Shotts. 2001. “Leadership and Pandering: A Theory of Executive Policymaking.” *American Journal of Political Science* 45(3):532 – 550.
- Coate, Stephen and Stephen Morris. “On the Forms of Transfers to Special Interests.” *Journal of Political Economy* 103: 1210 - 35.
- Smith, Alastair. 1996. “Diversionary Foreign Policy in Democratic Systems.” *International Studies Quarterly* 40(1): 133 – 53.
- Rogoff, Kenneth. 1990. “Equilibrium Political Budget Cycles.” *American Economic Review* 80(1): 21–36.
- Prat, Andrea. 2005. “The Wrong Kind of Transparency.” *American Economic Review* 95(3): 862 – 877.
- Fox, Justin. 2005. “Government Transparency and Policymaking.” Working Paper. Yale University.
- Stasavage, David. 2005. “Polarization and Public Deliberation.” Working Paper. NYU.

- Canes-Wrone, Brandice and Kenneth W. Shotts. 2005. “When do Elections Promote Policy Moderation by Privately-Informed Officials.” Working Paper. Princeton University.
- Meirowitz, Adam. 2003. “Accountability and Representation in Elections with Uncertain Policy Constraints.” Working Paper. Princeton University.

Week 5 – FEB 13. *Candidate Entry.*

Required Papers:

- Osborne, Martin J., and Al Slivinski. “A Model of Political Competition with Citizen Candidates.” *Quarterly Journal of Economics* 111(1): 65-96.
- Mattozzi, Andrea and Antonio Merlo. “Political Careers or Career Politicians.” Working Paper. California Institute of Technology.

Related Papers:

- Caselli, Francesco, and Massimo Morelli. 2004. “Bad Politicians.” *Journal of Public Economics* 88: 759 – 782.
- Messner, Matthias, and Mattias Polborn. 2004. “Paying Politicians.” *Journal of Public Economics* 88:2243 –2445.

Related Textbook Selections:

- Persson, Torsten and Guido Tabellini. *Political Economics*, ch 5.

Week 6 – FEB 20. *Competition and Accountability.*

Required Papers:

- Gordon, Sanford, Gregory Huber, and Dmitri Landa. 2005. “Challenger Entry and Voter Learning.” Working Paper. NYU.
- Coate, Stephen and Brian Knight. 2005. “Socially Optimal Districting.” Working Paper. Cornell University.

Related:

- Besley, Timothy, Torsten Persson, and Daniel Sturm. 2005. “Political Competition and Economic Performance.” Working Paper. London School of Economics.

III. Modeling Interest Groups and Political Parties

Week 7 – FEB 27. *Modeling Interest Groups.*

Required Papers:

- Grossman, Gene M. and Elhanan Helpman. 1996. “Electoral Competition and Special Interest Politics.” *The Review of Economic Studies* 63(2): 265 – 86.
- Dal Bo, Ernesto, Pedro Dal Bo, and Rafael Di Tella. 2004. “‘Plato o Plomo?’: Bribe and Punishment in a Theory of Political Influence.” Forthcoming, *American Political Science Review*.

Related Papers:

- Ansolabehre, Stephen, John M. De Figueiredo, and James M. Snyder. 2003. “Why is There So Little Money in U.S. Politics?” *Journal of Economic Perspectives* 17(1): 105 – 30.
- Dal Bo, Ernesto and Rafael Di Tella. “Capture By Threat.” *Journal of Political Economy* 111(5): 1123 – 54.
- Dal Bo, Ernesto, Pedro Dal Bo, and Rafael Di Tella. “Reputation When Threats and Transfers are Available.” Working Paper. University of California at Berkeley.
- Fox, Justin. 2005. “Electoral Donations and Interest Group Influence.” Working Paper. Yale University.
- Chamon, Marcos and Ethan Kaplan. 2005. “Political Threats and Patterns of Contributions.” Working Paper. Working Paper. Stockholm University.
- Grossman, Gene M. and Elhanan Helpman. 1994. “Protection for Sale.” *American Economic Review* 84(4): 833-50.
- Dixit, Avinash, Gene Grossman, and Elhanan Helpman. 1997. “Common Agency and Coordination: General Theory and Applications.” *Journal of Political Economy* 105(4): 752-769.
- Besley, Timothy and Stephen Coate. 2001. “Lobbying and Welfare in a Representative Democracy” *Review of Economic Studies* 68(1): 67 – 82.
- Roemer, John. 2004. “Political Equilibrium with Private and/or Public Financing: A Comparison of Institutions.” Working Paper. Yale University.
- Gehlbach, Scott G. and Konstantin Sonin. “Businessman Candidates: Special-Interest Politics in Weakly Institutionalized Environments.” Working Paper. University of Wisconsin at Madison.

