

**University of Pennsylvania Department of Economics**  
**Econ 32: Political Economy**  
**Spring 2018**

<b>Lectures</b>	Tuesday & Thursday 10:30-11:50 (McNeil 167-168).
<b>Instructor</b>	Deniz Selman (denizs@econ.upenn.edu) <i>Office Hours:</i> Wednesday 4:45-5:45 and by appointment (McNeil 560).
<b>Description</b>	This course examines the effects of strategic behavior on political outcomes and government policies. Topics and applications may include voting behavior, candidate competition, voting systems, social choice and welfare, and policy divergence.
<b>Prerequisites</b>	Econ 1 and 2 (or Econ 10). Credit cannot be received for both Econ 32 and Econ 232.
<b>Readings</b>	Mandatory readings will be assigned throughout the semester. They will include both academic papers and recent news articles which are relevant to the topics we will be discussing in lecture.
<b>Lectures</b>	I will primarily teach by writing on the blackboard. Please make arrangements to borrow a friend's notes if you miss a lecture. In order to discourage classroom distractions, <b><i>the use of laptops and other electronic devices is not permitted during lectures.</i></b> If you have a special condition which makes this a difficulty for you, please let me know.
<b>Homework</b>	There will be four homework assignments collected for grading during the semester. Homework assignments will be posted on Canvas one week before the due date and due at the beginning of lecture (no later than 10:35 am) either as a hard copy or as a pdf via email, on the following due dates (all Tuesdays): <b>(1) 30 January, (2) 27 February, (3) 3 April, (4) 17 April.</b> <i>No late homework assignments will be accepted.</i> You are free to discuss homework assignments with others. However, each student must submit a personal copy for grading.
<b>Quizzes</b>	There will be four in-class quizzes held on the following dates (all Thursdays): <b>(1) 1 February, (2) 1 March, (3) 5 April, (4) 19 April.</b> NO MAKE-UP QUIZZES: <i>You will receive a zero for any quiz that you miss for any reason.</i> To accommodate students who must miss a quiz, your lowest quiz grade will be dropped and the average of the other three quizzes will constitute the quiz portion of your grade.
<b>Exams</b>	<b><i>Exam 1: Tuesday 6 February (in class, beginning at 10:35 am sharp).</i></b> <b><i>Exam 2: Tuesday 20 March (in class, beginning at 10:35 am sharp).</i></b> <b><i>Exam 3: Tuesday 24 April (in class, beginning at 10:35 am sharp).</i></b> MAKE-UP POLICY FOR EXAMS: Only students who contact me <i>before</i> an exam <i>and</i> provide a written excuse will be eligible to take a make-up exam. Students who miss an exam and are not eligible to take a make-up exam will receive a grade of zero on that exam. RE-GRADING POLICY: Students have one week from the day in which examinations and problem sets are returned to report errors in grading and/or to request that problems be re-graded. All such requests must be made in writing. If a student submits his/her exam for re-grading, then the student's entire exam will be re-graded with no guarantee of a higher total score. OTHER POLICIES & PROCEDURES: Apart from these stated specifics regarding quizzes and exams above, this course complies with all departmental policies as posted on the departmental website at: <a href="http://economics.sas.upenn.edu/undergraduate-program/course-information/guidelines/policies">http://economics.sas.upenn.edu/undergraduate-program/course-information/guidelines/policies</a> .
<b>Grading</b>	Homework Assignments (15%), Quizzes (15%), Exam 1 (20%), Exam 2 (25%), Exam 3 (25%).

**Course Outline 0) Some basic game theoretical tools...**

*(tentative)*

Strategic Behavior  
Nash Equilibrium

**1) Voting Behavior: Downsian Model and Theories of Participation in Elections**

Individual Rationality and the Pivotal Voter Model  
Rule Utilitarianism and the Ethical Voter Model

**2) Strategic Voting**

Voting in Multicandidate Elections: Sincere vs. Strategic Voting  
Voting with Incomplete Information: The Swing Voter's Curse  
Herd Behavior and Information Cascades

*Application: Voting in Sequential Elections such as the U.S. Presidential Primaries*

**3) Electoral Competition**

Downsian Model  
Median Voter Theorem  
Condorcet Paradox  
Theories of Policy Divergence

**4) Electoral Rules**

Systems of Voting  
Social Choice and Social Welfare Theory: Gibbard-Satterthwaite Impossibility Theorem