Political Science 344
Comparative Political Economy

Professor Joel Selway
793 SWKT
Office: 792 SWKT, Phone: 801-422-8607, Office Hours: MW 3-5
TA: Darin Self, Office hours: _______________, ______ SWKT – drunself@gmail.com

DESCRIPTION

Finding ourselves in the midst of the “Great Recession” this class is of particular salience at this point in time. In this class we move away from adjudicating between whether more or less adherence to Liberal Economic Orthodoxy or Keynesian Economics causes economic outcomes. Instead, we immerse ourselves in the realities of day-to-day economic policymaking around the world in a much more nuanced manner. No set of economic policies, readjustment strategies or development paths neatly fit into the schools of thought you learn about in Econ 110. They are influenced by political systems, interest groups, personalities, coalitions, negotiations, inefficiencies, cost and information constraints, ideologies, historical institutions, culture, sociological factors, corruption, wars, international relations, supranational organizations, etc. etc. So, if you want to understand economic policy, predict how a country will fare in the current recession, wonder what the long-term prospects of growth in China are, this is the class for you. This is what you will need to really digest the mountains of information and opinions you will encounter in the increasingly ideological news (on both sides of the spectrum), on the burgeoning number of blogs, and in the overly-opinionated, non-empirically grounded conversations with others. We will leave aside normative arguments for the most part and hone your analytical and critical thinking tools, practice your ability to interpret and evaluate statistics, teach you how to critique and construct theories, and to test them using empirical data. You will leave this class being able to not just be an intelligent consumer, but a contributor to ideas on economic reform in both the advanced industrial world (which includes the US) and the developing world. This is the world of positive political economy. We want to understand why countries make (or not) the decisions they do; why some countries have developed rapidly and others not; why some countries open themselves up to international trade and other do not; why some countries have responded well to the current economic crises, and others not. And our answer will not be because they followed xyz economic policy, but why they did or did not, were able or not able, to follow such policies.

LEARNING OUTCOMES

Political Process, Theory, and Thought; Critical Thinking and Analysis: Understand the relationship (factual/theoretical) between political/economic outcomes and political/economic structures/institutions.

Effective and Professional Writing; Effective Research and Analysis: Develop writing skills through various activities such as regular, short writing assignments in response to readings or topics we cover in class, as well as undertaking a significant research paper that includes the extension of a theory and some form of empirical testing applied to political economy topics.

Politics, International Relations, and Political Philosophy. You will also be exposed to how international forces affect domestic political economy and how normative considerations shape policy outcomes of interest in this class.

Critical Thinking and Analysis. All of the above items also contribute to the development of this skill.

REQUIRED BOOKS

The course is NOT primarily a lecture course, and you will have many opportunities for discussion and in-class activities, both in groups and individually. You will be called on in class and I will push you to work through arguments, develop critiques, and devise ways to test arguments.

**Assignments and Grading**

Your grade will be based on the following assignments. Details are below. All assignments will be curved up (never down), so that the class average is set at a B/B+.

- Daily reading forms (10%)
- Class participation (10%)
- Group Presentations (10%)
- Research Paper (30%)
- Midterm and Final Exam (15 and 25%)

1. **Daily Reading forms** that you have to hand in each class period. For most articles and books read in this class, it will help you, and you must, fill in the form found in Appendix A of this syllabus. This form is designed to help you learn how to read articles for the most important information (dependent and independent variables, the theory that knits the two variables together, the research design/methodology, and the major findings). Students struggle with reading academic articles mainly because they try and read everything. If you use the form as a guide, you can stop reading entire sections as soon as you get the gist of the argument. You don’t have to read every example to get what is going on. We will do an exercise in class to try and help you read both articles and books fast. **I do not accept late reading forms for any reason. Do not ask.**

2. **Participation in class.** You should be prepared to make at least one comment for each class period. I will record this each class period. If you do not participate at all you cannot receive the full 10%, even if you hand in all the reading forms. So ask questions, respond to them, and be prepared to help me out as we work through the logic of these theories. You can miss two classes without receiving a penalty. Other university-excused absences are the only permissible excuses thereafter.

3. **Group Presentations.** I consider working in groups and oral presentations as an essential skill you must master coming out of college. As such, I assign three group presentations. Your groups will be of varying sizes, again to help you have different experiences. I disliked working in groups as an undergraduate. I grumbled. But after college I appreciated it. If your experience is like mine, just trust me that it is a valuable experience.

4. **Midterm and Final.** You will be tested on the material in class. The daily reading forms are a good preparation and a good revision tool for the exams. Usually my exams require some memorization, but also a good dose of applying what you learnt to new contexts. Expect to have to analyze and critique on the exams, not just regurgitate.

