

Economics 3600: Public Choice and Political Economy Clemson University

Instructor: Michael Makowsky, Associate Professor, Department of Economics

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Schedule: T-R 11:00am-12:15pm

Communication: Email is the best way to get in contact with me and is my principal means of communicating with the class. I make minimal use of Canvas. **All students should regularly check their Clemson email account for important information.**

Office Hours: Thursdays 2:30pm to 3:30pm **held via Zoom.** These will be open sessions, preferably with multiple students. For private office meetings, we will simply arrange one-on-one Zoom calls with 15 minute blocks.

Readings: Only one book is required – the rest of the readings are downloadable (with an on-campus connection).

Olson, Mancur. 1982. *The Rise and Decline of Nations*. New Haven. Yale University Press.

For those interested in additional readings, I suggest Wittman, Donald. 1997 *The Myth of Democratic Failure: Why Political Institutions Are Efficient*. University of Chicago Press. We will not have time to cover this directly in class, but it is broadly relevant to the course.

A list of readings can be found at the end of the syllabus. Many readings are available online, *through a computer hooked up via the university network*, and can be easily downloaded via the links I will provide at

michaelmakowsky.com/teaching

Grades: Grades will be based on two midterms and a final. The 2 midterms will be worth 25% and 30% each, the final 45%. If you miss a midterm (with a university accepted excuse) the final will count for 70% of your grade. The exams will all be a series of essay and short-answer questions.

Attendance and Class Participation: Attendance will not be recorded or included in your grade. This a class, however, that often generates interesting and useful class conversations. Furthermore, we do not use a single textbook, and class notes are the single most important material for preparing for exams. I will also work to set up a cameral each class that allows for a useful at home viewing experience for students that are sick, are experiencing any illness-related symptoms, or are not comfortable coming to class. I will record lectures, but the recordings will only be distributed to students with excused absences. **You will be expected to participate in class in real-time.**

Final course grades will be assigned on the following:

90 - 100	A
80 - <90	B
70 - <80	C
60 - <70	D
<60	F

Clemson University's grading system is described in the Undergraduate Catalog.

Grades of A, B, C, D, F, I, P, NP and W may be given in accordance with academic regulations.

There will be no extra credit. No, I mean it. Seriously.

A note regarding questions (and whining):

I am more than willing to answer any questions after an exam. I am also willing to indulge a certain amount of whining about your grade. But, you must afford me 24 hours after an exam/assignment has been returned if you expect any help or sympathy. The typical marathon of grading that precedes a returned exam leaves me in a less than generous demeanor. It is best to let this time pass.

A Rough Guide to the Class

Topic	Source (Required reading in bold)
Democracy and Democratic Pathologies	Gwartney and Wagner (1998) Acemoglu, Daron, and James A. Robinson (2013)
Special Interest Groups and the Rise and Decline of Nations	Mancur Olson, chs. 1,2,3,4
Rent seeking	Tollison (1982)
Regulation and Rent Seeking	Peltzman (1989), Dougan (2018, website only)
Corruption, Rent Seeking, and Growth	Mauro (1995) Shleifer and Vishny (1993) Murphy, Shleifer and Vishny (1993)
Political Business Cycles and War	Grier (1987) Hess and Orphanides (1995)
Famine, the Media, and Democracy	Besley and Burgess (2002) Sen (1990) McMillan and Zoido (2004) Djankov et al. (2003)
Voting Votes vs. Dollars, majority rule	

The Median Voter Theorem	Two relevant videos: https://www.youtube.com/watch?v=Z929jakmH8w https://www.youtube.com/watch?v=THVr
Voting systems – Substantive Effects a) Minority Vote Dilution b) District vs. at large systems c) Runoffs and plurality rule d) Gerrymandering	Davidson (1984) Engstrom and McDonald (1986)
Paradoxes of Voting a) Majority rule with pairwise comparisons a) Cycling b) Cycling Extended and the Seven Dwarfs c) Cycling in continuous policy dimensions d) Agenda setting and the killer amendment	
The Arrow Impossibility Theorem	Tabarrok (unpublished notes),
The Difference a Different Voting System can Make	Tabarrok (2001), Tabarrok and Spector (1999)
Strategic Voting and The Gibbard- Satterthwaite Theorem	Dixit and Nalebuff (1991)
Taxation and the MVT	Meltzer and Richards (1981), Persson and Tabellini (1992)
Constitutional Economics	Buchanan and Tullock (1965), Chapter 1, 5, and 6
Federalism	Weingast (1995), Tiebout (1956)
Law Enforcement	Makowsky and Stratmann (2009, 2011)
Extraordinary circumstances	Williams (2022)

References

Acemoglu, Daron, and James A. Robinson. "Economics versus politics: Pitfalls of policy advice." *Journal of Economic Perspectives* 27, no. 2 (2013): 173-92.