- Bernheim, Doug and Navin Kartik. “Special Interest Politics and the Quality of Governance.” Working Paper. Stanford.
- Baron, David P. “Electoral Competition with Informed and Uninformed Voters.” *American Political Science Review* 88(1): 33 – 47.
- Snyder, James. 1991. “On Buying Legislatures.” *Economics and Politics* 3: 93 – 109.
- Dal Bo, Ernesto. “Bribing Voters.” Working Paper. University of California at Berkeley.
- Snyder, James M. and Michael Ting. 2005. “Interest Groups and the Electoral Control of Politicians.” Working Paper. Columbia.

Week 8 – MAR 20. *Campaign Communications*

Required Papers:

- Ashworth, Scott. 2005. “Campaign Finance and Voter Welfare with Entrenched Incumbents.” Forthcoming, *American Political Science Review*.
- Harrington, Joseph. 1993. “The Impact on Re-election Pressures on the Fulfillment of Campaign Promises.” *Games and Economic Behavior* 5: 71 – 97.

Related Papers:

- Prat, Andrea. 2004. “Rational Voters and Political Advertising.” Working Paper, London School of Economics.
- Coate, Stephen. 2004. “Pareto-Improving Campaign Finance Policy.” *American Economic Review* 94(5): 628 – 655.
- Coate, Stephen. 2004. “Political Competition with Campaign Contributions and Informative Advertising.” *Journal of the European Economic Association* 2(5): 772 – 804.
- Prat, Andrea. 2002. “Campaign Advertising and Voter Welfare.” *Review of Economic Studies* 69(4): 997 – 1017.
- Grossman, Gene and Elhanan Helpman. “Competing for Endorsements.” *American Economic Review* 89(3): 501 – 524.
- Polborn, Mattia and David T. Yi. 2004. “Informative Positive and Negative Campaigning.” Working Paper. University of Illinois at Urbana-Champaign.

- Aragonés, Enriqueta, Thomas R. Palfrey, and Andrew Postlewaite. 2005. “Reputation and Rhetoric in Elections.” Working Paper. University of Pennsylvania.
- Lemon, Andrew. 2005. “Political Debate: A Device for Disciplining Politicians.” Working Paper. Yale University.
- Ramsey, Kristopher. 2004. “Politics at the Water’s Edge: Crises Bargaining and Electoral Competition.” *Journal of Conflict Resolution* 48(4): 459 – 86.
- Levy, Gilat and Ronny Razin. 2004. “It Take Two: An Explanation of the Democratic Peace.” *Journal of the European Economic Association* 2(1): 1 – 29.

Week 9 – MAR 27. *Modeling Political Parties*

Required Papers:

- Levy, Gilat. “A Model of Political Parties.” 2004. *Journal of Economic Theory* 250 – 277.
- Snyder, James M. and Michael M. Ting. 2002. “An Informational Rationale for Political Parties.” *American Journal of Political Science* 46(1): 90 – 110.

