The study of political economy has many branches. Among them are veins of political philosophy and theoretical, interdisciplinary inquiries into the interconnections between market and political processes. There are subfields of political economy in American politics and in international relations as well as in urban politics. Political economy is a subfield in other disciplines such as economics and law. And there are well-established communities of scholars engaged in political-economic research on several continents.

This term Political Science 8637 focuses on the compatibility of democracy and markets. We begin with some study of selected puzzles and problems about the experiences of advanced industrial democracies. We then evaluate some competing theoretical perspectives about this subject. From here we proceed to more focused investigations into the mass bases of political economy, producer group politics, and the institutional determinants of macroeconomic performance. Among the topics singled out for closer study are economic voting, wage bargaining politics, and political business cycles, respectively. In order to built bridges to the other branches of political economy, the course concludes with weeks on the economic dimensions of European political integration and domestic politics in open economies.

**Course requirements**

Students are expected to complete the required (assigned) reading for each week of the course and to make some opening remarks—ten minutes is sufficient—for two classes between weeks V and XIV. As regards written work, students have two options. The first is to write two short papers: a) a critical review of one of the required books for the course and b) a review of a selection of the required and recommended and recently published readings in one of weeks V-XIV. The other option is to write a 20-25 term paper on a course topic of special interest to the student. Students who elect the second option are urged to consult with the instructor to ensure that their project is both well-conceived and tractable. To this end, students who choose option two are required to submit a one-two page outline of their paper to the instructor no later than Thursday Feb. 20.

Finally, all students are required to write a final examination. This examination will be administered—perhaps in the form of a take-home exam—during the second week of May.
Texts

Students are asked to buy the following paperback books:


Schumpeter, Joseph A. (1975) Capitalism, Socialism and Democracy NY Harpers

These books are available for purchase at the H.D. Smith Bookstore. Some additional copies also are available for check out in the 12th floor (Political Science Department) library. The other required readings are available in the 12th floor library as well. In addition, selected journals can be accessed via www.jstor.org and as indicated below.

The following abbreviations are used in reading assignments that follow: American Political Science Review (APSR); American Journal of Political Science (AJPS); British Journal of Political Science (BJPS); Comparative Politics (CP); Comparative Political Studies (CPS); European Journal of Political Economy (EJPE); European Journal of Political Research (EJPR); available also at http://www.kluwer.html); International Organization (IO); World Politics (WP).
COURSE OUTLINE AND READING ASSIGNMENTS

I.  Introduction and organization
(January 24)

II. Puzzles and problems in the study of comparative political economy
(January 31)

Required


Recommended and Recently Published


III. Theoretical Perspectives, Part One
(February 6)

Required


Recommended and Recently Published


IV. Theoretical Perspectives, Part Two
(February 13)

Required


Recommended and Recently Published


V. Mass Bases of Political Economy
(February 20)

**Outlines for long paper due

Required


Recommended and Recently Published


VI. Economic Voting in Comparative Perspective
(February 27)

Required


Recommended and Recently Published


VII. Producer Group Politics, Part 1: Structure and Process
(March 6)

Required


Recommended and Recently Published


VIII. Producer Group Politics, Part 2: Outcomes
(March 13)

Required


Recommended and Recently Published


March 20 Spring Break
X. Administrative Bases of Political Economy, I: Origins
(March 27)

Required


Recommended and Recently Published


XI. Administrative Bases of Political Economy, II: Process and Outcomes
(April 3)

Required

pps. 38-45.

Broz, Lawrence (2002) “Political System Transparency and Monetary Commitment
Regimes” IO 56(4): 861-888.


Information, and the Credibility of Monetary Commitments: IO 56(4): 751-774.

XII. Institutions and Performance, I.
(April 10)

Required

Independence, Coordination Wage-Bargaining and European Monetary Union”
IO 52(3): 506-536.


Rodden, Jonathan and Erik Wibbels (2002) “Beyond the Fiction of Federalism:
Macroeconomic Management in Multitiered Systems” WP 54(4): 494-531.

Recommended and Recently Published

Christensen, J. G. and T. Pallesen (2001) “Institutions, Distributional Concerns, and
Freeman, John R. Democracy and Markets op. cit.


XIII. Institutions and Performance, II: Constitutions and Electoral Cycles
(April 17)

Required


Recommended and Recently Published


XIV. Politics in Open Economies, A Sample
(April 24)


Recommended and Recently Published


XV. Economics and Political Integration in Europe

Required


Recommended and Recently Published


XVI. Setting An Agenda

Required


