



Cairo University
Faculty of Economics and Political Science
Department of Economics

Level 4

Course code (EE413): Political Economics
Academic Year 2018/2019- Fall 2018

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Office Hours: 12:00 pm -1:30 pm (Sundays& Tuesdays); Office 81

➤ **Pre-requisites:**

At least one introductory course in microeconomics and macroeconomics.

➤ **Course Objectives:**

This course will introduce students to the contemporary study of political economy, or how politics and economics interact at the national, regional and global levels. Upon completion of this course, a student will be familiar with Theories of Political Economy: Mercantilism, Classical Liberalism, Classical Economic Nationalism, Classical Marxism, Contemporary Liberalism, Positive Political Economy, Feminism, and Green Theory.

❖ **Intended Learning Outcomes**

By the end of the course, students will be able to:

- Understand the theoretical arguments regarding the Political Economics.
- A student should be able to use fundamental modeling tools in political economics such as median voter theory.
- Acquire critical reading, sound reasoning, academic writing, and improving students' presentation and speaking skills.
- Work in a group.
- Acquire a knowledge about recent international trade conflicts.

❖ **Course Design and Content:**

The course covers main aspects of political economics, namely: basics of political economics' theories, political economy of international trade, political economy of international finance, and political economy of the public sector.

The course structure and readings are described below.

➤ **Course Structure:**

Basics of Political Economy

- Introduction about Economic Thought and Political Thought (introduction and overview) [2] [5]
- Principles of Individual Behavior [1]
- Principles of Social Order [1]
- Social Order and the Market for Goods and Services [1]
- Public Control of the Market [1]
- Social Order and the Market for Labor [1]
- On the Influence of Government [4]
- Government and Bureaucracy
- Elections and Economic influence
- The Costs and Benefits of Inflation [1]



Political Economy of International Trade

- Globalization and Government Policy [2]
- Political Analysis of the Global Trade Regime (Multilateral Trade System) [10]
- The History and Future of the World Trade Organization
- International Trade War
- Politics and power in the multinational corporation

Political Economy of International Finance

- Today's Financial World [3] [11]
- International Financial Institutions
- The Politics of Foreign Aid
- Political Finance: Financing of Political Parties [8] [13] [14]

Political Economy of the Public Sector

- The Impact of the Government on the Economy [1]
- Government Size and Growth in Government [1]
- Government and the Distribution of Income [1]
- The Impact of Energy Subsidy Removals
- Political Regimes and Economic Growth [7]
- Political Instability and Economic Growth [6]

The International Political Economy

- The Theoretical Evolution of International Political Economy
- Theories of International Political Economy

➤ Readings:

1. Richard B. McKenzie and Gordon Tullock (1978). *Modern Political Economy- An Introduction to Economics*. McGraw-Hill Kogakusha, LTD.
2. Michael Kitson and Jonathan Michie (2000). *The Political Economy of Competitiveness- Essays on Employment, Public Policy and Corporate Performance*. Routledge. London
3. Niall Ferguson (2008, 2009). *The Ascent of Money- The Financial History of The World*. Clays Ltd.
4. John Stuart Mill (1848). *Principles of Political Economy*. Prometheus books
5. Torsten Persson and Guido Tabellini (2000). *Political Economics- Explaining Economic Policy*. The MIT Press. London, England.
6. Ari Aisen and Francisco Jose Veiga (2010). *How Does Political Instability Affect Economic Growth?*. International Monetary Fund.
7. Adam Przeworski and Fernando Limongi (1993). *Political Regimes and Economic Growth*. *The Journal of Economic Perspectives*, Vol. 7, No. 3 (Summer, 1993), pp. 51-69.



8. Arnold j. Heidenheimer and Frank c. Langdon (1968). Business Associations and the Financing of political parties: A Comparative Study of the Evolution of Practices in Germany, Norway and Japan. Martinus nijhoff. The Hague. Netherlands.
9. Norman Schofield (Eds) (1996). Collective Decision-Making: Social Choice and Political Economy. Springer Science+ Business Media, LLC.
10. Rüdiger Pethig and Michael Rauscher (2003). Challenges to the World Economy. Springer
11. Tony Addison and George Mavrotas (Eds) (2008). Development Finance in the Global Economy: The Road Ahead. Palgrave Macmillan
12. Kevin Casas-Zamora (2008). Political finance and State funding systems: An overview. Brookings Institution.
13. International Institute for Democracy and Electoral Assistance (2012). Political Finance Regulations Around the World.
14. Bruno Wilhelm Speck (2013). Money in Politics: Sound Political Competition and Trust in Government. OECD.

➤ **Important notes:**

- I will post slide files on the course webpage every week.
- The course webpage is (<https://ashraffeps.yolasite.com/>)

➤ **Evaluation:**

Item	Marks
Individual Research	10
Class participation	4
Presentation	4
Quiz 1(4 th week)	6
Quiz 2 (10 th week)	6
Mid-term Exam	20
Final Exam	50

➤ **Research questions:**

- 1) What are the political and economic consequences of the trade war between China and USA?
- 2) What are the political and economic consequences of austerity?

Note on Cheating and Plagiarism: Neither will be tolerated. All assignments, exams, and papers for this class are individual work. No notes of any sort may be used on assignments and exams. By handing in a paper, each student is affirming that this paper is her/his own personal work and that it was written by her/him.