Related Papers:

- Levy, Gilat. 2005. “The Politics of Public Provision of Education.” Forthcoming, *Quarterly Journal of Economics*.
- Lee, Woojin and John Roemer. 2005. “Values and Politics in the US: An Equilibrium Analysis of the 2004 Election.” Working Paper. Yale University.
- Roemer, John. 2005. “Modeling Party Competition in General Elections.” Forthcoming, *Oxford Handbook of Political Economy*
- Grossman, Gene M. and Elhanan Helpman. 2005. “Party Discipline and Pork-Barrel Politics.” Working Paper. Harvard University.
- Grossman, Gene M. and Elhanan Helpman. 2004. “A Protectionist Bias in Majoritarian Politics.” Working Paper. Harvard University.
- Caillaud, Bernard and Jean Tirole. 2002. “Parties as Political Intermediaries.” *Quarterly Journal of Economics* 117(4): 1453 – 89.
- Caillaud, Bernard and Jean Tirole. 1999. “Party Governance and Ideological Bias.” *European Economic Review* 43: 779 -89.

- Alesina, Alberto, and Stephen E. Spear. 1998. “An Overlapping Generations Model of Electoral Competition.” *Journal of Public Economics* 78: 796 – 806.
- Harrington, Joseph E. 1992. “The Role of Party Reputation in the Formation of Policy.” *Journal of Public Economics* 1992: 107 – 21.
- Testa, Cecilia. 2005. “Party Polarization and Electoral Accountability.” Working Paper. Royal Holloway University.
- Fox, Justin. 2006. “Legislative Cooperation Among Impatient Legislators.” *Journal of Theoretical Politics* 18(1): 68 – 97.

IV. Applications

Week 10 – APR 3. *Causes of Inefficient Public Policy*

Required Papers:

- Besley, Timothy and Stephen Coate. 1998. “Sources of Inefficiency in a Representative Democracy.” *The American Economic Review*. 88(1): 139 – 156.
- Acemoglu, Daron. 2005. “Modeling Inefficient Institutions.” Working Paper. MIT.

Related Papers:

- Acemoglu, Daron and James Robinson. “Economic Backwardness in Political Perspective.” Working Paper. MIT.
- Robinson, James A. and Thierry Verdier. “The Political Economy of Clientelism.” Working Paper. Harvard.
- Padro i Miquel, Gerard. “The Control of Politicians in Divided Societies: The Politics of Fear.” Working Paper. Stanford GSB.
- Romer, John. 2005. “Will Democracy Engender Equality?” *Economic Theory* 25: 217-234.
- Rodrik, Dani and Raquel Fernandez. 1991. “Resistance to Reform: Status Quo Bias in the Presence of Individual-Specific Uncertainty.” *American Economic Review* 81(5): 1146 – 55.
- Hamada, Koichi, and Shyam Sunder. 2005. “Information Asymmetry and the Problem of Transfers in Trade Negotiations and International Agencies.” Working Paper. Yale University.

Related Text:

- Besley ch 2, 4

Week 11 – APR 10. *Electoral Systems and Electoral Politics.*

Required Papers:

- Lizzeri, Alessandro and Nicola Persico. 2001. “The Provision of Public Goods under Alternative Electoral Incentives.” *American Economic Review* 91(1): 225-39.
- Morelli, Massimo. 2004. “Party Formation and Policy Outcomes Under Different Electoral Systems.” *Review of Economic Studies* 71(3): 829 – 853.

Related Papers:

- Myerson, Roger. 1993. “Incentives to Cultivate Favored Minorities Under Alternative Electoral Systems.” *American Political Science Review* 87(4): 1182 – 96.
- Myerson, Roger. 1993. “Effectiveness of Electoral Systems at Reducing Corruption.” *Games and Economic Behavior* 5: 118 – 32.
- Austen-Smith, David. 2000. “Redistributing Income under Proportional Representation.” *Journal of Political Economy* 108: 1235 -69.
- Milesi-Feretti, Gian, Roberto Perotti, and Massimo Rostagno. 2002. “Electoral Systems and Public Spending.” *Quarterly Journal of Economics* 117(2): 609 – 57.

Related Text:

Perrson and Tabellini, ch 8-10

Week 12 – APR 17. *Democratic Stability.*

Required Papers:

- Acemoglu, Daron and James Robinson. 2001. “A Theory of Political Transitions.” *American Economic Review* 91(4): 938 – 63.
- Bueno de Mesquita, Bruce, James D. Morrow, Randolph Siverson, and Alastair Smith. “Political Institutions, Policy Choice and the Survival of Leaders.” *British Journal of Political Science* 32(4): 559 – 90.

