

316-686 Positive Political Economics

Credit Points:	12.50
Level:	9 (Graduate/Postgraduate)
Dates & Locations:	2009, This subject commences in the following study period/s: Semester 2, - Taught on campus.
Time Commitment:	Contact Hours: Lectures and tutorials totalling 3 hours per week (Semester 2). Total Time Commitment: Not available
Prerequisites:	316-312 Macroeconomics or equivalent; 316-313 Microeconomics or equivalent.
Corequisites:	None
Recommended Background Knowledge:	None
Non Allowed Subjects:	None
Core Participation Requirements:	<p><p>For the purposes of considering request for Reasonable Adjustments under the Disability Standards for Education (Cwth 2005), and Student Support and Engagement Policy, academic requirements for this subject are articulated in the Subject Overview, Learning Outcomes, Assessment and Generic Skills sections of this entry.</p> <p>It is University policy to take all reasonable steps to minimise the impact of disability upon academic study, and reasonable adjustments will be made to enhance a student's participation in the University's programs. Students who feel their disability may impact on meeting the requirements of this subject are encouraged to discuss this matter with a Faculty Student Adviser and Student Equity and Disability Support: http://services.unimelb.edu.au/disability</p></p>
Coordinator:	Dr Roland Hodler
Subject Overview:	This subject provides an overview of the field of political economics. Political economics extends the scope of standard economic analysis by assuming that individuals follow their own agenda and maximize their own utility not only in the economic, but also in the political sphere. The following broad areas will be covered: Determinants of institutional quality and its effect on economic performance; models of political competition and (re-)elections; various (so-called) political and institutional failures, including corruption and rent seeking, and delays in welfare-increasing reforms.
Objectives:	<p>On successful completion of this subject students should be able to:</p> <ul style="list-style-type: none"> # Reflect on determinants and effects of institutional quality; # Explain different models of political competition; # Understand when re-elections can discipline an incumbent government and when they can lead to inefficient policies; # Apply models of political competition to understand observed policies; # Discuss the main causes and effects of corruption; # Apply lobbying and rent seeking models to understand observed policies; # Understand why welfare-increasing reforms are often delayed; # Critically evaluate real-world policies from a political economics perspective.
Assessment:	A 2-hour end-of-semester examination (70%) and a class assignment totalling approximately 3000 words (30%).
Prescribed Texts:	Journal articles and the textbook Persson, T. and Tabellini, G., 2000, Political Economics: Explaining Economic Policy, MIT Press.
Breadth Options:	This subject is not available as a breadth subject.

Fees Information:	Subject EFTSL, Level, Discipline & Census Date, http://enrolment.unimelb.edu.au/fees
Generic Skills:	On successful completion of this subject, students should have improved the following generic skills: <ul style="list-style-type: none"># Written communication;# Problem solving;# Interpretation and analysis;# Critical thinking;# Receptiveness to alternative ideas.