Political Economy in Macroeconomics

The main text for the course is Drazen, *Political Economy in Macroeconomics*, Princeton University Press, 2000 (PEM) and journal articles.

The prerequisite for the course is the first-year micro and macro sequences. The requirements for the course are two: a class presentation; and a take-home exam at the end of the course. The class presentation will be of an applied article in the second half of the semester.

There will be no class on Monday, September 22 and Monday, October 6. We will need to find make-up dates.

I. Introduction
PEM, chapter 1.

II. Time Consistency
PEM, chapter 4, pp. 101-121

III. Reputation and Credibility
PEM, chapter 6, especially 6.4, 6.6 - 6.9
IV. Elections
PEM, chapter 7.
PEM, chapter 3, p.70-85

V. Political Business Cycles
PEM, chapter 7.

VI. Redistribution
PEM, chapter 8.
VII. Special Interest Politics
Drazen, Lecture Notes on Interest Groups

VIII. Public Goods
PEM, chapter 9

IX. Policy Inaction and Delay
PEM, chapter 10

Class Presentations on Applied Topics
Factor Accumulation and Growth

**The Open Economy**