Related Papers:

- Lizzeri, Alessandro and Nicola Persico. 2004. “Why Did the Elites Extend the Suffrage?” *Quarterly Journal of Economics* 119: 707 – 765.
- Perrson, Torsten and Guido Tabellini. 1994. “Is Inequality Harmful for Growth?” *American Economic Review* 84(3): 600-21.

Week 13 – APR 24. *Bureaucrats.*

Required Papers:

- Alesina, Alberto and Guido Tabellini. 2003. “Bureaucrats or Politicians?” Working Paper. Harvard University.
- Mierowizt, Adam and Jonathen Bendor. 2004. “Spatial Models of Delegation.” *American Political Science Review* 98(2): 293 – 310.

Related Papers:

- McCarty, Nolan. 2004. “The Appointment Dilemma.” *American Journal of Political Science*. 48(3): 413 – 428.
- Alesian, Alberto and Guido Tabellini. 2005. “Why do Politicians Delegate? Working Paper. Harvard University.
- Besley, Timothy and Maitreesh Ghatak. 2005. “Competition and Incentives with Motivated Agents.” 95(3): 616 – 636.

Formal Models of Comparative Politics

PLSC 736/INRL 595

Spring 2007

Schedule: Thursdays 3:30-5:20

8 Prospect Place, Room 119

Thad Dunning

Phone: (203) 432-6063

Office: 8 Prospect Place, Room 137

Email: thad.dunning@yale.edu

We will discuss recent formal models of the determinants of political regimes, the sources of institutional persistence, the causes and consequences of electoral rules and, depending on time, selected topics in ethnic politics. A goal of the course is to become better consumers and critics as well as producers of formal work and to learn modeling techniques through the study of leading applications. The focus throughout is on the substantive insights provided by the models.

The course is open to graduate students in political science and in other disciplines, with the permission of the instructor. A previous course in game theory and some math background at the level of undergraduate calculus is recommended.

Required texts:

Acemoglu, Daron and James Robinson. 2006. *Economic Origins of Dictatorship and Democracy*. New York: Cambridge University Press.

Persson, Torsten and Guido Tabellini. 2000. *Political Economics: Explaining Economic Policy*. Cambridge: MIT press.

Recommended texts:

Brocas, Isabelle, Micael Castanheira, Ronny Razin, and David Strömberg. 2000. *Workbook to Accompany Political Economics: "Explaining Economic Policy."* Cambridge: MIT press.

Persson, Torsten and Guido Tabellini. 2003. *The Economic Effects of Constitutions*. Cambridge: MIT press.

For those who want to bone up on their mathematics, one good option at the level appropriate for this course is:

Simon, Carl P. and Lawrence Blume. *Mathematics for Economists*. New York: W.W. Norton.

Assignments: There will be several problem sets due during the semester. I will ask you to divide into groups of 2-4 (depending on the size of the class) and to work on and turn in problem sets as a group. On weeks when there is a problem set due, I will ask one group (which group will be determined ahead of time) to briefly present and explain its solutions to the class.

There will also be a take-home final exam, which will involve a mix of (non-formal) discussion of the models we have studied this semester and formal analysis.

January 18: INTRODUCTION

PART I. DEMOCRATIZATION, SUFFRAGE EXPANSION, AND INSTITUTIONAL PERSISTENCE

January 25: Acemoglu and Robinson, *Economic Origins*, Chapters 1-5.

February 1: Acemoglu and Robinson, *Economic Origins*, Chapter 6-7

February 8: Acemoglu and Robinson, *Economic Origins*, Chapters 8-10.

- Acemoglu, Daron and James Robinson. 2001. "A Theory of Political Transitions." *American Economic Review* 44: 683-93.

