

Political Economics Explaining Economic Policy Zeuthen Lectures

Presents an analysis of major economic crises over the past two hundred years. The Making of Economic Policy begins by observing that most countries' trade policies are so blatantly contrary to all the prescriptions of the economist that there is no way to understand this discrepancy except by delving into the politics. The same is true for many other dimensions of economic policy. Avinash Dixit looks for an improved understanding of the politics of economic policy-making from a transaction cost perspective. Such costs of planning, implementing, and monitoring an exchange have proved critical to explaining many phenomena in industrial organization. Dixit discusses the variety of similar transaction costs encountered in the political process of making economic policy and how these costs affect the operation of different institutions and policies. Dixit organizes a burgeoning body of research in political economy in this framework. He uses U.S. fiscal policy and the General Agreement on Tariffs and Trade (GATT) as two examples that illustrate the framework, and show how policy often deviates from the economist's ideal of efficiency. The approach reveals, however, that some seemingly inefficient practices are quite creditable attempts to cope with transaction costs such as opportunism and asymmetric information. Copublished with the Center for Economic Studies and the IfO Institute This book accompanies Political Economics: Explaining Economic Policy and suggests solutions to the problems contained in each chapter.

An exploration of the role that special interest groups play in modern democratic politics. Special Interest Politics Spending to Win The Politics of International Economic Relations Ethics: Economics, & Politics Regional Trading Blocs in the World Economic System Political Economy and Policy Analysis The politics surrounding exchange rate policies in the global economy The exchange rate is the most important price in any economy, since it affects all other prices. Exchange rates are set, either directly or indirectly, by government policy. Exchange rates are also central to the global economy, for they profoundly influence all international economic activity. Despite the critical role of exchange rate policy, there are few definitive explanations of why governments choose the currency policies they do. Filled with in-depth cases and examples, Currency Politics presents a comprehensive analysis of the politics surrounding exchange rates. Identifying the motivations for currency policy preferences on the part of industries seeking influence politicians, Jeffrey Frieden shows how each industry's characteristics—including its exposure to currency risk and the price effects of exchange rate movements—determine those preferences. Frieden evaluates the accuracy of his theoretical arguments in a variety of historical and geographical settings; he looks at the politics of the gold standard, particularly in the United States, and he examines the political economy of European monetary integration. He also analyzes the politics of Latin American currency policy over the past forty years, and focuses on the daunting currency crises that have frequently debilitated Latin American nations, including Mexico, Argentina, and Brazil. With an ambitious mix of narrative and statistical investigation, Currency Politics clarifies the political and economic determinants of exchange rate policies. Formal Models of Domestic Politics offers a unified and accessible approach to canonical and important new models of politics. Intended for political science and economics students who have already taken a course in game theory, this new edition retains the widely appreciated pedagogic approach of the first edition. Coverage has been expanded to include a new chapter on nondemocracy: new material on valence and issue ownership, dynamic veto and legislative bargaining, delegation to leaders by imperfectly informed politicians, and voter competence; and numerous additional exercises. Political economists, comparativists, and Americanists will all find models in the text central to their research interests. This leading graduate textbook assumes no mathematical knowledge beyond basic calculus, with an emphasis placed on clarity of presentation. Political scientists will appreciate the simplification of economic environments to focus on the political logic of models; economists will discover many important models published outside of their discipline; and both instructors and students will value the classroom-tested exercises. This is a vital update to a classic text.

First published in 1990, Routledge is an imprint of Taylor & Francis, an informa company. Is economic nationalism an outdated phenomenon in light of globalization? Economic Nationalism in a Globalizing World demonstrates the enduring, and even heightened, economic significance of national identities and nationalism in the current age. The volume's contributors, pioneers in the reinterpretation of economic nationalism, explore diverse ways in which national identities and nationalism continue to shape contemporary economic policies and processes. The authors examine the question in a range of geographical contexts and issues: European Union food politics, competitiveness strategies in New Zealand, East Asian development strategies, Japanese liberalization, monetary politics in Quebec and Germany, and post-Soviet economic reforms. Together, the cases explore the policy breadth of nationalism. It is not just a "protectionist" ideology but is in fact associated with a wide variety of economic policies, including support for economic liberalization and globalization. Markets, Power, and Ideas as Sources of Change Currency Politics The Origins of Power, Prosperity, and Poverty Sufficient Reason Political Economy in Macroeconomics Transition and Economics

