University of Pennsylvania Department of Economics
Econ 32: Political Economy
Spring 2019

Lectures Tuesday & Thursday 12:00-1:20 (McNeil 410).

Instructor Deniz Selman (denizs@econ.upenn.edu)
Office Hours: Wednesday 3:30-4:30 and by appointment (PCPE 541).

TA Collum Freedman (collumf@sas.upenn.edu)
Office Hours: Monday 4:00-6:00 (PCPE 208).

Description 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.

Prerequisites Econ 1 and 2 (or Econ 10). Credit cannot be received for both Econ 32 and Econ 232.

Readings 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.

Lectures 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, ***the use of laptops and other electronic devices is not permitted during lectures.*** If you have a special condition which makes this a difficulty for you, please let me know.

Homework 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 12:05 pm) either as a hard copy or electronically, on the following due dates:
 (1) Thu 31 January, (2) Tue 26 February, (3) Tue 26 March, (4) Thu 18 April.
No late homework assignments will be accepted. You are free to discuss homework assignments with others. However, each student must submit a personal copy for grading.

Quizzes There will be four in-class quizzes held on the following dates:
(1) Tue 5 February, (2) Thu 28 February, (3) Thu 28 March, (4) Tue 23 April.
NO MAKE-UP QUIZZES: *You will receive a zero for any quiz that you miss for any reason.* 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.

Exams ***Exam 1: Thursday 14 February (in class, beginning at 12:05 pm sharp).***
Exam 2: Tuesday 2 April (in class, beginning at 12:05 pm sharp).
Exam 3: Tuesday 30 April (in class, beginning at 12:05 pm sharp).
MAKE-UP POLICY FOR EXAMS: Only students who contact me *before* an exam *and* 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:
http://economics.sas.upenn.edu/undergraduate-program/course-information/guidelines/policies.

Grading Homework Assignments (16%), Best Three Quizzes (15%), Three Exams (23% each).

Course Outline
(tentative)

0) Some basic game theoretical tools…
    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