



UNIVERSITÀ
CATTOLICA
del Sacro Cuore

Political and public economics

PROF. MASSIMO BORDIGNON

Course aims and intended learning outcomes

This course provides an introduction to the main theoretical tools, and some of the most interesting empirical results for public and development economics, emerging from the modern literature on political economics (or political economy, as is also known).

Course content

In political economics the emphasis shifts from normative to positive analysis. Rather than asking how economic policy should be organized to meet some given efficiency or equity objectives, this literature asks how the different political institutions (the voting mechanism, the form of the state, the functioning of the legislature, the degree of electoral competition, etc.) determine which policies will in fact be adopted by governments. The normative perspective re-emerges, in case, in the choice of optimal political institutions. In an extension, the literature also asks which institutions are promoting growth and development and whether democracy is more conducive to growth than competing institutions.

Reading list

The course is based on lecture notes from the professor and readings from the most recent scientific literature that will be suggested during the course. However, a good reference textbook for the first part of the course is:

T. PERSSON- G. TABELLINI, Political Economics: Explaining Economic Policy, MIT Press, 2000.

As an introduction to the second part, students would benefit by reading

D. ACEMOGLOU- J. ROBINSON, Why Nations Fail, Crown Publishing Group, 2012.

Assessment method and criteria

The exam is written. There is no intermediate test.

The evaluation and marking of the students will be based on:

1. Written examination at the end of the course (from 0-27 points);
2. A public debate among students (from 0 to 4 points) on relevant issues in the field, based on the most recent literature.

For a final potential maximum score of 31 (trenta e lode).

The written examination is made up of 6 questions, among which students need to choose 4 in a two hour time span. Each question carries the same weight in the final marking. One question is an analytic exercise, usually a slight development of the economic models covered by the lecturer during the course. A part of the course is devoted to classes that explain students how to solve the different economic models presented and discussed during the main lectures.