February 15: Resource wealth and political regimes

- Dunning, Thad. 2006. *Crude Democracy: Natural Resource Wealth and Political Regimes*. Book manuscript, Department of Political Science, Yale University. Chapter Three.
- Dunning, Thad. 2006. "Does Oil Promote Democracy? Regime Change in Rentier States." Manuscript, Department of Political Science, Yale University.
- Dunning, Thad. 2005. "Resource Dependence, Economic Performance, and Political Stability." *The Journal of Conflict Resolution* 49 (4): 451-482.

February 22: Institutional persistence

- Acemoglu, Daron and James Robinson. 2001. "De Facto Political Power and Institutional Persistence." *American Economic Review* 96 (2): 326-330.
- Acemoglu, Daron and James Robinson. 2006. "Persistence of Power, Elites and Institutions." Manuscript, Department of Economics, MIT, and Department of Government, Harvard University.

March 1: Alternative perspectives on suffrage expansion

- LLavador, Humberto and Robert J. Oxoby. "Partisan competition, growth, and the franchise." *Quarterly Journal of Economics* 120 (3): 2005
- Lizzeri, Alessandro and Nicola Persico. 2004. "Why Did the Elites Extend the Suffrage? Democracy and the Scope of Government, with an Application to Britain's "Age of Reform." *Quarterly Journal of Economics*, 119: 707-765.

PART II. THE EFFECTS OF ELECTORAL RULES AND CONSTITUTIONS

- **March 8:** Persson and Tabellini, *Political Economics*, Ch. 3-5.

March 15: Spring recess, no class

March 22: Spring recess, no class

March 29: Persson and Tabellini, *Political Economics*, Ch. 6-7.

April 5: Persson and Tabellini, *Political Economics*, Ch. 8-10.

- Persson and Tabellini, *The Economic Effects of Constitutions*, Ch. 4-8.

PART III. SELECTED TOPICS

April 12: Public goods and inefficient redistribution

- Robinson, James and Ragnar Torvik. 2005. "White Elephants." *Journal of Public Economics* 89: 197-201.

April 19: Ethnic politics

- Fearon, James D. and David D. Laitin. 1996. "Explaining Interethnic Cooperation." *American Political Science Review* 90 (4): 715-735.
- Penn, Elizabeth Maggie. 2006. "Citizenship versus ethnicity: The role of institutions in shaping identity choice." Manuscript, Department of Government, Harvard University.

April 26: Catch-up

PLSC 792 Models of Bargaining: Game Theoretic Approach to Collective Choices

Spring 2007
Tue 10:00-12:00
8 Prospect Place Room 121

Instructor: Seok-ju Cho
Office: 124 Prospect Street, Room 205
Phone: 203-432-5262 E-mail: seok-ju.cho@yale.edu
Office Hours: TBA

Course Description

Politics consists of many collective choice problems. This course offers a survey of game-theoretic models of collective choices. Different forms of collective choices such as voting, bargaining and mass elections will be studied. Especially, we are interested in spatial models of bargaining, strategic voting and agenda-setting in committees, and party strategies in elections and policy-making.

Prerequisite

I assume that students taking this course have already been exposed to some mathematical modeling. Also, I assume that students have knowledge of game theory. Roughly speaking, for political science graduate students, Fundamentals of Modeling I/II or its equivalent is prerequisite for this course.

Course Work

Students are supposed to read assigned papers, to do problem sets, to make a class presentation, and to write review papers.

1. Problem Sets: Three problem sets will be assigned over the semester.
2. Class Presentation: Each student needs to present two of the required readings over the semester.

3. Review Papers: Each student needs to write three review papers during the semester. A review paper must be about one paper among the assigned readings, and contain summary, criticism, and suggestions for future research (3-5 pages). A review paper must be turned in one day before the corresponding class. Specifically, every Monday 4 pm is due of review papers. You cannot write two or more review papers in one week. Also, you cannot write a review paper for the article that you present in class.

Grading

Final grades will be determined on the basis of course work with the following weights: 30% problem sets, 40% class presentation, and 30% review papers.

Textbook

Some chapters of the following recommended textbook are related to many topics in this course.

