This course examines issues on the political economy of institutions, with an empirical emphasis on developing countries (especially in Latin American) from a comparative perspective. It draws on theoretical tools and concepts used mostly in economics (such as game theory and the new institutional economics) to look into issues that are largely political. The first part of the class looks into theories of institutions and of institutional development, with emphasis on long-term development paths and on the endogeneity of institutions. The second part of the class investigates the contemporaneous functioning of political systems and policymaking processes, and their effects on public policies and economic performance. Some empirical topics include federalism, redistribution, and social policies. The emphasis will be on the ideas, not on the modeling per se, but students should be able to read materials that base their arguments on mathematical models and/or econometric evidence. The class is geared towards graduate students in Economics and Political Science — and it assumes some knowledge of game theory and of classic results in public choice / social choice theory.

Semester offered: Not offered