

Prof. Dr. Robert Schwager · Platz der Göttinger Sieben 3 · 37073 Göttingen · Germany

Prof. Dr. Robert Schwager

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Göttingen, February 5, 2025

MAGKS doctoral course "Political Economics", spring 2025

Topic

The course provides an analytical overview of the most widely used models in political economics. Students who want to do theoretical work in political economics will be given a collection of tools from which to choose for their own research.

In the course, students will learn to understand the logic behind results, assess the role of key assumptions in proofs, and discuss the scope and limits of the models presented. Some examples for applications in specific policy fields will also be presented.

The course is mostly based on

Persson, T. and G. Tabellini (2002): Political Economics, Cambridge, Mass.: The MIT Press.

References below are to pages (p.) or chapters (ch.) therein. For Section V.3, see

Aytimur, E. and C. Bruns (2019): Accountability in Large Electorates, *Economic Journal* 129 (May), 1529–1560.

Place and Dates

Platz der Göttinger Sieben 3 (Oeconomicum) 37073 Göttingen Room Oec 1.162

Tue., 25.03.2025, 10:15-12:45 and 14:15-17:30 Wed., 26.03.2025, 10:15-12:45 and 14:15-17:30

Tue., 08.04.2025, 10:15-12:45 and 14:15-17:30 Wed., 09.04.2025, 10:15-12:45 and 14:15-17:30

Requirements

Successful completion of the course requires to solve one problem set until Tue 08.04.2025, and a second one until 22.04.2025. Groups of up to three participants may co-operate in working on the problem sets.



Outline

I. Introduction

- I.1 Purpose and scope of the course (ch. 1)
- I.2 Policy problems (ch. 2.1, 3.1)

II. Median Voter Models

- II.1 Pure majority rule (p. 25, 28-30)
- II.2 Sufficient conditions for median voter equilibrium (ch. 2.2)
- II.3 Redistribution (ch. 6.1)

III. Political Competition

- III.1 Office motivated politicians (ch. 3.3)
- III.2 Rent-seeking politicians (ch. 4.1)
- III.3 Partisan politicians (ch. 5.1, 5.2)

IV. Probabilistic Voting

- IV.1 Continuous reaction of election outcome (p. 32-34)
- IV.2 Micropolitical foundation (ch. 3.4)
- IV.3 Rent-seeking politicians (ch. 4.2)

V. Accountability

- V.1 Career concerns (ch. 4.5)
- V.2 Local vs. national elections (ch. 9.1.1)
- V.3 Large electorates (Aytimur and Bruns, 2019, sect. 1)

VI. Citizen Candidate Model (ch. 5.3)

- VI.1 Endogenous candidates for political office
- VI.2 Single-candidate equilibria
- VI.3 Two-candidate equilibria
- VI.4 Capital taxation and strategic delegation (ch. 12.3)

VII. Agenda Setting and Legislative Bargaining (p. 37-38, ch. 5.4)

- VII.1 Specifying rules of political decision making
- VII.2 Agenda setting and public good supply