

ps343: Political Economy of Developed Democracies

Professor: Robert (Rob) J. Franzese, Jr.

Office Hours: Mon 1:45-2:45 & Wed 11:45-12:45 Haven 6658, & by Appt.

franzese@umich.edu ; <http://www.umich.edu/~franzese>

(Version 3.0: 8 Apr 2013)

Wi2013, Mo-We 10:00-11:30, 3330 Mason Hall

GSI: Michelle Pritchett (mpritch@umich.edu)

Office Hours: Tue 11:30-1:30 & by Appt. 7762 Haven

Course Description: This course examines the effects of democratic politics on economic policymaking, policies, and outcomes and, conversely, the effects of the economy on the conduct of democratic politics. We study how and why certain political configurations systematically produce certain kinds of economic policies and outcomes and why certain economic structures and/or conditions systematically produce certain kinds of political outcomes and electorally and partisan motivated policies. For example: How do elections—electoral rules, competition, and timing—or government partisanship affect monetary and fiscal policy? What are the effects of economic-sectoral structure on the 10 pages), each revised, for writing credit. Students will write **two types of papers, a theoretical extension and an empirical application**, one on each of the material covered in the relevant half of the course.

nature of democratic competition? We aim, I emphasize, to develop an understanding of the *relationships that systematically obtain between certain economic and political variables* rather than to recount historically the economic policies in any particular era or country.

Course Assignments: This course can serve for the ULWR (*Upper Level Writing Requirement*).

All students, regardless of their ULWR status, will write **two short papers** (about **Theoretical extensions** (1) draw one or more argument(s) from a (the) book(s), (2) make one or more original argument(s) extending, modifying, or challenging the author's arguments, (3) elaborate and demonstrate the logical soundness of your extension, modification, or critique and (4) explain how one could evaluate your new arguments empirically. Aspects (2) and (3) are the keys. These are not full research papers, so you need not present thorough evidence for the arguments, an exemplary anecdote or two will do. You must, minimally, describe what evidence would weigh for your theory and what against. That is, you must at least describe the empirical research that *would be* necessary to evaluate your argument(s). If your argument(s) is (are) correct, what would we expect to see under what conditions—what patterns should the comparative-historical record exhibit? Observing what sorts of things under what conditions would weigh against your argument(s)?

Empirical applications similarly (1) draw one or a few core arguments from a book and (2) demonstrate its (their) operation in some empirical case(s) (country-time(s)) beyond those explored by the author. Here, aspect (2) is the key. That is, analyze some other cases with the analytical tools and theories of the author. As with the theoretical-extension paper, you must explain how one may evaluate empirically this explanation for events; how would events have evolved differently if the theories you are applying did not hold? What do we learn that could improve the theory from how events actually unfolded?

Each student should **write one of each type of paper**—although writing both papers of the same type is negotiable if the match of your interests and the relevant material lead you in that direction. In any case, all students will revise and resubmit the paper after feedback upon it from myself and/or the GSI.

All students must **be prepared to discuss all the readings in class**. Such **participation** is essential to the course and will count considerably toward your grade; do not underestimate the importance of being an active, informed participant in class. You will find detailed **class notes**, which you may find valuable in understanding the material and writing your papers, on my homepage (address above) & CTools as I finish them.

The class has a **midterm & final exam**, the former in-class & the latter as scheduled by LS&A (**April 30, 1:30-3:30**).

Grading: Participation: 10%; Papers: 20% each (8% 1st & 12% 2nd draft); Midterm: 20%; Final: 30%

Required Texts: All readings are from the required texts, available at the usual bookstores, or from articles that are available on the course CTools site. (In the list below, 9-pt numbers = ISBN-10, & prices are Amazon new/used prices as of 9 Nov 2012.)

Tufte, Edward, *Political Control of the Economy*, Princeton University Press, 1978. (0691021805: \$31.95/\$1.95)

Hibbs, Douglas, *American Political Economy: Macroeconomics and Electoral Politics*, Harvard University Press, 1987. 1978. (0674027361: \$41/\$3.93)

Clark, William Roberts, *Capitalism, Not Globalism: Capital Mobility, Central Bank Independence, and the Political Control of the Economy*, University of Michigan Press, 2003. (0472031163: \$12.45/\$4.00)

Franzese, Jr., Robert J., *Macroeconomic Policies of Developed Democracies*, Cambridge University Press, 2002. (0521004411: \$44.66/\$24.92)

Hays, Jude C., *Globalization and the New Politics of Embedded Liberalism*, Oxford University Press, 2009. (0195369327: \$25.52/\$3.34)

PS343: Weekly Course Schedule:

Week 1: Wednesday, 1/9/13—Welcome, Course Description.