5. **Research Paper.** The crowning experience in this class will be the opportunity to write your own research paper. I and my TA will help you through this process, which will involve 1/ taking a theory and extending it in some way. This will involve you having to make new connections not in the readings (participation in class will be an invaluable tool in this) and develop and argue persuasively your own theory. 2/ You will take this theory and apply it a new cases or cases. You can choose to write a qualitative style paper, usually applied to one in-depth case study of a country of your choice. Or you can choose to write a quantitative paper. I will help you identify data sources. I will even sit with you in my office and help you through the statistical analysis. This is your chance to write a truly original research paper. It should be 12-15 pages of double-spaced, 1-inch margins, 12-point font Times New Roman. A bibliography should be attached which does not count toward the 12-15 pages. I truly expect you to produce something you are not only proud of, but can eventually publish in some outlet. Perhaps in the undergraduate political science journal our department runs, called *Sigma*. Perhaps at a conference. Perhaps in a professional journal. Whatever your goal, my TA and I will help you.
PART I: PRELIMINARIES & BACKGROUND

Week 1: Introduction

Readings Day 1 (8/29): Introduction & Logistics; What is (Positive) CPE?

Reading Day 2 (8/31): The Explanatory Power of Political Economy; Brief Historical Overview of Theories
1. The Communist Manifesto http://www.marxists.org/archive/marx/works/1848/communist-manifesto/

Week 2: Toolkit for CPE

(9/5): No class, Labor Day.

Readings Day 1 (9/7): Basic Economic Theory for CPE
1. Robert Bates, Markets and States in Tropical Africa, first half. Make a list of the different economic theories that are used in the book.

Readings Day 2 (9/12): Models and Tools for CPE
2. Robert Bates, Markets and States in Tropical Africa, second half. Make a list of all the actors, their aims and their abilities.

PART II: THE BUILDING BLOCKS OF POSITIVE POLITICAL ECONOMY

Week 3: Preferences, Collective Action, & Transaction Costs

Day 1 Readings (9/14): Preferences in Advanced-Industrial Countries
2. Acemoglu, Daron and James Robinson. 2000. “Political Losers As a Barrier to Economic Development” AEA Papers and Proceedings 90:126-130. This is a short one. Just read for the intuition of the paper. Don’t worry about the mathematical model.

Readings Day 2 (9/19): Ethnicity & Preferences in the Developing World
2. Optional: Selway, Cross-cutting Cleavages. It is optional because you had heavier read for last class. We will discuss this in class and work through the logic.

Week 4: Institutions: Perspectives, Approaches, & Theoretical Roles

Readings Day 1 (9/21): Introduction to Institutions
1. Douglass North, Institutions, Institutional Change and Economic Performance, (Cambridge University Press, 1990), pg. 3-45; 92-104
2. Hall, Peter, Governing the Economy, ch. 1

Readings Day 2 (9/26): Democratic Political Institutions
2. Federalism: “Federalism and the Politics of Macroeconomic Policy and Performance,” American Journal of
Political Science 44 (October 2000): 687-702.
4. Optional: If you need a refresher on electoral rules, presidentialism vs. parliamentarism, bicameralism, and federalism see the Clark, Golder and Golder chapters posted on Blackboard.

PART III: ALTERNATIVE VIEWS OF THE CENTRAL CONFLICT IN CPE

Week 5:
Readings Day 1 (9/28): Credibility, Uncertainty, Information, & Time-Consistency: PE as a Technocratic Problem

1. BDM2S2, Ch. 4, “Institutions for Kleptocracy or Growth,” pp. 129-71.
Optional:

Week 6: Power, Privilege, & Partisanship: Us Citizens vs. Them Citizens
Readings Day 1 (10/5): Class-based conflict
1. Review notes on Communist Manifesto
Optional:

Readings Day 2 (10/10): Partisan-based conflict
Optional:

**********************************************************
MID-TERM IN TESTING CENTER ALL THIS WEEK (FRIDAY LAST DAY) ON PARTS I-III
**********************************************************

PART IV: TOPICS IN COMPARATIVE POLITICAL ECONOMY

Week 7: Electoral & Partisan Business Cycles
Readings Day 1 (10/12): **Electoral Business Cycles**
1. Tufte’s *Political Control of the Economy* (all – it is a short book)

Readings Day 2 (10/17): **Partisan Business Cycles**
1. Hibbs, Ch. 7, pp. 213-54.
Optional:

**Week 8:** Distributive & Redistributive Politics & Policy

Readings Day 1 (10/19): **Distribution**

Readings Day 2 (10/24): **Redistribution**
Optional:

**Week 9:** Fiscal Policy (in a Global Economy)

Readings Day 1 (10/26): **Fiscal Policy in Advanced-Industrial Countries**

Readings Day 2 (10/31):

**Week 10:** Monetary Policy (in a Global Economy)

Readings Day 1 (11/2): **Macroeconomic Policy in Advanced-Industrial Countries**
1. Franzese, *Macroeconomic Policies of Developed Democracies*, Ch. 4

Readings Day 2 (11/7): **Student Presentation Day**
Each group of 2-3 people will read the two articles and present on them. See the more detailed guidelines on group presentations.