What are the most fundamental differences among the political economies of the developed world? How do national institutional differences condition economic performance, public policy, and social well-being? Will they survive the pressures for convergence generated by globalization and technological change? These have long been central questions in comparative political economy. This book provides a new and coherent set of answers to them. Building on the new economics of organization, the authors develop an important new theory about which differences among national political economies are most significant for economic policy and performance. Drawing on a distinction between 'liberal' and 'coordinated' market economies, they argue that there is more than one path to economic success. Nations need not converge to a single Anglo-American model. They develop a new theory of 'comparative institutional advantage' that transforms our understanding of international trade, offers new explanations for the response of firms and nations to the challenges of globalization, and provides a new theory of national interest to explain the conduct of nations in international relations. The analysis brings the firm back into the centre of comparative political economy. It provides new perspectives on economic and social policy-making that illuminate the role of business in the development of the welfare state and the dilemmas facing those who make economic policy in the contemporary world. Emphasizing the 'institutional complementarities' that link labour relations, corporate finance, and national legal systems, the authors bring interdisciplinary perspectives to bear on issues of strategic management, economic performance, and institutional change. This pathbreaking work sets new agendas in the study of comparative political economy. As such, it will be of value to academics and graduate students in economics, business, and political science, as well as to many others with interests in international relations, social policy-making, and the law. This book proposes a new framework for explaining and anticipating foreign economic policy changes, at the same time providing a fascinating account of three American policy shifts that transformed the postwar international monetary system. Originally published in 1982, The Princeton Legacy Library uses the latest print-on-demand technology to again make available previously out-of-print books from the distinguished backlist of Princeton University Press. These editions preserve the original texts of these important books while presenting them in durable paperback and hardcover editions. The goal of the Princeton Legacy Library is to vastly increase access to the rich scholarly heritage found in the thousands of books published by Princeton University Press since its founding in 1905.

Most of economics takes politics for granted. Through some (often implausible) assumptions, it seeks to explain away political structures by characterizing them as stable and predictable or as inconsequential in what goes on in an economy. Such attempts are misguided, and this book shows how governments and political institutions are composed of people who respond to incentives and whose behavior and choices can be studied through the lens of economics. This book aims to bridge the gap between economics and politics, and in doing so hopes to instill in the reader a deeper appreciation for social scientific thinking. Opening with a refresher on microeconomics and an introduction to the toolkit of political economy, it ensures that the necessary building blocks are in place before building up from the level of the individual and the firm to show how a political-economic equilibrium can be achieved. The text explores how to separate primitives—the external parts of a model that we cannot affect—from outcomes—the internal parts of a model that we can. Moreover, it demonstrates that economic and political issues alike can be studied within the same general framework of analysis. Political Economy and Policy Analysis offers readers the chance to gain a more sophisticated understanding of political processes, economic processes, and the interplay among them. Adopting an applied microeconomics approach, it will be ideal for upper-level undergraduate or postgraduate courses on political economy, public choice, or policy analysis. Can traditional economic theory help to solve today's vexing social problems? This unique collection of thirty-six papers strongly suggests that it can. The economic approach is applied imaginatively by the authors to a wide range of contemporary issues, such as crime, higher education, the environment, revenue sharing, equity, justice, and the distribution of income. The articles also deal with governmental behavior and the role of the economist as governmental adviser. Shaped during the preparation and teaching of college classes, the book is well suited for courses in principles of economics, microeconomics, price theory, and public policy development and analysis. It should also prove a useful reference work for policy makers.

Political Economics-Explaining Economic Policy
 Nine Economic Policy Disasters and What We Can Learn from Them
 The National System of Political Economy
 Political Economics
 A Transaction-Cost Politics Perspective
 Selected Readings