Austen-Smith and Banks. 2005. *Positive Political Theory II: Strategy and Structure*. Ann Arbor: University of Michigan Press. (hereafter AB)

Course Outline: Required readings are in bold.

Week 1 (JAN 16): Introduction: Social Choice Theory and Basic Bargaining Theory

Week 2 (JAN 23): Legislative Bargaining I

- AB chapter 6.
- **D. Baron and J. Ferejohn. 1989. "Bargaining in Legislatures." *American Political Science Review* 83: 1181-1206.**
- H. Eraslan. 2002. "Uniqueness of Stationary Equilibrium Payoffs in the Baron-Ferejohn Model." *Journal of Economic Theory* 103: 11-30.

- **J. Banks and J. Duggan. 2000. "A Bargaining Model of Collective Choice." *American Political Science Review* 94: 73-88.**
- **J. Banks and J. Duggan. 2006. "A General Bargaining Model of Legislative Policy-Making." *Quarterly Journal of Political Science* 1: 49-85.**
- **S. Cho and J. Duggan. 2005. "Bargaining Foundations of the Median Voter Theorem." Mimeo.**

Week 2 (JAN 30): Legislative Bargaining II

- **A. Merlo and C. Wilson. 1995. "A Stochastic Model of Sequential Bargaining with Complete Information." *Econometrica* 63: 371-399.**
- **H. Eraslan and A. Merlo. 2002. "Majority Rule in a Stochastic Model of Bargaining." *Journal of Economic Theory* 103: 31-48.**

Week 4 (Feb 6): Applications of Bargaining Theories: Parliamentary Democracy

- **D. Baron. 1991. "A Spatial Bargaining Theory of Government Formation." *American Political Science Review* 85: 137-64.**
- **A. Kalandrakis. 2005. "Genericity of Minority Governments." Mimeo.**
- **D. Diermeier, H. Eraslan, and A. Merlo. 2003. "A Structural Model of Government Formation." *Econometrica* 71: 27-70.**

Week 5 (FEB 13): Voting in Committees I: Binary Agenda

- **AB chapter 4.**

- H. Moulin. 1979. "Dominance-solvable Voting Schemes." *Econometrica* 47: 1337-1351.
- **H. Moulin. 1986. "Choosing from a Tournament." *Social Choice and Welfare* 3: 271-291.**
- R. McKelvey and R. Niemi. 1978. "A Multistage Game Representation of Sophisticated Voting for Binary Procedures." *Journal of Economic Theory* 18: 1-22.
- **K. Shepsle and B. Weingast. 1984. "Uncovered Sets and Sophisticated Voting Outcomes with Implications for Agenda Institutions." *American Journal of Political Science* 28: 49-74.**

Week 6 (FEB 20): Voting in Committees II: Spatial Models

- AB chapter 5.
- **K. Shepsle. 1979. "Institutional Arrangements and Equilibria in Multidimensional Voting Models." *American Journal of Political Science* 23: 27-59.**
- **D. Austen Smith. 1987. "Sophisticated Sincerity: Voting over Endogenous Agendas." *American Political Science Review* 81: 1323-1329.**
- J. Duggan. "Endogenous Voting Agendas." *Social Choice and Welfare* forthcoming.

Week 7 (FEB 27) Voting in Committees III: Condorcet Jury Theorem and Swing Voter's Curse

- **D. Austen-Smith and J. Banks. 1996. "Information Aggregation, Rationality, and the Condorcet Jury Theorem." *American Political Science Review* 90: 34-45.**

- **T. Feddersen and W. Pesendorfer. 1996. "The Swing Voter's Curse." *American Economic Review* 86: 408-424.**

Week 8 (MAR 6): Elections I: Strategic Voting and Duverger's Law

- **T. Palfrey. 1989. "A Mathematical Proof of Duverger's Law." Peter C. Ordeshook, ed., *Models of Strategic Choice in Politics*. Ann Arbor: University of Michigan Press.**
- **R. Myerson and R. Weber. 1993. "A Theory of Voting Equilibria," *American Political Science Review*, 87: 102-114.**
- **M. Fey. 1997. "Stability and Coordination in Duverger's Law: A Formal Model of Preelection Polls and Strategic Voting." *American Political Science Review* 91: 135-147.**

