PSC 280: The Politics of Delegation

Professor Stu Jordan University of Rochester sjordan@mail.rochester.edu Fall, 2008

Course Description

LOGISTICS

Meeting Time and Place: Monday, Wednesday and Friday, 12:30 – 1:45 in Morey 501.

Required Books: There are no required books. Instead, copies of each reading will be posted e-reserves at least 1 week before the meeting to which it corresponds.

Course Website: All relevant information for the course is posted on Blackboard, including this syllabus, links to the readings on e-reserves, and assignment guidelines and duedates. You can access blackboard at

http://my.rochester.edu

Once at this website, click on the "courses" tab. If you are enrolled in the course, you will see an option on that tab to access the course webpage.

Office Hours: My office is 320 Harkness Hall. I hold office hours on Wednesdays from 11:00 to 2:00, and by appointment.

Assignments and Grading

There are three components to your final grade in the course:

- Reading and Class Participation
- Short Papers
- Final Presentation and Paper

Reading and Class Participation: This class is a seminar in which the class meetings are of prime importance. As such, I expect you to (1) attend all of the class meetings and (2) do the reading corresponding to each meeting before that meeting. It is important for you to know that this course draws on an area of research that is relatively new. Although this makes for some exciting material, it also means that we are often forced to draw on readings that are very technical. I do not by any means expect you to understand the mathematical and statistical aspects of each paper on your own. I do, however, expect you to work to understand (1) the basic question that each paper is trying to address and (2) the basic point that each author is trying to make. In general, you should be able to glean these two aspects of each paper from its introduction and conclusion. I will spend some time each week giving a lecture that walks you through the logic of the mathematical and statistical aspects of the papers we cover. Once that is done, we will always spend time discussing the authors' substantive points. You are expected to participate actively in this discussion, and your participation is expected to reflect a careful reading of the author's work before class. Class participation does not constitute a set portion of your final grade. Instead, I reserve the right to either raise or lower your final mark by as much as one letter grade based on your participation at each session. In general, I will only adjust a grade on this basis for performance that is remarkably out-of-line with (either over or under) the above expectations.

Short Papers: There are three short paper assignments due during the semester. Each of these assignments requires you to write an essay that responds to a question regarding the readings covered in the course. These assignments are meant to challenge you to understand and criticize the authors' basic arguments. I require these papers to be concise—never more than 4 pages of double-spaced type written writing in 12 point font. I will not read papers that violate these limits. Paper due dates are printed in the schedule below. Late papers will not be accepted. Together, the three short papers will count for 60% of your final grade.

Final Paper and Presentation: The major assignment for the semester is a 15 minute presentation and term paper of no more than 10 pages in length. In this paper, you are expected to apply the major concepts presented in the course to the analysis of a policy problem of your choice (e.g. global warming, homeland security, military policy in Iraq, regulation of mortgage lending, etc. etc.). In particular you should develop an *informational* perspective on the problem. Specifically, you should (a) describe your view of the optimal resolution of the problem (b) explain exactly what information would be needed to implement that resolution, (b) the problems of incentives that hinder the collection or appropriate use of

that information. As we develop the concepts in the course in more detail, we will discuss this project further. Each student will make his or her presentation during one of the meetings of the last two weeks of the semester. The final paper, which should cover the same material as your presentation, will be due on the date for which the course's final exam is scheduled (usually about 1 week after the last day of classes). I require each student to meet with me individually to discuss his or her plans for this project by Friday October 10 (the first Friday after Fall break). I will circulate more specific guidelines for this assignment later in the semester. Your presentation counts for 10% of your final grade. The final paper counts for 30%.

SCHEDULE OF MEETINGS AND READINGS

Part I: Electoral Control of Officeholders

Tuesday 9/2, Thursday 9/5	Introduction to the Course, with the Iraq War as an Example
Tuesday 9/9, Thursday 9/11, Tuesday 9/16, Thursday 9/18	POLITICAL ACCOUNTABILITY AS "MORAL HAZARD"; BASIC MODELING TOOLS lecture slides
Tuesday 9/23, Thursday 9/18, Tuesday 9/30, Thursday 10/2	POLITICAL ACCOUNTABILITY AS "ADVERSE SELECTION"; PANDERING Eric Maskin and Jean Tirole (2004) "The Politician and the Judge: Accountability in Government." American Economic Review, 94(4): 1034.

Electoral Control

	ELECTORAL CONTROL IN PRACTICE	
Tuesday 10/7, Thursday 10/9	Timothy Besley and Anne Case (1995) "Does Electoral Accountability Affect Economic Policy Choices? Evidence from Gubernatorial Term Limits." <i>Quarterly Journal of Economics.</i> 110(3): 769.	
	Christopher Achen and Larry Bartels (2002) "Blind Retrospection: Electoral Responses to Drought, Flu, and Shark Attacks." Paper Prepared for Presentation at the Annual Meeting of the American Political Science Association Boston, MA.	
Part II: Governance as a Problem of Information		
	Information and Economic Policy	
Tuesday 10/14, Thursday 10/16	Friedrich Hayek (1945) "The Use of Knowledge in Society". The American Economic Review 35 (4): $519-530$. Reading on Climate Change TBA	
	Condorcet's Optimistic View	
Tuesday 10/21, Thursday 10/23	Bernard Grofman and Scott L. Feld (1988) "Rousseau's General Will: A Condorcetian Perspective." American Political Science Review, 82(2): 567.	
Tuesday $10/28$,	Bayesian Equilibrium and a Pessimistic View	
Thursday 10/30, Tuesday 11/4, Thursday 11/6	David Austin-Smith and Jeffrey S. Banks (2001) "Information Aggregation, Rationality, and the Condorcet Jury Theorem" <i>American Political Science Review</i> , 90(1): 34.	

Governance and Information

Tuesday 11/11,	Government (and markets and) as a "Mechanism";
Thursday 11/13,	Electoral Control Reconsidered
Thursday 11/20 (No class 11/18), Tuesday 11/25	Eric Maskin (2008) "Mechanism Design: How to Implement Social Goals". American Economic Review. 98(3): 567 – 576.

Part III: Student (and possibly instructor) Presentations

12/2, 12/4, 12/9, and 12/11