Post-conflict reconstruction is one of the most pressing political issues today. This book uses economics to analyze critically the incentives and constraints faced by various actors involved in reconstruction efforts. Through this analysis, the book will aid in understanding why some reconstructions are more successful than others. Political Crises, Social Conflict and Economic Development is a rare attempt to undertake comparative political economy analysis of the Andean region and thus represents a welcome contribution. . . It is clearly written and will engage scholars interested in Latin America from a wide range of disciplines. Jonathan D John, Journal of Agrarian Change This collection of essays on the political economy of the Andean region goes to the heart of the struggle these smaller economies face in completing crucial reforms and achieving higher growth. Andrés Solimano has brought together the best and the brightest talent from each country, the result being the most compelling analysis ever of how enclave development and a historical dependence on primary exports renders these countries distinctly Andean. As the essays argue, the political solutions and economic remedies must address this phenomenon, rather than mimicking those strategies of the larger emerging market countries in the region. Carol Wise, University of Southern California, US The contributors to this authoritative volume analyze the impact of political crises and social conflict on economic performance in the Andean region of Latin America. The blend of theory and case studies is also relevant for understanding other complex societies in the developing world and transition economies. The book provides illuminating insights on how to understand, and survive, the complicated interactions between volatile politics, unstable democracies, violence, social inequality and uneven economic performance. Recent political economy theories are combined with valuable quantitative and qualitative information on presidential crises, breakdowns of democracy, constitutional reforms, quality of institutions, and social inequality and exclusion to understand actual country realities. Part I provides the conceptual framework and a regional perspective of the book. Part II contains five political economy country studies Bolivia, Colombia, Ecuador, Peru and Venezuelaa written by leading scholars in the field and former senior policymakers, including a former President. Together, the chapters highlight the detrimental effects of political instability and social conflict on economic growth and stability, as well as the feedback effects from poor economic performance on political instability and institutional fragility. The country studies warn that narrow economic reforms that do not pay adequate attention to politics, institutions and social structures are bound to fail in bringing lasting prosperity and stability to complex societies. Examining new and rich information on episodes of political turmoil, military interventions, forced presidential resignations, constitutional reforms and social uprisings, this book will be required reading for all those interested in the interface of politics and economic development. "I had the good fortune to grow up in a wonderful area of Jerusalem, surrounded by a diverse range of people: Rabbi Meizel, the communist Sala Marcel, my widowed Aunt Hannah, and the intellectual Yaacovson. As far as I'm concerned, the opinion of such people is just as authoritative for making social and economic decisions as the opinion of an expert using a model." Part memoir, part crash-course in economic theory, this deeply engaging book by one of the world's foremost economists looks at economic ideas through a personal lens. Together with an introduction to some of the central concepts in modern economic thought, Ariel Rubinstein offers some powerful and entertaining reflections on his childhood, family and career. In doing so, he challenges many of the central tenets of game theory, and sheds light on the role economics can play in society at large. Economic Fables is as thought-provoking for seasoned economists as it is enlightening for newcomers to the field. One theme that has emerged from the recent literature on political economy concerns the transition to democracy: why would dominant elites give up oligarchic power? This book addresses the fundamental question of democratic stability and the collapse of tyranny by considering a formal model of democracy and tyranny. The formal model is used to study elections in developed polities such as the United States, the United Kingdom, the Netherlands, Canada, and Israel, as well as complex developing polities such as Turkey. The key idea is that activist groups may offer resources to political candidates in turn adjust their policies in favor of the interest group. In polities that use a "first past the post" electoral system, such as the US, the bargaining between interest groups and candidates creates a tendency for activist groups to coalesce: in polities such as Israel and the Netherlands, where the electoral system is very proportional, there may be little tendency for activist coalescence. A further feature of the model is that candidates, or political leaders, like Barack Obama, with high intrinsic charisma, or valence, will be attracted to the electoral center, while less charismatic leaders will move to the electoral periphery. This aspect of the model is used to compare the position taking and exercise of power of authoritarian leaders in Portugal, Argentina and the Soviet Union. The final chapter of the book suggests that the chaos that may be induced by climate change and rapid population growth can only be addressed by concerted action directed by a charismatic leader of the Atlantic democracies.

The Reason of Rules
 Politics, Markets, and Firms
 Explaining Economic Policy
 Forecasting Non-stationary Economic Time Series
 Textbook of Global Health
 Problem-Driven Political Economy Analysis

