The courses focuses on the connections between economics and politics in domestic American government. Among the topics examined are the structural restraints on economic activity and policy-making, the historical development of current political-economic institutions and policies, and the interaction between electoral politics and economic policy and performance. The course explores the relationship between politics and the economy at both the long-term, structural level and the more immediate level of normal macroeconomic policy making.

In addition to attending class, completing the readings, and engaging in discussions, the course requirements include completion of two short (6-8 page) papers and a take-home exam. The exam will count for two-thirds of the grade, with the remainder determined by the short papers and oral contributions to the seminar. An independent, research paper (15-25 pages) may be substituted for the exam. Formal oral presentations may be required.

Each of the two short papers is to analyze some aspect of the substantive parts of the course listed below. One paper must be completed before Spring Break. The papers are to be placed in my mailbox the day before the relevant course. The short papers may focus on the same material as oral presentations. The exam questions will be made available on April 30. The completed exam is due in my mailbox by noon, Monday May 5.

The following books are available for purchase:
- Paul Peterson City Limits
- Douglass C. North Institutions, Institutional Change, and Economic Performance
- James Livingston The Origins of the Federal Reserve
- John Woolley Monetary Politics
- James Savage Balanced Budgets and American Politics
- Margaret Weir Politics and Jobs
- Derthick and Quirk The Politics of Deregulation
- Marc Eisner Regulatory Politics in Transition

A reading packet is on reserve in the library.

Part 1: Introduction: Political Economics (January 15)

The Political Structure of the American Economy

Part 2: Deep Structures and Political Economic Development (January 22)
- Richard Bensel Sectionalism and American Political Development ch. 2
- Barrington Moore Social Origins of Dictatorship and Democracy ch. 3
- Fred Block "The Ruling Class Does Not Rule," in Revising State Theory
- Douglass North "A Neoclassical Theory of the State," in Structure and Change in Economic History

Part 3: Economic Structuring of Politics (January 29)
Paul Peterson City Limits ch. 1-4
Paul Kantor The Dependent City Revisited ch. 1-4

Part 4: Structuring Economies (February 5)
Douglass C. North Institutions, Institutional Change, and Economic Performance

Regulatory Politics

Part 5: The Origins of Regulation (February 12)
Keith Poole and Howard Rosenthal "Congress and Railroad Regulation: 1874 to 1887," in The Regulated Economy
Gerald Berk Alternative Tracks ch. 4
Marc Eisner Regulatory Politics in Transition ch. 2-3

Part 6: Regulation and Deregulation (February 19)
Marc Eisner Regulatory Politics in Transition ch. 8
Derthick and Quirk The Politics of Deregulation ch. 1-4, 7

The Politics of Money

Part 7: The Money Question (February 26)
Bruce Palmer "Man Over Money" ch. 7-8
James Livingston The Origins of the Federal Reserve

No Class—Spring Break—March 5

Part 8: Money Politics (March 12)
John Woolley Monetary Politics

Fiscal Politics

Part 9: The Tax Question (March 19)
W. Elliot Brownlee "Tax Regimes, National Crisis, and State Building in America," in Funding the Modern State
Robert Stanley Dimensions of Law in the Service of Order ch. 1
Sven Steinmo Democracy and Taxation ch. 6

Part 10: Deficit Politics (March 26)
James Savage Balanced Budgets and American Politics ch. 1-2, 5-7

Part 11: Electoral Economics (April 2)
Edward R. Tufte *Political Control of the Economy* ch. 2
Friederich Schneider and Bruno S. Frey "Polito-Economic Models of Macroeconomic Policy: A Review of the Empirical Evidence" in *Political Business Cycles*
William Keech *Economic Politics* ch. 3-4

Social Policy

**Part 12: Inflation and Unemployment (April 9)**
- Douglas Hibbs *The American Political Economy* ch. 1, 4
- Brian Barry "Does Democracy Cause Inflation? Political Ideas of Some Economists" in *The Politics of Inflation and Economic Stagflation*
- William Mitchell "Inflation and Politics: Six Theories in Search of Reality" in *Political Business Cycles*
- Thomas Willett and King Banaian "Explaining the Great Stagflation: Towards a Political Economy Framework," in *Political Business Cycles*

**Part 13: Regulating Labor (April 16)**
- Christopher Tomlins *The State and the Unions* ch. 6
- Theda Skocpol, Kenneth Finegold, and Michael Goldfield "Explaining New Deal Labor Policy," *APSR* 84 (1990): 1297
- Steve Fraser "The 'Labor Question'" in *The Rise and Fall of the New Deal Order*

**Part 14: Employment Policy (April 23)**
- Margaret Weir *Politics and Jobs*

**Part 15: Welfare Policy (April 30)**
- Theda Skocpol and John Ikenberry "The Political Formation of the American Welfare State in Historical and Comparative Perspective," *Comparative Social Research* 6 (1983)
- Frances Fox Piven and Richard Cloward *Regulating the Poor* ch. 1, 6, 9-10