University of Missouri

Economics 4004: American Political Economics
Spring Semester 2016

Meeting Time: Tuesday 7:00PM – 9:20PM

Meeting Place: Middlebush 211

Course Instructor: Jeff Milyo
Office: 235 Professional Building
Hours: By appointment
Phone: 882 – 3459
Email: milyoj@missouri.edu

Course Overview:

This course provides an introduction to the theory of social choice and applies these lessons to the positive analysis of American political institutions. A wide range of topics will be covered, include citizen participation and representation, money in politics, and legislative organization and the budget process.

There is no standard textbook and the class moves quickly from topic to topic. Consequently, it is imperative that students keep up with assigned reading, attend class and participate in discussion. Required readings will include formal empirical and theoretical studies; optional or suggested readings will be provided for students who wish to explore topics in more depth. Students are expected to understand and critically examine all readings and presentations, as well as to contribute to class discussion through questions and comments.

Required readings will be distributed in class or on the course website. In addition, class lectures will often refer to current events and policy debates; for this reason, students are strongly encouraged to read a national newspaper. Course materials including handouts, readings, homework assignments and any important course announcements may be disseminated in class or through the blackboard website.

Prerequisites:

All students are expected to be familiar with Intermediate Microeconomics (Econ 4351) and Introductory Econometrics (Econ 4371), or their equivalents.

Classroom Decorum:

For the sake of other students, please refrain from creating negative externalities. For example, eschew complicated snacks; mute all electronic devises; and avoid entering or exiting during class time, except as required by the norms of polite society.
Course Grades

Grades are based on accumulated points, according to the following scale:

- 400+ points: A
- 375-399 points: A-
- 350-374 points: B+
- 325-349 points: B
- 300-324 points: B-
- 275-299 points: C+
- 250-274 points: C
- 225-249 points: C-
- 200-224 points: D+
- 175-199 points: D-
- 150-174 points: D
- <150 points: F

Class Participation: 150 points possible
You are expected to attend class, take notes and ask and answer questions. You will receive 150 points for perfect attendance, but will be penalized 10 points for each unexcused absence (partial absences are pro-rated). Failure to respond to a question satisfactorily (including absence) when called upon will be penalized up to 5 points.

Class Presentations: 50 points possible
Topics for class presentation must be approved prior to spring break. Presentations must be previewed and approved by the instructor by the Friday prior to the scheduled presentation. Organization: 20 points; Substance: 20 points; Q&A: 10 points. Please note: presentations based on a written assignment are worth only 25 points.

Homeworks: 250 points possible
Each homework assignment is worth 10-50 points. Answers must be clear, concise, correct and legible. Homeworks are open book/open notes and you may consult other students or sources.

*Reaction Papers: 100 points possible*
Up to 50 points for each well-written and insightful 4-6 page reaction paper. A reaction paper may be informal, first-person and/or normative, but must be informed or inspired by class material. You may turn in one reaction paper per month, up to a total of two reaction papers (for WI students).

*Short Review Papers: 100 points possible*
Up to 50 points for each well-written and insightful 4-6 page essay. Review papers may: i) discuss the history and public debate surrounding a current political institution or ii) summarize and comment on current a book or study. You may turn in one review paper per month, up to a total of two review papers (for WI students). You must get pre-approval for your topic prior to spring break.

*Critical Review of the Literature: 100 points possible*
Up to 100 points for one well-written and insightful 8-12 page comprehensive critical review of the scholarly literature on a specific topic related to class. You must get pre-approval for the bibliography and thesis of your critical review prior to spring break.

*WI students must complete at least 20 pages of text, half of which must be in final draft form (the remainder may be in the form of peer-reviewed initial drafts; see below). Non-WI students may do a maximum of one 50-point paper assignment.
Guidelines for Papers and Presentations:

Papers must be well-written; this means in addition to being free of spelling and grammatical errors, the writing should be clear, concise, and logically coherent. All paper assignments must demonstrate some value-added from class and/or objective and critical analysis. Review papers must be non-normative, except for a concluding discussion. Reaction papers may be normative, but the goal should still be to demonstrate value added from class and/or critical thinking.

All sources must be acknowledged with in-text citations, footnotes and/or references (using any consistent and commonly accepted style). Citations must be complete enough to be checked easily (e.g., use page numbers for quotations; cite web addresses for internet sources). You may not treat Wikipedia, blogs or tweets as reliable and informative sources. Direct quotes must be identified with quotation marks in the text (for short quotes) or offset from the text in a single-spaced block with additional ½ inch margins (for longer quotes).

You are strongly encouraged to have other people read your paper and provide feedback. In fact, you are required to include the names and signatures of two peers that certify they have read your paper and have offered constructive feedback (attach as the final page to any written assignment). You should re-write your paper for conciseness and readability before submitting it for review or grading by the instructor.

The page lengths listed above for each type of paper are meant only as rough suggestions; it is the substance of your paper that is most important. If you do any original statistical or mathematical analysis, your paper may be shorter; if you include tables, figures, or appendices, your paper may be longer. If you have doubts about whether your paper content is sufficient, ask the instructor.

In order to receive a grade, papers must be approved and/or completed on time; in addition, **papers must be in hard-copy** and turned in at the start of class (or to my mailbox during exam period) with your name and the type of paper assignment clearly noted on the first page. Electronic copies of papers will not be graded.

Class presentations must be done in Powerpoint or in a manner pre-approved by the instructor. Presentations should inform the audience about a relevant topic in an efficient and clear manner. Students are strongly encouraged to rehearse their presentations multiple times, preferably with a live audience. Prior to your presentation, you are required to turn in a certification signed by two peers that have heard your presentation and have provided constructive feedback. Presentations should run about 10-15 minutes. As a presenter, you are also expected to answer any and all questions from the instructor and the student audience.

