Political Science 556: The Political Economy of Reform

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Purpose: Contemporary theory in political science and economics increasingly emphasizes the role of institutions. In Central and Eastern Europe, meanwhile, institutions have seen an unprecedented degree of experimentation, reform and variation since 1989. This course will integrate recent theoretical developments with contemporary case studies drawn primarily from the region. Emphasis will be placed upon the political and economic consequences of the choice of institutions and upon the politics of institutional design.

Requirements:
- Students are expected to come to class prepared to discuss the assigned material and participate actively.
- In some weeks, one of the students will make a brief (fifteen minute maximum) presentation of one of the more technical articles, marked in the syllabus by an asterisk (*), and then answer questions. Imagine that the paper is your own work, and you are presenting it at a conference.
- Write a 20-30 page empirical research paper that tests a hypothesis about the politics of economic reform. Papers are due Friday, April 28, at noon (please distribute copies to all participants in the class). Each student will present his or her paper orally and participate in discussion of all of the papers. The purpose is to offer constructive criticism that will help the authors to revise their work.

Grading: 50% final paper, 50% class participation.
Books recommended for purchase, in order of use:


These books are assigned in whole or substantial part, so it will be convenient to own a copy.

Also ordered, but used less extensively:


Course Outline:

**Week 1: Introduction and Course Overview**


**Week 2: Institutions**


**Week 3: Voting and Electoral Control**


**Week 4: Principal-Agent Models and Central Planning**


**Week 5: Redistribution and Public Goods**

P&T, Chpts. 6-7

Drazen, Chpts. 8-9


Week 6: Leaders and Institutions I

Bueno de Mesquita et al., *The Logic of Political Survival*, Chpts. 1-5. Chpt. 3*

P&T, Chpt. 8

Week 7: Leaders and Institutions II

Bueno de Mesquita et al., *The Logic of Political Survival*, Chpts. 6-10.

P&T, Chpts. 9-10

Week 8: Commitment, Credibility and Reputation

P&T, Chpts. 11-12, 15.
Drazen, Chpts. 4-6


Week 9: Elections and political cycles

P&T, Chpt. 16.
Drazen, Chpt. 7.


Week 10: Policy Change and Rent Seeking

Drazen, Chpts. 10, 13.


Week 11: The IMF and the Post-Communist Transition


Week 12: Student presentations