What is an appropriate way to model the political decision making process, particularly with regard to economic policy? This class considers formal mathematical models of political decision making, of the type used in political economy. Classical results covered include Arrow’s impossibility theorem, the median voter theorem, and the potential for Condorcet cycles in more complicated policy spaces. More recent topics covered include lobbying, and the credibility of monetary policy.

Prerequisites: Intermediate microeconomics and econometrics. Some exposure to game theory would be helpful, but is not required. A small amount of multivariable calculus will be used (as in ECON 121).