

Political Analysis II
Political Science 301
Spring 2002



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This course is intended as a general introduction to a specific type of political analysis, most closely associated with economic approaches to politics. As we will see, economists initially developed many results found in this literature before political scientists started to ask similar questions. Second, some assumptions and theoretical techniques used to analyze politics are very similar to market analyses of consumer behavior and the theory of the firm. Therefore the approach to politics developed in this course shares some features with economic understandings of society. Despite any similarities with economic analyses of markets or firms, the findings we investigate are directly applicable to political behavior of groups and public policy outcomes in legislatures.

This course focuses on two sets of questions about politics. One set of questions involves general features of individual rationality and the likely effect these features have on interest groups and political parties while another set of questions involves the logic of legislative organizations and theoretical aspects for manipulating policy outcomes in legislatures. The material in this course is useful for students interested in pursuing a career in a legislature or the governance of firms, because it involves discussions of the organization and rules for policy votes in legislatures. The material in this course is also useful for students interested in mass politics or grass roots organizing, since we discuss the main variables influencing successful collective actions. Students will receive a general overview of the main findings in these areas of politics and they will be expected to express these findings in short written works.

In the second part of the course we turn our attention to individual choice behavior and its relation to small and large groups in society. We investigate if people behave differently in markets than in politics and when they can be expected to behave differently. Would you expect people to be less selfish or more selfish in politics? Do people join interest groups because of their commitment to social ideals or because of what they get from the group? Why do groups fail to achieve goals even when the achievements of these goals are likely to benefit everyone in the group? What kinds of interest groups can be expected to succeed? Is there any kind of logic inherent in successful grass roots organizations?

A theme that links most sections of this class is its focus on democracy. We consider the origins of government, the emergence of democratic structures, strategies for consolidating democracy and problems associated with creating markets and democracy simultaneously. Near the end of the class we focus exclusively on democratic rules and institutions, considering both how they can be expected to function or fail, as well as how they can be captured by individuals or groups of self-interested political actors. Our focus will be to show how legislatures can be manipulated to serve the interests of a few people, rather than a majority of legislators. This review will lead us to a general understanding of different normative properties associated with majority rule.

COURSE REQUIREMENTS

Lectures, Discussions and Participation

Although there is a lecture component to this class, individual participation is critical for developing a collective perspective on the topics covered in the course. As an incentive to complete the reading assignments and participate in class discussions, you will be graded for your class contributions. Your class participation grade will include attendance, quizzes and short written assignments. Quizzes in this class will be announced in advance, and will normally cover announced topics or questions. (I reserve the right to give unannounced quizzes.) Class participation, including quizzes, is worth **20%** of your grade.

Class Participation and Quizzes	20%
Homework and Papers	40%
Midterm	20%
Final	20%

Homework and Paper Assignments

There will be five or six written homework assignments this semester. Several of these will be problem sets. I will provide you with an explanation for how to complete these assignments and get a good grade for your efforts on the homework. You will also be expected to write two or three papers during the semester. One paper will be a book review. Another paper will ask you to apply your knowledge in this class to readings or problems in other classes. Instructions for the papers will be provided during the semester.

Midterm and Final Examinations

The midterm exam is worth **20%** of your final grade. The exam is scheduled before the midterm break, on Wednesday, March 6th. I will provide students with an overview of the material on the midterm exam before the exam date. The final exam will be a cumulative two-hour test that is worth **20%** of your final grade. The final exam will be held on Monday, May 7th, 2:00p. A study guide with topics and questions will be available for the final exam a week before the exam.

Office Hours

Discussions outside of class (with other students or your professors) are an important part of learning at St. Mary's College. I strongly encourage you to speak with me outside of class (who knows, maybe you will have fun, besides getting useful suggestions on the material). My office hours are Monday and Wednesday after class, from 4:30-5:30p. If you cannot make these office hours, you can always make an appointment with me for another time. You can also reach me by e-mail during the week if you need some quick feedback. I am usually available for afternoon lunches if that works better for you. We can discuss your work, your research ideas, my work, or your ideas about politics.