Alesina, A., N. Roubini, and G. D. Cohen. 1997. Political cycles in the United States. In *Political Cycles and the Macroeconomy*, 73-83. Cambridge, MA.: MIT Press.

Barzel, Y., and T. R. Sass. 1990. [The Allocation of Resources By Voting](#). *Quarterly Journal of Economics* CV (August):745-71.

Besley, Timothy, and Robin Burgess. "The political economy of government responsiveness: Theory and evidence from India." *The quarterly journal of economics* 117.4 (2002): 1415-1451.

- Buchanan, J. M., and G. Tullock. 1965. [*The Calculus of Consent*](#). Ann Arbor: University of Michigan Press.
- Davidson, C. 1984. Minority Vote Dilution: Introduction. Chap. 1 In *Minority Vote Dilution*, ed. C. Davidson, 1-23. Wash., D.C.: Howard University Press.
- Dixit, A., and B. Nalebuff. 1991. The strategy of voting. In *Thinking Strategically*, 259-85. NY: W.W. Norton & Co.
- Djankov, S., C. McLiesh, T. Nenova, and A. Shleifer. 2003. [Who Owns the Media?](#) *Journal of Law and Economics* 46(2): 341-381.
- Engerman, Stanley L. and Kenneth L. Sokoloff. 2001. [Factor Endowments, Inequality, and Paths of Development among New World Economies](#). *Economia* 3.1 (2002) 41-109
- Engstrom, R. L., and M. D. McDonald. 1986. The effect of at-large versus district elections on racial representation in the U.S. municipalities. In *Electoral Laws and Their Political Consequences*, ed. B. Grofman and A. Lijphart, 203-25. New York: Agathon Press.
- Grier, K. B. 1987. [Presidential Elections and Federal Reserve Policy: An Empirical Test](#). *Southern Economic Journal* 54 (2):475-86.
- . 1991. [Congressional Influence On U.S. Monetary Policy](#). *Journal of Monetary Economics* 28:201-20.
- Gwartney, J. D., and R. E. Wagner. 1988. [Public Choice and the conduct of representative government](#). In *Public Choice and Constitutional Economics*, ed. J. D. Gwartney and R. E. Wagner, 3-28. Greenwich, Conn.: JAI Press.
- Hess, G. D., and A. Orphanides. 1995. [War Politics: An Economic, Rational-Voter Framework](#). *American Economic Review* 85 (4):828-46.
- Makowsky, Michael D., and Thomas Stratmann. "Political economy at any speed: what determines traffic citations?." *The American Economic Review* 99.1 (2009): 509-527.
- Makowsky, Michael D., and Thomas Stratmann. "More tickets, fewer accidents: How cash-strapped towns make for safer roads." *Journal of Law and Economics* 54.4 (2011): 863-888.
- Mauro, Paolo. 1995. [Corruption and Growth](#). *The Quarterly Journal of Economics*, Vol. 110, No. 3. (Aug., 1995), pp. 681-712.
- Meltzer, A. H., and S. F. Richard. 1981. [A Rational Theory of the Size of Government](#). *Journal of Political Economy* 89:914-27.
- McMillan, John and Pablo Zoido. 2004. [How to Subvert Democracy: Montesinos in Peru](#). *Journal of Economic Perspectives* 18 (4): 69-92.
- Parker, F. R. 1984. Racial gerrymandering and legislative reapportionment. In *Minority Vote Dilution*, ed. C. Davidson, 85-115. Washington, D.C.: Howard University Press.
- Peltzman, S. 1989. [The economic theory of regulation after a decade of deregulation](#). In *Brookings Papers On Economic Activity: Microeconomics*, ed. M. N. Bailey and C. Winston, 1-41. Wash., D.C.: Brookings Institution.
- Persson, T. and G. Tabellini. 1992. [Growth, Distribution and Politics](#). *European Economic Review* 36:593- 602. Reprinted in Persson and Tabellini (1994).

Shleifer, A., and R. Vishny. 1992. [Pervasive Shortages Under Socialism](#). *Rand Journal of Economics* 23 (2):237-46.

Sen, Amartya. 1990. [Public Action to Remedy Hunger](#). Tanco Memorial Lecture. London.

Tabarrok, Alexander. 2001. [President Perot, or Fundamentals of Voting Theory Illustrated with the 1992 Election](#). *Public Choice* 106 (3-4): 275-297.

Tabarrok, Alexander. and Lee Spector. 1999. [Would the Borda Count have Avoided the Civil War?](#) *Journal of Theoretical Politics* 11(2): 261-288.

Tiebout, Charles M. "A pure theory of local expenditures." *Journal of political economy* 64, no. 5 (1956): 416-424.

Tollison, Robert D. "Rent seeking: A survey." *Kyklos* 35.4 (1982): 575-602.