**Warning:** Papers that contain multiple errors or are particularly poorly written will not be graded. If time permits, such papers will be handed back to students in class to be re-done by the final due date. Likewise, particularly poor class presentations may be aborted by the instructor.
SCHEDULE OF CLASSES

Week One (1/19): (CLASS CANCELLED DUE TO INCLEMENT WEATHER)

Week Two (1/26): Introduction to Social Choice (CLASS STARTS AT 8:00PM)
1. Rational Choice in Economics and Politics
2. Collective Choice Rules
3. Arrow’s Theorem
4. May’s Theorem
Reading: Shepsle and Bonchek, Ch. 1-4 & 7

Week Three (2/2): Spatial Models of Majority Rule:
1. Median Voter Theorems
2. Spatial Models: Ideal Points, Indifference Contours and Win Sets
3. The Plott Conditions
4. The Chaos Theorem
5. Structure Induced Equilibria
Reading: Shepsle and Bonchek, Ch. 5

Week Four (2/9): Politics without Romance: Social Choice meets the Philosophy of Democracy
Readings:
Riker (1982). Liberalism against Populism; Chapter 1
Schumpeter (1942). Capitalism, Socialism and Democracy; Chapters 21-22.

Week Five (2/16): Strategic Interactions
1. Sophisticated Voting
2. Applications: Legislative Organization, Position-Taking, Killer Amendments
3. Veto Bargaining
4. Application: Executive Power & Pivotal Politics
5. Principle-Agent Models
6. Application: Bureaucracy
7. Political Economy of the Courts
Reading: Shepsle and Bonchek, Ch. 6, 11-13 & 15

Week Six (2/23): Collective Action
1. The Theory of Cooperation
2. Applications: Interest Groups and Term Limits
3. Social Capital
Reading: Shepsle and Bonchek, Ch. 8-9 & 14

Week Seven (3/1): The Federal Budget
1. Federal Spending, Deficits and Debt
2. Evolution of the Federal Budget Process
3. Entitlement Reform
Reading: TBD
Week Eight (3/8): Voting in Elections
   1. Voter Turnout
   2. Convenience Voting
   3. Vote Fraud
   4. Voter ID
Readings: TBD

Week Nine (3/15): Citizen Competence
   1. Rational Ignorance
   2. Direct Democracy
   3. Media Influence
   4. Media Bias
Readings: TBD

Week Ten (3/22): NO CLASS

Week Eleven: SPRING BREAK

Week Twelve (4/5): Representation
   1. Incumbency advantage
   2. Polarization
   3. Redistricting
   4. Minority Representation
Readings: TBD

Week Thirteen (4/12): Political Corruption
   1. Measuring Corruption
   2. Determinants of Corruption
   3. Campaign Finance Law
   4. Efficacy of Reforms
Readings: TBD

Week Fourteen (4/19): Money in Politics
   1. Trends in Campaign Contributions and Campaign Spending
   2. Electoral Effects of Campaign Spending
   3. Policy Consequences of Campaign Contributions
   4. Event Studies of Corporate Political Spending
   5. Efficacy of Lobbying
Readings: TBD

Week Fifteen (4/26): Inequality
   1. Measuring Inequality
   2. Determinants of Inequality
   3. Consequences of Inequality
Readings: TBD

Week Sixteen (5/3): Open/Power-Point presentations

Please note: All written assignments must be turned in by the last day of class (5/3); other than reaction papers, all written assignments must be pre-approved before spring break.
**Academic Integrity**

Academic integrity is fundamental to the activities and principles of a university. All members of the academic community must be confident that each person's work has been responsibly and honorably acquired, developed, and presented. Any effort to gain an advantage not given to all students is dishonest whether or not the effort is successful. The academic community regards breaches of the academic integrity rules as extremely serious matters. Sanctions for such a breach may include academic sanctions from the instructor, including failing the course for any violation, to disciplinary sanctions ranging from probation to expulsion. When in doubt about plagiarism, paraphrasing, quoting, collaboration, or any other form of cheating, consult the course instructor.

**Accommodation of Disabilities**

If you anticipate barriers related to the format or requirements of this course, if you have emergency medical information to share with me, or if you need to make arrangements in case the building must be evacuated, please let me know as soon as possible.

If disability related accommodations are necessary (for example, a note taker, extended time on exams, captioning), please register with the Disability Center, S5 Memorial Union, 882-4696, and then notify me of your eligibility for reasonable accommodations. For other MU resources for students with disabilities, click on "Disability Resources" on the MU homepage.

**Intellectual Pluralism**

The University community welcomes intellectual diversity and respects student rights. Students who have questions or concerns regarding the atmosphere in this class (including respect for diverse opinions) may contact the Departmental Chair or Divisional Director; the Director of the Office of Students Rights and Responsibilities (http://osrr.missouri.edu/); or the MU Equity Office (http://equity.missouri.edu/), or by email at equity@missouri.edu. All students will have the opportunity to submit an anonymous evaluation of the instructor(s) at the end of the course.

**Academic Inquiry, Course Discussion and Privacy**

University of Missouri System Executive Order No. 38 lays out principles regarding the sanctity of classroom discussions at the university. The policy is described fully in Section 200.015 of the Collected Rules and Regulations. In this class, students may make audio or video recordings of course activity unless specifically prohibited by the faculty member. However, the redistribution of audio or video recordings of statements or comments from the course to individuals who are not students in the course is prohibited without the express permission of the faculty member and of any students who are recorded. Students found to have violated this policy are subject to discipline in accordance with provisions of section 200.020 of the Collected Rules and Regulations of the University of Missouri pertaining to student conduct matters.