

Public Choice

ECON 410 – Spring 2013

Instructor: Edward Austin Middleton
emiddlet@gmu.edu

Course Meeting Times

Tuesday/Thursday Innovation Hall 204, 10:30 – 11:45 am

Office Hours:

Enterprise Hall, Workstation 342, Thursday 12:30 – 2:30 and by appointment.

Course Description

The course provides a survey of *public choice*, a field in economics which applies rational choice theory – the economic way of thinking – to decision making by persons who are neither traditional buyers nor sellers in contexts that aren't traditional markets. One such context, politics, will be the focus of much of the class.

Prerequisites

ECON 103 (Principles of Microeconomics) or equivalent

Texts

Most of the class material consists of the lectures and papers which are available online. The following books are required and available at the GMU bookstore:

Bryan Caplan, *The Myth of the Rational Voter*
Gordon Tullock, *The Social Dilemma*

The following books are available online:

Robert Cooter, *The Strategic Constitution*,
<http://www.law.berkeley.edu/faculty/cooterr/PDFpapers/stratcon.PDF>
David Friedman, *The Machinery of Freedom*
http://davidfriedman.com/The_Machinery_of_Freedom_.pdf

Grading

The weights for determining the final grade are as follows:

5% Quizzes
10% Reading Responses
25% Part 1 Midterm
25% Part 2 Midterm
35% Final

There will be 12 quizzes over the course of the semester. They will cover the reading for that day and are closed book, closed note. I will drop the lowest two quiz grades.

Questions will be graded on a 0-5 scale.

Correct: 3-5
I don't know: 2

Incorrect: 0

The Reading Responses is a single paragraph assigned for each reading due at the beginning of class to be written on your own. Tell me the point of the piece and the progression of argument employed in its pursuit. Do so in -5- sentences. In the event of multiple readings, choose one. These will be graded on a -1 to 1 point scale.

Coherent: 1
Not turned in: 0
Incoherent: -1

There will be two midterms and a final exam. Each midterm will cover only material in that part of the course. The final will be cumulative, though weighted more towards the material in the final part. The midterms and final are open book, open notes, but you may *not* use any device with networking capability (such as laptops, tablets, or cell phones).

This class is primarily lecture format, but I encourage students to ask questions about the lectures and readings. There is no formal grade for participation, but if you are one of the students who (in my judgment) contributes most to class discussion, your grade will be improved by one step (e.g. from a B- to a B).

(Tentative) Schedule

Please come prepared to discuss the readings listed for each class date below:

-- Part 1 --

January

22: Introduction, Course Overview, "What is Public Choice?"

Median Voter Theorem

24: Cooter, pp. 42-62, 73-82

29: James Madison, Federalist No. 10 and associated Wikipedia article.

Rational Ignorance and Rent Seeking

31: Buchanan and Tullock, *The Calculus of Consent*, Ch. 4

Tullock, "The Welfare Costs of Tariffs, Monopolies, and Theft."

February

5: Somin, "When Ignorance Isn't Bliss"

Efficiency and Bargaining

7: Coase, "The Problem of Social Cost"

12: Cooter, pp. 66-71

Acemoglu, "Why Not a Political Coase Theorem" Sections 1 and 6.

14: Part 1 Midterm

-- Part 2 --

Public Opinion and Voter Motivation

19: Caplan, “Mises, Bastiat, Public Opinion, and Public Choice”

Expressive Voting and Rational Irrationality

21: Caplan, CH 1, 2

26: Caplan, CH 3

28: Caplan, CH 4, 5

March

5: Caplan, CH 6, 7

Political Competition, Autocracy, Revolution

7: Cooter, pp. 167-171, 197-218

12-14: Spring Break. Make good choices.

19: Tullock, pp 33-106

21: Continued discussion.

26: Tullock, pp 186-224

Common Law and Judicial Decision Making

28: “Common Law” Wikipedia article

Priest, “The Common Law Process and the Selection of Efficient Rules”

April

2: Leeson, “Ordeals!”

4: Part 2 Midterm

-- Part 3 --

Religion

9: Iannaccone, “Introduction to the Economics of Religion”

11: Leeson, “Animal Trials”

Crime

16: Friedman, “Crime” in the Concise Encyclopedia of Economics

Friedman, “Rational Criminals and Profit-Maximizing Police”

Friedman, “Why Not Hang Them All? The Virtues of Inefficient Punishment”

Anarchy

18: Friedman, pp 58-85

23: Caplan, “Anarchist Theory FAQ”

Agency

25: Smith, *Theory of Moral Sentiments*, Part 1, Section 1; Part 2, Section 2

30: Adair, “Fame and the Founding Fathers”

May

2: Review Session

14: Final Exam. 10:30 am – 1:15 pm