Weingast, Barry R. "The economic role of political institutions: Market-preserving federalism and economic development." *Journal of Law, Economics, & Organization* (1995): 1-31.

Williams, Jhacova "[Historical Lynchings and the Contemporary Voting Behavior of Blacks](#)"

Standard Syllabus Stuff

Attendance: Attendance is not required. I may introduce a voluntary sign-in sheet after a) the course withdrawal deadline, or b) the midterm. In such cases attendance would be taken into account for students with borderline grades (round up or down) or if any sort of academic adjudication is required. **That said, students who attend class tend to get higher grades on average because learning.** Students that must quarantine/isolate will not suffer any grade penalties association with their physical absence from in-person classes. Typical remedies for make-up work will be applied.

Flu/Sickness: Students should not attend classes or other university events from the onset of flu-like symptoms until at least 24 hours after the fever subsides without the use of fever reducing medications. Such absences will be considered excused absences; however, students are responsible for the material covered during the period of their absence

Specific COVID-19 related information: For a student who reports testing positive or is being asked to quarantine/isolate because of exposure to the virus, it will be up to the student to inform the instructor that they will be moving to online only instruction for at least the next two weeks. Students are directed to use the Notification of Absence link in Canvas to initiate this notification, which can be found under the "Help" button on the left navigation. Since I don't emphasize Canvas, the direct link to the Notification of Absence form can be found through the Division of Student Affairs site. Additional communication via email is encouraged. Students will never be penalized in their grade for needing to move to online instruction.

Face Coverings: While on campus, face coverings are required in all buildings and classrooms. Face coverings are also required in outdoor spaces where physical distance cannot be guaranteed. Please be familiar with the additional information on the Healthy Clemson website, such as the use of wipes for in-person classes. If an instructor does not have a face covering or refuses to wear an approved face covering without valid accommodation, students should notify the department chair. If a student does not have a face covering or refuses to wear an approved face covering without valid accommodation, the instructor will ask the student to leave the academic space and may report the student's actions to the Office of Community & Ethical Standards as a violation of the Student Code of Conduct. If the student's actions disrupt the class to the extent that an immediate response is needed, the instructor may call the Clemson University Police Department at 656-2222.

Accessibility: Clemson University values the diversity of our student body as a strength and a critical

component of our dynamic community. Students with disabilities or temporary injuries/conditions may require accommodations due to barriers in the structure of facilities, course design, technology used for curricular purposes, or other campus resources. Students who experience a barrier to full access to a class should let the professor know, and make an appointment to meet with a staff member in Student Accessibility Services as soon as possible. You can make an appointment by calling 864-656-6848, by emailing studentaccess@lists.clemson.edu, or by visiting Suite 239 in the Academic Success Center building. Appointments are strongly encouraged – drop-ins will be seen if possible, but there could be a significant wait due to scheduled appointments. Students who receive Academic Access Letters are strongly encouraged to request, obtain and present these to their professors as early in the semester as possible so that accommodations can be made in a timely manner. It is the student's responsibility to follow this process each semester. You can access further information here:

<https://www.clemson.edu/academics/studentaccess/>.

Title IX: Clemson University is committed to a policy of equal opportunity for all persons and does not discriminate on the basis of race, color, religion, sex, sexual orientation, gender, pregnancy, national origin, age, disability, veteran's status, genetic information or protected activity in employment, educational programs and activities, admissions and financial aid. This includes a prohibition against sexual harassment and sexual violence as mandated by Title IX of the Education Amendments of 1972.

Course Withdrawal: Please note that the last day to drop the class is set by the University. Withdrawal after that date will require an assignment of a letter grade for the course.

Academic Integrity: As members of the Clemson University community, we have inherited Thomas Green Clemson's vision of this institution as a "high seminary of learning." Fundamental to this vision is a mutual commitment to truthfulness, honor, and responsibility, without which we cannot earn the trust and respect of others. Furthermore, we recognize that academic dishonesty detracts from the value of a Clemson degree. Therefore, we shall not tolerate lying, cheating, or stealing in any form. All students are expected to abide by Clemson University's policy on academic integrity. The policy is available online: academic integrity. I will pursue the maximum allowable penalty for any violation of academic honesty or integrity.

Cancellations: Any exam that was scheduled at the time of a class cancellation due to inclement weather will be given at the next class meeting unless contacted by the instructor. Any assignments due at the time of a class cancellation due to inclement weather will be due at the next class meeting unless the instructor contacts students. Any extension or postponement of assignments or exams must be granted by the instructor via email or Canvas within 24 hours of the weather related cancellation.

Late starts: If the instructor is late for class, you may leave and consider class cancelled within 15 minutes of the starting time *unless another faculty member or administrator informs you the instructor will be showing up and teaching the class by a specific time.*