REQUIRED TEXTS

The following texts are available at ST. MARY'S CAMPUS STORE. Other readings are posted on electronic reserves in the library.

1. Przeworski, Adam. Democracy and the Market. (Cambridge: University Press, 1991).
2. Strom, Gerald S. The Logic of Lawmaking. (Baltimore, MD: Johns Hopkins University Press, 1990).
3. Shepsle, Kenneth A. and Mark S. Bonchek, Analyzing Politics. (New York: W.W. Norton & Company, 1997).

4. Electronic Reserves (e-r) on the web at St. Mary's Library: <http://www.smcm.edu/eReserves/index.cfm>

TOPICS AND READING ASSIGNMENTS

Individual Behavior and Political Theory

1. *Theories, Rationality and Problems in Decision Theory*

- A. Michael Cain, "What is Political Methodology?"
- B. Shepsle and Bonchek, *Analyzing Politics*, Chapters 1-2.
- C. Jon Elster, *Nuts and Bolts for the Social Sciences*, Chapter 1.

Application

- Mancur Olson, "Democracy, Dictatorship and Development," *American Political Science Review* September 1993. e-r
- D. Amos Tversky and Daniel Kahneman, "Rational Choice and the Framing of Decisions," in *The Limits of Rationality*, Cook and Levi eds. e-r
- E. Jon Elster, *Nuts and Bolts for the Social Sciences*, Chapters 2-5.

Application

- Kuran, Timur, "Now out of Never: The Element of Surprise in Eastern Europe in 1989," *World Politics*, vol. 44, No. 1, Oct., 1991. e-r

Homework Essay 1: *What is Rationality?*

Homework Problems 1: *Rational Choice and Decision Theory*

Individual Behavior and Group Choices

1. *Strategic Behavior and Games*

- A. Thomas Shelling, *Micro Motives and Macro Behavior*, Chapter One. e-r
- B. Dixit and Skeath, "How to Think About Strategic Games," *Games of Strategy*, Chapter 2. e-r
- C. Dixit and Skeath, "Games with Sequential Moves," *Games of Strategy*, Chapter 3, pp. 43-53. e-r

Application

- Adam Przeworski, "Transitions to Democracy," *Democracy and Markets*, Chapter 2.

Homework Problems 2: *Game Theory I*

2. *The Prisoner's Dilemma Game*

- A. Kenneth A. Shepsle and Mark S. Bonchek, *Analyzing Politics*, Chapter 8.
- B. Sally, David. (1995) *Conversation and Cooperation in Social Dilemmas, Rationality and Society* 7, No. 1: 58-92.

Application

- Adam Przeworski, “Transitions to Democracy,” *Democracy and Markets*, Chapter 1.

Homework Problems 3: *Game Theory II*

Homework Essay 2: *Understanding Political Rationality*

3. Collective Action and Free-riding Behavior

- A. Shepsle, Kenneth A. and Mark S. Bonchek, *Analyzing Politics*, Chapter 9-10.

Application

- Inge Kaul et al. “Defining Global Public Goods,” *Global Public Goods*. (New York: UNDP, 1999).
 - Nancy Birdsall and Robert Lawrence, “Deep Integration and Trade Agreements,” *Global Public Goods*. (New York: UNDP, 1999). *e-r*
- B. Shelling, “Thermostats, Lemons and Other Families of Models,” *Micro Motives and Macro Behavior*, Chapter 3. *e-r*

Application

- Adam Przeworski, “Transitions to Democracy,” *Democracy and Markets*, Chapter 4.
- Joel S. Hellman, Joel S. “Winner Take All: The Politics of Partial Reform in Post-communist Transitions,” *World Politics* 50.2 (1998). *e-r*

Homework Problem 4: Public Good Theory

Homework Essay 3: Public Goods and Politics

Group Decision-Making in Democracy

1. Aggregating Individual Votes to Form a Rational, Democratic Social View Point

- A. Shepsle, Kenneth A. and Mark S. Bonchek, *Analyzing Politics*, Chapter 3-4 and 7.
- B. Michael Cain, “*Social Choice Theory*,” *The Elgar Companion to Public Choice*. Edward Elgar, 2001. *e-r*

2. The Median Voter, Manipulation and Legislative Outcomes

- A. Gerald Strom, *The Logic of Law-making*. (Baltimore: Johns Hopkins University Press, 1990).