Week 9 (MAR 27): Elections II: Candidate Location

- AB chapter 7.
- **J. Duggan. 2005, "A Survey of Equilibrium Analysis in Spatial Models of Election."**
- **G. Cox. 1987. "Electoral Equilibrium under Alternative Voting Institutions." *American Journal of Political Science* 31: 82-108.**

Week 10 (APR 3): Elections III: Candidate Entry

- **T. Palfrey. 1984. "Spatial Equilibrium with Entry." *Review of Economic Studies* 51: 139-156.**

- **M. Osborne and A. Slivinski. 1996. "A Model of Political Competition with Citizen-Candidates." *Quarterly Journal of Economics* 111: 65-96.**
- **T. Besley and S. Coate. 1997. "An Economic Model of Representative Democracy. *Quarterly Journal of Economics* 112: 85-114.**

Week 11 (APR 10): Elections IV: Models of Electoral Accountability

- **J. Ferejohn. 1986. "Incumbent Performance and Electoral Control." *Public Choice* 50:5-25.**
- **J. Duggan, 2000. "Repeated Elections with Asymmetric Information." *Economics and Politics* 12: 109-135.**
- **S. Cho. 2006. "Retrospective Voting and Political Representation." Mimeo.**

Week 12 (APR 17): Bargaining with Endogenous Status Quo

- **D. Baron. 1996. "A Dynamic Theory of Collective Goods Programs." *American Political Science Review* 90: 316-330.**
- **A. Kalandrakis. 2004a. "A Three-Player Dynamic Majoritarian Bargaining." *Journal of Economic Theory* 116: 294-322.**
- **A. Kalandrakis. 2004b. "Majority Rule Dynamics with Endogenous Status Quo: the Distributive Case." Mimeo.**
- **P. Fong. 2004. "Distance to Compromise in Government Formation." Mimeo.**

Week 13 (APR 24): Elections and Bargaining

- **D. Austen-Smith and J. Banks. 1988. "Elections, Coalitions, and Legislative Outcomes." *American Political Science Review* 82: 405-22.**

- D. Baron and D. Diermeier. 2001. "Elections, Governments, and Parliaments in Proportional Representation Systems." *Quarterly Journal of Economics* 116: 933-67.
- S. Cho. 2005. "A Dynamic Model of Parliamentary Democracy." Mimeo.

Political Competition
PLSC 575a ECN 788a

The text for the course is *Political Competition* by J.E. Roemer, available at Labyrinth Books. There will as well be some articles that can be downloaded from the web.

The topic of the course is conceptualizing political equilibrium in a democracy, where parties represent citizens. We study only the most fundamental moment in democracies, general elections. In modern, advanced democracies, government collects between 30 and 50 percent of GDP in taxes; our central concern is to explain the political competition which determines the size of the state sector, how it is financed by taxing citizens, and how the benefits provided by it are distributed.

The first 8 lectures develop general theory.

Lecture 1 & 2 Introduction to the topic; elementary concepts of probability theory; the political environment; examples; the Hotelling-Downs model (non-partisan politics) under certainty; The Nash-Wittman model under certainty (partisan politics)

Lecture 3&4 Modeling party uncertainty; Unidimensional policy spaces with uncertainty: the Downs and Wittman models with uncertainty; endogenous party formation in the Wittman model

Lecture 5 & 6 Multi-dimensional policy spaces: the Downs model with certainty and uncertainty; the Lindbeck-Weibull model

Lectures 7 & 8 Factions in parties: Party-unanimity Nash equilibrium (PUNE)

The last five lectures concentrate upon applications.

Lecture 9 Why is income taxation progressive in democracies?

