

## Economics 609 (Political Economy)

Instructor:	Mehdi Shadmehr	Lecture Location:	SS 423
Phone:	(404) 220-7149	Lecture Days/Time:	TR 2:00 – 3:15
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Office Hours:	By appointment	(Winter 2017)	

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### Course Description

We discuss: (1) some aspects of principal-agent problems more deeply, including the analysis of problems with a continuum of types; (2) some basic material in the calculus of variation and optimal control with an emphasis on economics applications; (3) mediation and correlated equilibria; (4) global games; (5) political economy of authoritarian regimes with an emphasis on coordination problems and information manipulation.

### Course Objectives/Learning Outcomes

To cover some more advanced topics of game theory that have not been fully covered in earlier courses, with an emphasis on the political economy of authoritarian regimes. To help students find research topics for their thesis, and prepare them to do theoretical research.

**Prerequisites/corequisites:** Ph.D. core micro courses, Econ 707 and Econ 757.

### Required Textbook(s)

- **The Theory of Incentives: The Principal-Agent Model**, by Laffont and Martimort.
- **Game Theory: Analysis of Conflict**, by Myerson.
- **Oligopoly Pricing**, by Vives.
- **Dynamic Optimization: Calculus of Variation and Optimal Control in Economics and Management**, 2<sup>nd</sup> edition, by Kamien and Schwartz.

### Recommended Textbook(s)

- **Game Theory**, by Fudenberg and Tirole.
- **A Course in Game Theory**, by Osborne and Rubinstein.
- **Optimal Control Theory with Economic Applications**, by Seierstad and Sydsater.
- **Formal Models of Domestic Politics**, by Gehlbach.
- **Political Economy for Public Policy**, by Bueno de Mesquita.

**Reserved Readings** None

**Course Requirements/Assessments:**

- **Midterm will be one referee report due on March 10 (25% of the grade).**
- **Final exam constitutes writing a research paper (50% of the grade).**
- **There will be presentations of papers (25% of the grade).**

**Desire2Learn** This course will make use of the Desire2Learn (D2L) platform. Students who are registered in the course can log on at <http://d2l.ucalgary.ca> through their student centre. Please note that D2L features a class e-mail list that may be used to distribute course-related information. These e-mails go to your University of Calgary e-mail addresses only.

**Grade Determination and Final Examination Details**

Department of Economics Criteria for Letter Grades. Economics professors use the following criteria when assigning letter grades:

Grade	Grade Point Value	Description	Grade	Grade Point Value	Description
A+	4.00	Outstanding	C+	2.30	All grades below "B-" are indicative of failure at the graduate level and cannot be counted toward Faculty of Graduate Studies course requirements. Individual programs may require a higher passing grade.
A	4.00	Excellent-superior performance, showing-comprehensive understanding of subject matter	C	2.00	
A-	3.70	Very good performance	C-	1.70	
B+	3.30	Good performance	D+	1.00	
B	3.00	Satisfactory performance	D	1.00	
B-	2.70	Minimum pass for students in the Faculty of Graduate Studies	F	0	

**Grading Scale**

A+	95 – 100	B	73 – 76	C-	60 – 62
A	85 – 94	B-	70 – 72	D+	56 – 59
A-	80 – 84	C+	67 – 69	D	50 – 55
B+	77 – 79	C	63 – 66	F	0 – 49

A passing grade on any particular component of the course is not required for a student to pass the course as a whole.

## Reappraisal of Grades

For reappraisal of graded term work, see Calendar I.2

<http://www.ucalgary.ca/pubs/calendar/current/i-2.html>

For reappraisal of final grade, see Calendar I.3

<http://www.ucalgary.ca/pubs/calendar/current/i-3.html>

A student who feels that a piece of graded term work (e.g., term paper, essay, test) has been unfairly graded, may have the work re-graded as follows. The student shall discuss the work with the instructor within 15 days of being notified about the mark or of the item's return to the class; no reappraisal of term work is permitted after the 15 days. If not satisfied, the student shall immediately take the matter to the Head of the department offering the course, who will arrange for a reassessment of the work within the next 15 days. The reappraisal of term work may cause the grade to be raised, lowered, or to remain the same. If the student is not satisfied with the decision and wishes to appeal, the student shall address a letter of appeal to the Dean of the faculty offering the course within 15 days of the unfavourable decision. In the letter, the student must clearly and fully state the decision being appealed, the grounds for appeal, and the remedies being sought, along with any special circumstances that warrant an appeal of the reappraisal. The student should include as much written documentation as possible.

## Plagiarism and Other Academic Misconduct

Intellectual honesty is the cornerstone of the development and acquisition of knowledge and requires that the contribution of others be acknowledged. Consequently, plagiarism or cheating on any assignment is regarded as an extremely serious academic offense. Plagiarism involves submitting or presenting work in a course as if it were the student's own work done expressly for that particular course when, in fact, it is not. Students should examine sections of the University Calendar that present a Statement of Intellectual honesty and definitions and penalties associated with Plagiarism/Cheating/Other Academic Misconduct,

<http://www.ucalgary.ca/pubs/calendar/current/k-2.html>

## Academic Accommodation

Students seeking an accommodation based on disability or medical concerns should contact Student Accessibility Services; SAS will process the request and issue letters of accommodation to instructors. For additional information on support services and accommodations for students with disabilities, Visit [www.ucalgary.ca/access/](http://www.ucalgary.ca/access/).

Students who require an accommodation in relation to their coursework based on a protected ground other than disability should communicate this need in writing to their Instructor. The full policy on Student Accommodations is available at <http://www.ucalgary.ca/policies/files/policies/student-accommodation-policy.pdf>

Students who have not registered with the Disability Resource Centre are not eligible for formal academic accommodation. You are also required to discuss your needs with your instructor no later than 14 days after the start of this course.

### **Absence from a Test/Exam**

If a student cannot write their final exam on the date assigned by the Department, they need to arrange for a deferred exam with the department.

### **Important Dates**

Please check: <http://www.ucalgary.ca/pubs/calendar/current/academic-schedule.html>

Faculty of Grad Studies website: <http://grad.ucalgary.ca/home>

Graduate Students Association: <http://gsa.ucalgary.ca/>

Professional Development for Grad Students

Workshops and resources can be found at <http://www.ucalgary.ca/mygradskills/>

Economics Graduate Association: <http://econ.ucalgary.ca/ega/>

### **Evacuation Assembly Point**

In case of an emergency evacuation during class, students must gather at the designated assembly point nearest to the classroom. The list of assembly points is found at

[www.ucalgary.ca/emergencyplan/assemblypoints](http://www.ucalgary.ca/emergencyplan/assemblypoints)

Please check this website and note the nearest assembly point for this course

### **Safewalk**

The safewalk program provides volunteers to walk students safely to their destination anywhere on campus. This service is free and available 24 hrs/day, 365 days a year.

**Call 403-220-5333**