Central Bank Independence:

Wage/Price-Bargaining Institutions and Corporatism:

Democracy and Monetary Policy:
Week 11: Trade Policy

Readings Day 1 (11/9): The Politics of Trade Policy

Readings Day 2 (11/14): Trade Barriers

Week 12: International Regimes, Cooperation, and Security

Readings Day 1 (11/16): Background

Readings Day 2 (11/21): Student Presentation Day
Each group of 4-5 people will read the two articles and present on them. See the more detailed guidelines on group presentations.

Group A. International Institutions/Regional Blocs:

Group B. Size/Power:
Group C. Other International Factors (Shocks/Ideas):

Group D. International Aid:

********************************************************************************
THANKSGIVING BREAK, NO CLASS ON THE 23RD, NOVEMBER
********************************************************************************

Week 13: Development I

Readings Day 1 (11/28): **Democracy and Growth**

Readings Day 2 (11/30): **Historical Roots**

********************************************************************************
RESEARCH PAPER DUE, 30TH NOVEMBER AT BEGINNING OF CLASS.
********************************************************************************

Week 14 (11/10): Development II

Readings Day 2 (12/5): **Student Presentation Day**
Each group of 5-6 people will read the two articles and present on them. See the more detailed guidelines on group presentations.

Readings Day 1 (12/7): **Electoral Rules and Human Development**
Final Day of class. Come prepared to ask questions.

********************************************************************************
FINAL, WEDNESDAY 14TH DECEMBER IN 793 SWKT, COMPREHENSIVE
********************************************************************************
University Policies

BYU Honor Code
In keeping with the principles of the BYU Honor Code, students are expected to be honest in all of their academic work. Academic honesty means, most fundamentally, that any work you present as your own must in fact be your own work and not that of another. Violations of this principle may result in a failing grade in the course and additional disciplinary action by the university. Students are also expected to adhere to the Dress and Grooming Standards. Adherence demonstrates respect for yourself and others and ensures an effective learning and working environment. It is the university's expectation, and my own expectation in class, that each student will abide by all Honor Code standards. Please call the Honor Code Office at 422-2847 if you have questions about those standards.

Preventing Sexual Discrimination and Harassment
Title IX of the Education Amendments of 1972 prohibits sex discrimination against any participant in an educational program or activity that receives federal funds. The act is intended to eliminate sex discrimination in education. Title IX covers discrimination in programs, admissions, activities, and student-to-student sexual harassment. BYU's policy against sexual harassment extends not only to employees of the university, but to students as well. If you encounter unlawful sexual harassment or gender-based discrimination, please talk to your professor; contact the Equal Employment Office at 422-5895 or 367-5689 (24-hours); or contact the Honor Code Office at 422-2847.

Students with Disabilities
Brigham Young University is committed to providing a working and learning atmosphere that reasonably accommodates qualified persons with disabilities. If you have any disability which may impair your ability to complete this course successfully, please contact the Services for Students with Disabilities Office (422-2767). Reasonable academic accommodations are reviewed for all students who have qualified, documented disabilities. Services are coordinated with the student and instructor by the SSD Office. If you need assistance or if you feel you have been unlawfully discriminated against on the basis of disability, you may seek resolution through established grievance policy and procedures by contacting the Equal Employment Office at 422-5895, D-285 ASB.

Academic Honesty Policy
The first injunction of the BYU Honor Code is the call to be honest. Students come to the university not only to improve their minds, gain knowledge, and develop skills that will assist them in their life's work, but also to build character. President David O. McKay taught that 'character is the highest aim of education' (The Aims of a BYU Education, p. 6). It is the purpose of the BYU Academic Honesty Policy to assist in fulfilling that aim. BYU students should seek to be totally honest in their dealings with others. They should complete their own work and be evaluated based upon that work. They should avoid academic dishonesty and misconduct in all its forms, including but not limited to plagiarism, fabrication or falsification, cheating, and other academic misconduct.

Plagiarism Policy
Writing submitted for credit at BYU must consist of the student's own ideas presented in sentences and paragraphs of his or her own construction. The work of other writers or speakers may be included when appropriate (as in a research paper or book review), but such material must support the student's own work (not substitute for it) and must be clearly identified by appropriate introduction and punctuation and by footnoting or other standard referencing.
Reading Form
Article/Book name:
Author name:
What is the main question the author wants to answer?

What is the dependent variable?

What is the independent variable?

What is the story that knits the DV and IV together (theory)?

What is the author’s research design? How does she/he test the theory?

Offer as many extensions as you can from one or more of the following categories:

a. "It depends" · are the mechanisms described dependent on some other variable in some way? State what the conditional variable is and how the original theory changes at different values of the conditional variable.

b. "It's wrong" · mechanisms are not logical because they rely on a false premise, e.g. individuals don't act in that way, or those institutions don't act in that way, or history did not happen that way, or the culture isn't like that, etc. etc.

c. "It could be right or wrong" · and so could my explanation. In fact they are observationally equivalent. Thus, since they are equally plausible we cannot know if the given theory is the right one. Provide an alternative explanation/story

d. "It's right" · but there are other variables that are missing from the explanation. You provide one that is plausible.

e. "It's endogenous" · The dependent variable also affects the independent variable, so can't know which is causing which, e.g. economic development and democratization. Give the story the other way around.