In the traditional analysis of economic institutions include social conventions, the working rules of an economy, and entitlement regimes (property relations)—economists invoke the same theories they use when analyzing individual behavior. In this profoundly innovative book, Daniel Bromley challenges these theories, arguing instead for "volitional pragmatism" as a plausible way of thinking about the evolution of economic institutions. Economies are always in the process of becoming. Here is a theory of how they become. Bromley argues that standard economic accounts see institutions as mere constraints on otherwise autonomous individual action. Some approaches to institutional economics—particularly the "new" institutional economics—suggest that economic institutions emerge spontaneously from the voluntary interaction of economic agents as they go about pursuing their best advantage. He suggests that this approach misses the central fact that economic institutions are the explicit and intended result of authoritative agents—legislators, judges, administrative officers, heads of states, village leaders—who volitionally decide upon working rules and entitlement regimes whose very purpose is to induce behaviors (and hence plausible outcomes) that constitute the sufficient reasons for the institutional arrangements they create. Bromley's approach avoids the prescriptive consequentialism of contemporary economics and asks, instead, that we see these emergent and evolving institutions as the reasons for the individual and aggregate behavior their very adoption anticipates. These hoped-for outcomes comprise sufficient reasons for new laws, judicial decrees, and administrative rulings, which then become instrumental to the realization of desired individual behaviors and thus aggregate outcomes. The first and definitive book of its kind, Joan Spero's The Politics of International Economic Relations has been fully updated to reflect the sweeping changes in the international arena. With the expertise of co-author Jeffrey Hart, the fifth edition strengthens the coverage of political and economic relations since the end of the Cold War, economic polarization in developing nations and the roots of economic decline in centrally planned economies. A new chapter on industrial policy and competitiveness debates further illustrates the changing dynamics of International Political Economy. Ideal as a supplement to the International Relations course or as the core text in International Political Economy, Spero and Hart's The Politics of International Economic Relations continues to give students the breadth and depth of scholarship needed to understand the politics of world economy.

An award-winning professor of economics at MIT and a Harvard University political scientist and economist evaluate the reasons that some nations are poor while others succeed, outlining provocative perspectives that support theories about the importance of institutions. This book studies the interfaces of ethics, economics, and politics. Public policy issues involve all three of these subjects. Although it may be seen as suggesting the nucleus of a joint university course, the book is accessible to and should interest all those concerned with political decisions. Any such decision needs a criterion for judging whether one action or outcome is better than another. Even a dictator must be concerned about the economic welfare of the citizens; and a democratic government more so. But how is a person's economic welfare to be judged? Furthermore, any political decision affects the economic welfare of different people differently. How then is the welfare of a community to be judged? This is an ethical question. Underlying any coherent public policy there must be a relevant moral code.

The Political Economy of Exchange Rate Policy
 Constitutional Political Economy
 U.S. International Monetary Policy
 Workbook to Accompany Political Economics
 Making Sense of the Post-2008 World
 Explaining Stagflation

Societies function on the basis of rules. These rules, rather like the rules of the road, coordinate the activities of individuals who have a variety of goals and purposes. Whether the rules work well or ill, and how they can be made to work better, is a matter of major concern. Appropriately interpreted, the working of social rules is also the central subject matter of modern political economy. This book is about rules - what they are, how they work, and how they can be properly analysed. The authors' objective is to understand the workings of alternative political institutions so that choices among such institutions (rules) can be more fully informed. Thus, broadly defined, the methodology of constitutional political economy is the subject matter of The Reason of Rules. The authors have examined how rules for political order work, how such rules might be chosen, and how normative criteria for such choices might be established.

This book explores whether the world economy is breaking up into regional trading and currency blocs centred on the European Community, Japan and the United States. Frankel uses trade, investment and financial data to assess this issue. He concludes with an analysis of how trends in regional economic integration can be used as building blocks for a stronger multilateral system.

Models of Political Economy will introduce students to the basic methodology of political economics. It covers all core theories as well as new developments including: decision theory game theory mechanism design games of asymmetric information, Hannu Nurmi's text will prove to be invaluable to all students who wish to understand this increasingly technical field. This volume presents eight good practice examples of problem-driven political economy analysis conducted at the World Bank, and reflect what the Bank has so far been able to achieve in mainstreaming this approach into its operations and policy dialogue.

Development, Geography, and Economic Theory
 The Making of Economic Policy
 Principles of Public Policy
 The Institutional Foundations of Comparative Advantage
 Modern Political Economics