Week 2a: Monday, 1/14/13—Introduction to the Course, Political Economy, and Positive Social Science.

Week 2b: Wednesday, 1/16/13—Intro to Pol Econ & Positive Social Science, & to Tufte, *Political Control of the Economy*.*

Week 3a: Monday, 1/21/13—**MARTIN LUTHER KING, JR. DAY**

Week 3b: Wednesday, 1/23/13—Tufte, *Political Control of the Economy*, chs. 1-2, pp. 3-64.*

Week 4a: Monday, 1/28/13— Tufte, *Political Control of the Economy*, chs. 3-4, pp. 65-104.

Week 4b: Wednesday, 1/30/13— Tufte, *Political Control of the Economy*, chs. 5-6, pp. 105-54.

Week 5a: Monday, 2/4/13— Hibbs, *The American Political Economy*, chs. Intro-1, pp. 1-42.

Week 5b: Wednesday, 2/6/12— Hibbs, *The American Political Economy*, chs. 1, pp. 13-42.

Week 6a: Monday, 2/11/13—Hibbs, *The American Political Economy*, chs. 2-3, pp. 43-124.

Week 6b: Wednesday, 2/13/13—Hibbs, *The American Political Economy*, chs. 4-5, pp. 127-184.

Week 7a: Monday, 2/18/13—Hibbs, *The American Political Economy*, chs. 6-8, pp. 185-279.

Week 7b: Wednesday, 2/20/13—Hibbs, *The American Political Economy*, chs. 9-10, pp. 280-326.

Week 8a: Monday, 2/25/13—Mid-term Review; begin Clark, *Capitalism, Not Globalism*, Acknowl., pp. ix-xi, ch. 1, pp. 1-11.

Week 8b: Wednesday, 2/27/13— **Mid-term Exam:** In-Class.

Winter Break! Have a nice vacation!

[**Week 9a:** Monday, 3/11/13— **CLASS CANCELLED**]

Week 9b: Wednesday, 3/13/13— Clark, *Capitalism, Not Globalism*, chs.1-2, pp. 1-39.

*[Franzese, R. 2002. 'Electoral & Partisan Cycles in Economic Policies & Outcomes,' *Annual Reviews Political Science* 5: 369-421.](#)*

..... **1st Draft of 1st Paper Due Friday (3/15/13, at noon)**

Week 10a: Monday, 3/18/13—Clark, *Capitalism, Not Globalism*, ch. 3, pp. 41-84.

Week 10b: Wednesday, 3/20/13—Clark, *Capitalism, Not Globalism*, ch. 4, pp. 85-104. . **1st Draft of 1st Paper Returned**

Week 11a: Monday, 3/25/13—Franzese, *Macroeconomic Policies of Developed Democracies*, ch. 1, pp. 1-61.

..... **Revised 1st Pap. Due Tuesday (3/26/13, noon).**

Week 11b: Wednesday, 3/27/13—Franzese, *Macroeconomic Policies of Developed Democracies*, ch. 2, pp. 62-125.

Week 12a: Monday, 4/1/13—Franzese, *Macroeconomic Policies of Developed Democracies*, ch. 3, pp. 126-195.

Week 12b: Wednesday, 4/3/13—Franzese, *Macroeconomic Policies of Developed Democracies*, chs. 4-5, pp. 196-278.

Week 13a: Monday, 4/8/13—Hays, *Globalization & the New Politics of Embedded Liberalism*, ch. 1, pp. 3-24.

Week 13b: Wednesday, 4/10/13—Hays, *Globalization & the New Politics of Embedded Liberalism*, ch. 2, pp. 25-64.

Week 14a: Monday, 4/15/13— Hays, *Globalization & the New Politics of Embedded Liberalism*, ch. 3, pp. 65-99.

..... **1st Draft of 2nd Paper Due Monday (4/15/13, at 5pm)**

Week 14b: Wednesday, 4/17/13— Hays, *Globalization & the New Politics of Embedded Liberalism*, chs. 4-6, pp. 100-157.

..... **1st Draft of 2nd Paper Returned Friday (4/19/13) AM.**

Week 15a: Monday, 4/22/13—Final Review.

..... **Revised 2nd Pap. Due Tuesday (4/23/13, 5pm)**

TUESDAY, APRIL 30, 1:30pm-3:30pm (3330 Mason Hall) Final Exam

* You may find my *Annual Reviews* article helpful in forming ideas for your paper and so may wish to read it much earlier than it appears on the syllabus, perhaps shortly after we start into Tufte.