Lecture 10 Racism, xenophobia, and redistribution

Lecture 11 Parties as commitment devices

Lecture 12 Redistributing income under proportional representation

Lecture 13 Democracy, education, and equality

Lectures 1-9 will follow the text *Political Competition*. Lecture 10 will be based upon Woojin Lee and J. Roemer, "Racism and redistribution: A solution to the problem of American exceptionalism, *J. Public Economics* 90, 2006, 1027-52; Lecture 11 will be based on Gilat Levy, "A model of political parties," *J. Econ. Theory* vol 115, 2004, 250-77; Lecture 12 upon David Austen-Smith, "Redistributing income under proportional

representation," *J. Political Econ.* 108, 2000, 1235-69; Lecture 13 upon J.E. Roemer, *Democracy, education, and equality*, 2006, Cambridge University Press

There will be approximately seven problem sets.

Syllabus
Theories of Distributive Justice: PSLC 595 and ECN 791
Fall 2005
Instructor: J.E. Roemer

Books (available at Labyrinth Books)

Kenneth Arrow, *Social Choice and Individual Values*
G.A. Cohen, *Self-Ownership, Freedom and Equality*
Robert Nozick, *Anarchy, State and Utopia*
J.E. Roemer, *Theories of Distributive Justice* (TDJ)
J.E. Roemer, *Equality of Opportunity*
Course Reader (selected articles)

The course is lecture format; we will cover the topics below (if time permits). There will be seven problem sets. Much of the reading provides background which will motivate what we cover in the lectures: students are urged to read as much of the material as possible, although time will not permit a relaxed discussion of the reading.

Articles marked with an asterisk (*) will be posted on the class website.

Topics

1. Social Choice Theory

TDJ, §§1.1-1.4

K. Arrow, 1963. *Social Choice and Individual Values*

2. Axiomatic bargaining theory

TDJ, Chapter 2

William Thomson, 2001. "On the axiomatic method and its recent applications to game theory and resource allocation," *Social Choice and Welfare* 18, 327-386 (Reader)

3. The veil of ignorance

A. Harsanyi's model and utilitarianism

TDJ, Chapter 4

J. Harsanyi, 1982. "Morality and the theory of rational behavior" in *Utilitarianism and Beyond* (Reader)

B. Impartiality and priority

*Juan Moreno-Tertero and John Roemer, "Impartiality and Priority in the theory of justice," Parts 1 and 2

4. Rawlsian justice

TDJ, Chapter 5

J. Rawls, 1982. "Social unity and primary goods," in *Utilitarianism and Beyond* (Reader)

G. A. Cohen, 1991. "Incentives, inequality, and community," *1991 Tanner Lecture*, (Reader)

5. Neo-Lockeanism

TDJ, Chapter 6

R. Nozick, 1974. *Anarchy, State and Utopia*, Chapter 7

G.A. Cohen, 1995. *Self-Ownership, Freedom and Equality*, Chapters 1-4, 9-10

6. Dworkin's Equality of Resources

R. Dworkin, 1981. "What is equality? Parts 1 and 2" *Philosophy and Public Affairs* (Reader)

TDJ, Chapter 7 (and Chapter 3 optional)

G.A. Cohen, "Expensive taste rides again" (a reply to R. Dworkin)

7. Equality of Opportunity

TDJ, §§8.1-8.3

R. Arneson, 1989, "Equality and equal opportunity for welfare," *Philosophical Studies* (Reader)

G.A. Cohen, 1989. "On the currency of egalitarian justice" *Ethics* (Reader)

J. Roemer, 1998. *Equality of Opportunity*, §§1-7, 12 (the rest optional)

*J. Roemer et al, 2003. "To what extent do fiscal systems equalize opportunities for income?" *J. Public Economics*

*J. Betts and J. Roemer, 2003. "Equalizing opportunity through educational finance reform"

*J. Roemer, 2005. "Equality of Opportunity" [for the New Palgrave Dictionary of Economics]

8. Intergenerational justice

*J. Roemer, 2005. "Intergenerational justice and sustainability under the leximin ethic"

*J. Silvestre, 2005. "Intergenerational equity and human development"

9. Democracy and Equality

*J. Roemer, 2005. *Democracy, education and equality* (in press, Cambridge)