WRONG Continuing his groundbreaking analysis of economic structures, Douglass North develops an analytical framework for explaining the ways in which institutions and institutional change affect the performance of economies, both at a given time and over time. Institutions exist, he argues, due to the uncertainties involved in human interaction: they are the constraints devised to structure that interaction. Yet, institutions vary widely in their consequences for economic performance: some economies develop institutions that produce growth and development, while others develop institutions that produce stagnation. North first explores the nature of institutions and explains the role of transaction and production costs in their development. The second part of the book deals with institutional change. Institutions create the incentive structure in an economy, and organisations will be created to take advantage of the opportunities provided within a given institutional framework. North argues that the kinds of skills and knowledge fostered by the structure of an economy will shape the direction of change and gradually alter the institutional framework. He then explains how institutional development may lead to a path-dependent pattern of development. In the final chapter, North explains the implications of this analysis for economic theory and economic history. He indicates how institutional analysis must be incorporated into neo-classical theory and explores the potential for the construction of a dynamic theory of long-term economic change. Douglass C. North is Director of the Center of Political Economy and Professor of Economics and History at Washington University in St. Louis. He is a past president of the Economic History Association and Western Economics Association and a Fellow, American Academy of Arts and Sciences. He has written over sixty articles for a variety of journals and is the author of The Rise of the Western World: A New Economic History (CUP, 1973, with R.P. Thomas) and Structure and Change in Economic History (Norton, 1981). Professor North is included in Great Economists Since Keynes edited by M. Blaug (CUP, 1998 paperback ed). THE CRITICAL WORK IN GLOBAL HEALTH. NOW COMPLETELY REVISED AND UPDATED "This book compels us to better understand the contexts in which health problems emerge and the forces that underlie and propel them." -Archbishop Emeritus Desmond Mpilo Tutu HINI. Diabetes. Ebola. Zika. Each of these health problems is rooted in a confluence of social, political, economic, and biomedical factors that together inform our understanding of global health. The imperative for those who study global health is to understand these factors individually and, especially, synergistically. Fully revised and updated, this fourth edition of Oxford's Textbook of Global Health offers a critical examination of the array of societal factors that shape health within and across countries, including how health inequities create consequences that must be addressed by public health, international aid, and social and economic policymaking. The text equips students, scholars, and public health professionals with the building blocks for a contextualized understanding of global health, including essential threads that are combined in no other work - historical dynamics of the field - the political economy of health and development - analysis of the current global health structure, including its actors, agencies, and activities - societal determinants of health, from global trade and investment treaties to social policies to living and working conditions - the role of health data and measuring health inequities - major causes of global illness and death, including under crises, from a political economy of health vantage point that goes beyond communicable vs. non-communicable diseases to incorporate contexts of social and economic deprivation, work, and globalization - the role of trade/investment and financial liberalization, precarious work, and environmental degradation and contamination - principles of health systems and the politics of health financing - community, national, and transnational social justice approaches to building healthy societies and practicing global health ethically and equitably through this approach the Textbook of Global Health encourages the reader - be it student, professional, or advocate - to embrace a wider view of the global health paradigm, one that draws from political economy considerations at community, national, and transnational levels. It is essential and current reading for anyone working in or around global health.

Original and thought-provoking, it readily accepted that economic decisions are made in a political world. But economics eventually separated itself from politics to pursue rigorous methods of analyzing individual behavior and markets. Recently, an increasing number of economists have turned their attention to the old question of how politics shape economic outcomes. To date, however, this growing literature has lacked a cogent organization and a unified approach. Here, in the first full-length examination of how political forces affect economic policy decisions, Allan Drazen provides a systematic treatment, organizing the increasingly influential "new political economy" as a more established field at the highly productive intersection of economics and political science. Although he provides an extraordinarily helpful guide to the recent explosion of papers on political economy in macroeconomics, Drazen moves far beyond survey, giving definition and structure to the field. He proposes that conflict or heterogeneity of interests should be the field's essential organizing principle, because political questions arise only when people disagree over which economic policies should be enacted or how economic costs and benefits should be distributed. Further, he illustrates how heterogeneity of interests is crucial in every part of political economy. Drazen's approach allows innovative treatment—using rigorous economic models—of public goods and finance, economic growth, the open economy, economic transition, political business cycles, and all of the traditional topics of macroeconomics. This major text will have an enormous impact on students and professionals in political science as well as economics, redefining how decision makers on several continents think about the full range of macroeconomic issues and informing the approaches of the next generation of economists. Although many international political economy texts offer good descriptions of what events have occurred in global economic and political relations, they make little attempt to develop explicit theoretical frameworks explaining why. Andrew Sobel's International Political Economy in Context: Individual Choices, Global Effects takes a more public approach to international political economy that considers the fact that individuals/nations make choices. Grounding policy choices in the competitive environs of domestic politics and decision-making processes, Sobel illustrates how policymakers choose among alternatives, settling on those that are most in sync with their self-interest. The book is structured to build students' skills for a sophisticated understanding of how and why events unfold in the international political economy. Students become versed in the primary assumptions and structural/macro conditions of economic and political geography in the global arena. An examination of micro-level conditions and mechanisms introduces the factors that influence political and economic outcomes. Students are then able to use those primary assumptions and micro-level arrangements to make sense of past and present changes in the global political economy. Those familiar with Sobel's first volume, Political Economy and Global Affairs, will easily find their way through this new book. Anyone looking for a compelling, accessible, and fully integrated rational choice perspective on international political economy will find it here.

