

Applied Political Economy

Last Updated: Mon, 01/05/2026

Course prefix: PUBP

Course number: 3020

Section: 1

CRN (you may add up to five):

31317

Instructor First Name: Nicholas

Instructor Last Name: Short

Semester: Spring

Academic year: 2026

Course description:

There are two different conceptions of political economy. The first is the effects of politics on the economy. The second is the use of economic incentives and models to study politics. We will use both. This is applied political economy, meaning that we will be looking at how these approaches inform our understanding of public policy and the world around us.

Course learning outcomes:

Part 1: Property, Markets and Institutions 101

This part of the course introduces students to the study of political economy as a discipline and to the foundational concepts of property, markets, and institutions. We also review different theories for defining (and measuring) social welfare. At the end of this section, students should be able to: (1) define (and distinguish between) property, markets, and institutions; (2) specify the social functions of each; and (3) articulate three different ways of defining social welfare.

Part 2: Classical Political Economy

A relatively small group of intellectuals have played a pivotal role in theorizing about the forces that shape the political economy. In this part of the course, we discuss their theories in depth. At the end of this section, students should be able to: (1) describe the context in which each wrote (the events each theorist was reacting to); (2) summarize the main assumptions and assertions of each theory; (3) identify at least one major limitation (or unfulfilled prediction) of each theory.

Part 3: Governance and Market Failures

In this part of the course, we study four classes of problems that arise when individual interests and collective goals do not align. At the end of this section, students should be able to: (1) identify and provide examples of each problem; (2) relate the problem to a kind of game and use game theory to specify the interests of the parties involved; (3) describe how certain institutions that surmount the problem and facilitate cooperation.

Part 4: Political Institutions and Economic Performance

Markets are embedded in polities, and political institutions shape economic development by influencing voters, structuring political conflict, and shaping the economic agenda. In this part of the course, we study these institutions and mechanisms. By the end of this section, students should be able to: (1) describe the major theories about what motivates voter behavior; (2) explain how political parties and electoral rules structure political conflict and bias policy in favor of certain interest groups; (3) compare the U.S. with another democracy in terms of its political institutions and market structure.

Part 5: Applications

A political economy approach can give us deep insights into different policy challenges. In this part of the course, we examine how the dilemmas and challenges covered earlier in the course manifest in contemporary issues. Students should consider how the broader themes of the course explain or elucidate the essential conflict driving each policy challenge.

Required course materials:

Heilbroner, Robert L. *The Worldly Philosophers: The Lives, Times, and Ideas of the Great Economic Thinkers*. Revised Seventh Edition. New York: Simon and Schuster, 1999.

Grading policy:

Perusall #1 - 10%

Perusall #2 - 10%

Take Home Essays - 10%

Political Economy Problem Set - 10%

Applied Political Economy Paper - 30%

Paper Presentation - 20%

Attendance and Participation - 10%

All assignments will be due at the end of the day listed above. Each assignment will have a separate entry in Canvas that explains in more detail what is expected and what criteria are used to grade it. To complete some assignments, students will upload a file in the relevant assignment place in Canvas. Collective readings are done within the Perusall app. Assignments should be graded with feedback within one week of submission.

For the Reading (Perusall) assignments, there is no grace period; the Perusall access shuts down when the time expires. For the other two assignments, there is a 3-day grace period but for every late two percentage points will be deducted from your overall score. This policy will be applied regardless of the reason for your lateness.

Attendance policy:

Attendance and participation are mandatory and count for 10 percent of the overall grade.

Academic honesty/integrity statement:

Students are expected to maintain the highest standards of academic integrity. All work submitted must be original and properly cited. Plagiarism, cheating, or any form of academic dishonesty will result in immediate consequences as outlined in the university's academic integrity policy.

Core IMPACTS statement(s) (if applicable):

Students will effectively analyze the complexity of human behavior, and how historical, economics, political, social, or geographic relationships develop, persist, or change.