

Public Choice

Instructor Information

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Course Description

Public Choice describes a way of thinking about politics. It starts with the silly assumption that people are rational – people generally know what they want and make choices accordingly – and explores its implications for the likely decisions of such political actors as voters, politicians, bureaucrats, lobbyists, etc.. These decisions include everything from whether to vote in an election to how to design a constitution. One of the main objectives of the course is to assess the degree to which what we actually observe about politics is consistent with the assumption that people are rational.

Because we explore how & why people make decisions, part of the course is devoted to developing some of the tools needed to understand decision making. Central to the required toolset are the concepts and mechanics of Game Theory – the theory of how people make decisions when they take into account the likely responses of others to those decisions, which is pretty much always the case when it comes to politics. So, be prepared for a lot of clear thinking and a little bit of algebra.

The goals of the course are to equip you with and understand the reach of some critical tools for understanding the decisions of political actors. If you want to change the way politics works then it is essential that you understand at the most fundamental level how it works. Nothing is more fundamental to politics than the choices people make. If you believe that politics is largely driven by cold, heartless, self-serving decisions then this course offers essential insight.

Required Books

- Hindmoor. 2006. Rational Choice
- Heckelman. 2004. Readings in Public Choice Economics
- Olson. 1965. The Logic of Collective Action
- North. 1981. Structure and Change in Economic History

Additional Readings

Additional readings will be either be posted under Course Documents on the course Blackboard site or made available through Electronic Reserves at the General Library. Please see weekly assignments as listed on the course Blackboard site (<http://courses.utexas.edu>).

Grading

- Midterm Exam 30% (Thursday, March 8th, in class)
- Final Exam 40% (Wednesday, May 9th, 9:00 a.m. - 12:00 noon)
- Homework 30%

Academic Integrity

There is no tolerance for academic dishonesty in the course. Please refer to the following information maintained by Student Judicial Services about academic integrity for good rules of thumb to avoid problems: http://deanofstudents.utexas.edu/sjs/acint_student.php

Students with Disabilities

Students with disabilities may request appropriate academic accommodations from the Division of Diversity and Community Engagement, Services for Students with Disabilities, 471-6259, <http://www.utexas.edu/diversity/ddce/ssd/>

Course Communication

Official course announcements will be made in class and/or posted on the course Blackboard website. Personal email is welcome but do not count on it being answered outside of regular business hours. Also, please do not use email for any questions regarding grades or other [FERPA protected information](#).

Religious Accommodation

Please notify me of your pending absence at least fourteen days prior to the date of observance of a religious holy day. If you must miss a class, an examination, a work assignment, or a project in order to observe a religious holy day, you will be given an opportunity to complete the missed work within a reasonable time after the absence.

Weekly Topics & Readings

January 17th – January 19th

Introduction

- Hindmoor, pp. 1-21
- Gwartney & Wagner (Heckelman, pp. 3-18)

January 24th – January 26th

Collective Action

- Olson, The Logic of Collective Action

January 31st – February 2nd

Economic & Political Growth

- North, Structure and Change in Economic History

February 7th – February 9th

Rent Seeking

- Hindmoor, pp. 155-180
- Tollison (Heckelman, pp. 24-39)
- Tullock (Heckelman, pp. 40-52)

February 14th – February 16th

Theory of Regulation

- Stigler (1971) – See Course Documents
- Posner (1974) – See Course Documents
- McChesney (Heckelman, pp. 53-72)

February 21st – February 23rd

Bureaucrats are People Too

- Hindmoor, pp. 129-154
- Blais & Dion (Heckelman, pp. 126-145)
- Breton & Wintrobe (Heckelman, pp. 146-161)

February 28th – March 1st

Elections and the Economy

- Soh (Heckelman, pp. 165-185)
- Fair (Heckelman, pp. 186-200)

- Case (Heckelman, pp. 201-214)

March 6th – March 8th

Exam Week

- Exam Review (3/6)
- **Midterm Exam (3/8)**

March 20st – March 22nd

Money & Politics

- Readings posted on Blackboard

March 27th – March 29th

Institutions Matter

- Readings posted on Blackboard

April 3rd – April 5th

A week of Game Theory

- Readings posted on Blackboard

April 10th – April 12th

Social Choice: Choosing Decision Rules

- Hindmoor, pp. 49-101
- Buchanan (Heckelman, pp. 219-231)
- Spindler (Heckelman, pp. 232-241)
- Mackay (Heckelman, pp. 242-251)

April 17th – April 19th

Social Choice: Majority Rule

- Hindmoor, pp. 22-48
- McEachern (Heckelman, pp. 255-266)
- Dixit & Nalebuff (Heckelman, 267-287)

April 24th – April 26th

Social Choice: Alternate Voting Procedures

- Levin & Nalebuff (Heckelman, pp. 308-334)
- Martin, Shields, Tolwinski, & Kent (Heckelman, pp. 335-353)

May 1st

The Limits of Rational Choice

- Hindmoor, pp. 181-218

May 3rd

Exam Review

May 9th

Final Exam