The Economic Approach to Public Policy
 International Political Economy in Context
 Geography and Trade
 Varieties of Capitalism
 Towards a Political Economy Framework

Political Institutions, Economic Geography, and Government Subsidies The transition from socialism to capitalism in former socialist economies is one of the main economic events of the twentieth century. Not only does it affect the lives of approximately 1.65 billion people, but it is contributing to a shift in emphasis in economics from standard price and monetary theory to contracting and its institutional environment. Economic research in transition shows not only that institutions matter but also how their evolution toward higher efficiency depends on initial conditions and on sustained political support. Unlike early policy literature on transition economics, which focused on the so-called Washington consensus, this book provides an overview of current research, analyzing issues raised by transition for which economic theorists and policy makers had no ready answers. It shows how research on transition contributes to our understanding of capitalism as an economic system and of the dynamics of large-scale institutional change. The book is divided into three parts. The first part looks at how large-scale reforms are decided dynamically through the political process. The second part looks at the general equilibrium and macroeconomic effects of liberalization in economies without preexisting markets. The third part looks at the economic behavior of firms in the transition from state to private ownership and compares the effects of privatization, restructuring, and financial reform. Although focused on transition economics, the discussions are relevant to topics in political economics, development, public economics, corporate finance, and micro- and macroeconomics.

"I have spent my whole professional life as an international economist thinking and writing about economic geography, without being aware of it," begins Paul Krugman in the readable and anecdotal style that has become a hallmark of his writings. Krugman observes that his own shortcomings in ignoring economic geography have been shared by many professional economists, primarily because of the lack of explanatory models. In Geography and Trade he provides a stimulating synthesis of ideas in the literature and describes new models for implementing a study of economic geography that could change the nature of the field. Economic theory usually assumes away distance. Krugman argues that it is time to put it back - that the location of production in space is a key issue both within and between nations. The authors of The Economic Effects of Constitutions use economic tools to study what they call the "missing link" between constitutional systems and economic policy; the book is an uncompromisingly empirical sequel to their previous theoretical analysis of economic policy. Taking recent theoretical work as a point of departure, they ask which theoretical findings are supported and which are contradicted by the facts. The results are based on comparisons of political institutions across countries or time, in a large sample of contemporary democracies. They find that presidential/parliamentary and majoritarian/proportional dichotomies influence several economic variables: presidential regimes induce smaller public sectors, and proportional elections lead to greater and less targeted government spending and larger budget deficits. Moreover, the details of the electoral system (such as district magnitude and ballot structure) influence corruption and structural policies toward economic growth. Persson and Tabellini's goal is to draw conclusions about the causal effects of constitutions on policy outcomes. But since constitutions are not randomly assigned to countries, how the constitutional system was selected in the first place must be taken into account. This raises challenging methodological problems, which are addressed in the book. The study is therefore important not only in its findings but also in establishing a methodology for empirical analysis in the field of comparative politics.

This text on economic forecasting asks why some practices seem to work empirically despite a lack of formal support from theory. After reviewing the conventional approach to forecasting, it looks at the implications for causal modelling, presents forecast errors and delineates sources of failure. Institutions, Institutional Change and Economic Performance The Economic Effects of Constitutions

The Political Economy of Exporting Democracy
 Formal Models of Domestic Politics
 Models of Political Economy
 Development, Democracy, and Welfare States

What determines the size and form of redistributive programs, the extent and type of public goods provision, the burden of taxation across alternative tax bases, the size of government deficits, and the stance of monetary policy during the course of business and electoral cycles? A large and rapidly growing literature in political economics attempts to answer these questions. But so far there is little consensus on the answers and disagreement on the appropriate mode of analysis. Combining the best of three separate traditions—the theory of macroeconomic policy, public choice, and rational choice in political science—Torsten Persson and Guido Tabellini suggest a unified approach to the field. As in modern macroeconomics, individual citizens behave rationally, their preferences over economic outcomes inducing preferences over policy. As in public choice, the delegation of policy decisions to elected representatives may give rise to agency problems between voters and politicians. And, as in rational choice, political institutions shape the procedures for setting policy and electing politicians. The authors outline a common method of analysis, establish several new results, and identify the main outstanding problems.