Homework Problem 5: Voting and Legislatures

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International Relations

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- Bueno de Mesquita, Bruce (1981). The War Trap. New Haven, CT: Yale University Press.
- Bueno de Mesquita, Bruce and David Lalman (1992). War and Reason. New Haven, CT: Yale University Press
- Olson, Mancur, The Rise and Decline of Nations. New Haven, CT: Yale University Press, 1982.
- Shelling, Thomas (1966) Arms and Influence. New Haven, CT: Yale University Press.
- Zagare, Frank C., editor. Modeling International Conflict. New York, Gordon and Breach Science Publishers, 1990.

Rationality

- Allais, Maurice and Ole Hagen, eds., Expected Utility Hypotheses and the Allais Paradox. (Boston: D. Reidel Publishing Co., 1979)
- Benzion, Uri, Amnon Rapoport, and Joseph Yagil, "Discount Rates Inferred From Decisions: An Experimental Study" Management Science, Vol.35, No. 3, March 1989.
- Davidson, Donald, Essays on Actions and Events. (Oxford: University Press, 1980).
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- Elster, Jon, Sour Grapes: Studies in the Subversion of Rationality. (Cambridge: University Press, 1983).
- _____, ed., The Multiple Self. (Cambridge: University Press, 1985).
- Einhorn, Hillel J. and Robin M. Hogarth, "Behavioral Decision Theory: Processes of Judgement and Choice," American Review of Psychology, 1981, **32**, pp.53-88.
- Fishburn F.C., Utility Theory and Decision Making, (New York: Wiley, 1970).
- Jarrow, Robert "An integrated Axiomatic Approach to the Existence of Ordinal and Cardinal Utility," Theory and Decision 22 (1987)
- Jeffrey, Richard C., The Logic of Decision, 2nd edition. (Chicago: University Press, 1983).
- Kahneman, D. and Amos Tversky, "Prospect Theory: An Analysis of Decision Under Risk", Econometrica. Vol.47, March 1979, No.2.
- Kahnman, D., P. Slovic, and A. Tversky, eds. Judgment Under Uncertainty: Heuristics and biases. (New York: Cambridge University Press, 1982).
- Luce, R. Duncan and Patrick Suppes, "Preference, Utility, and Subjective Probability", in the Handbook of Mathematical Psychology, R. Duncan Luce, Robert Bush, and Eugene Galanter, eds. (New York: John Wiley and Sons, 1965).
- Mansbridge, Jane J., ed., Beyond Self-Interest. (Chicago: University Press, 1990).
- Shoemaker, Paul J. "The Expected Utility Model: Its Variants, Purposes, Evidence and Limitations" Journal of Economic Literature Vol. XX (June 1982), pp.529-563.
- Herbert Simon, "Human Nature in Politics: The Dialogue of Psychology with Political Science". The American Political Science Review. March 1984, Vol. 75, pp.293-304.
- Tversky, A. and Daniel Kahneman, "The Framing of Decisions and the Psychology of Choice", Science. Vol.211, 30 Jan. 1981.

Collective Action

- Alphons, J. C. Van De Kragt, Robyn M. Dawes, and John M. Orbell, 1988. "Are People Who Cooperate 'Rational Altruists'?" Public Choice, Vol 56: 233-247.
- Chong, Dennis, Collective Action and the Civil Rights Movement. (University of Chicago Press, 1991).
- Dawes, Robyn M. Alphons J.C. Van de Kragt, and John Orbell, "Not Me or Thee but We: The importance of Group Identity in Eliciting Cooperation in Dilemma Situations: Experimental Manipulations," Acta Psychologica 68 (1988): 83-97.
- Frohlich, Norman, et. al., "Individual Contributions for Collective Goods" Journal of Conflict Resolution, Vol.19, No.2, June 1975, p.310-329.
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Controversy in Rational Choice

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