Krugman examines the course of economic geography and development theory to shed light on the nature of economic inquiry. Political Economics Explaining Economic Policy MIT Press Once in a while the world astonishes itself. Anxious incredulity replaces intellectual torpor and a puzzled public strains its antennae in every possible direction, desperately seeking explanations for the causes and nature of what just hit it. 2008 was such a moment. Not only did the financial system collapse, and send the real economy into a tailspin, but it also revealed the great gulf separating economics from a very real capitalism. Modern Political Economics has a single aim: To help readers make sense of how 2008 came about and what the post-2008 world has in store. The book is divided into two parts. The first part delves into every major economic theory, from Aristotle to the present, with a determination to discover clues of what went wrong in 2008. The main finding is that all economic theory is inherently flawed. Any system of ideas whose purpose is to describe capitalism in mathematical or engineering terms leads to inevitable logical inconsistency; an inherent error that stands between us and a decent grasp of capitalist reality. The only scientific truth about capitalism is its radical indeterminacy, a condition which makes it impossible to use science's tools (e.g. calculus and statistics) to second-guess it. The second part casts an attentive eye on the post-war era; on the breeding ground of the Crash of 2008. It distinguishes between two major post-war phases: The Global Plan (1947-1971) and the Global Minotaur (1971-2008). This dynamic new book delves into every major economic theory and maps out meticulously the trajectory that global capitalism followed from post-war almost centrally planned stability, to designed disintegration in the 1970s, to an intentional magnification of unsustainable imbalances in the 1980s and, finally, to the most spectacular privatisation of money in the 1990s and beyond. Modern Political Economics is essential reading for Economics students and anyone seeking a better understanding of the 2008 economic crash.

Political Crises, Social Conflict and Economic Development
 The Political Economy of Democracy and Tyranny
 Economic Nationalism in a Globalizing World

After War Latin America, East Asia, and Eastern Europe This is the first book to compare the distinctive welfare states of Latin America, East Asia, and Eastern Europe. Stephan Haggard and Robert Kaufman trace the historical origins of social policy in these regions to crucial political changes in the mid-twentieth century, and show how the legacies of these early choices are influencing welfare reform following democratization and globalization. After World War II, communist regimes in Eastern Europe adopted wide-ranging socialist entitlements while conservative dictatorships in East Asia sharply limited social security but invested in education. In Latin America, where welfare systems were instituted earlier, unequal social security systems favored central sector workers and the middle class. Haggard and Kaufman compare the different welfare paths of the countries in these regions following democratization and the move toward more open economies. Although these transformations generated pressure to reform existing welfare systems, economic performance and welfare legacies exerted a more profound influence. The authors show how exclusionary welfare systems and economic crisis in Latin America forced incentives to adopt liberal social-policy reforms, while social entitlements from the communist era limited the scope of liberal reforms in the new democracies of Eastern Europe. In East Asia, high growth and pervasive fiscal conditions provided opportunities to broaden social entitlements in the new democracies. This book highlights the importance of placing the contemporary effects of democratization and globalization into a broader historical context. Governments in some democracies target economic policies, like industrial subsidies, to small groups at the expense of many. Why do some governments redistribute more narrowly than others? Their willingness to selectively target economic benefits, like subsidies to businesses, depends on the way politicians are elected and the geographic distribution of economic activities. Based on interviews with government ministers and bureaucrats, as well as parliamentary records, industry publications, local media coverage, and new quantitative data, Spending to Win: Political Institutions, Economic Geography, and Government Subsidies demonstrates that government policy-making can be explained by the combination of electoral institutions and economic geography. Specifically, it shows how institutions interact with economic geography to influence countries' economic policies and international economic relations. Identical institutions have wide-ranging effects depending on the context in which they operate. No single institution is a panacea for issues, such as income inequality, international economic conflict, or minority representation.

The Political Economy of the Andean Region
 Macroeconomic Policy
 Volitional Pragmatism and the Meaning of Economic Institutions
 Economic Fables
 Why Nations Fail
 The World Bank's Experience