



APPLIES TO ACADEMIC YEAR 2015/2016

GRA 5916 The State and the Market: Core Concepts in Political Economy

Programme

Free electives/minors

Responsible for the course

Are Vegard Haug

Department

Department of Accounting - Auditing and Law

Term

According to study plan

ECTS Credits

6

Language of instruction

English

Introduction

This is a political economy course that focuses on business and politics at the national level. It requires no previous knowledge, and has been designed for the 'Minor in Political Economy' specialization. The course covers several fundamental core concepts in political economy relating to the operation of the state and the market. The central themes include political and market institutions, the rationale for market regulation and public services, decision making and resource allocation, and the deliverance of public and private goods.

Learning outcome

This course provides students with an introduction to the concepts at the core of political economy in general, in terms of institutions, policy making, and market regulation. Students will explore problems of democratic decision making, including questions of equality and efficiency, debates about market failure, government failure and the supply of public, private and strategic goods, and the rules, organizations and policy tools involved in the operation of states and markets. Core questions include institutional design, policy making, the delegation of power, public service delivery, privatization and regulation, the changing nature of the welfare state, public choice analyses of the growth of state spending, and whether democracy causes or impedes market-driven economic growth (why are some states rich and others poor; has privatization reduced the cost of public services; do oil-rich states suffer from a 'resource curse'; are democracies richer than dictatorships?)

Prerequisites

All courses in the Masters programme will assume that students have fulfilled the admission requirements for the programme. In addition, courses in second, third and/or fourth semester can have specific prerequisites and will assume that students have followed normal study progression. For double degree and exchange students, please note that equivalent courses are accepted.

Compulsory reading

Books:

Busch, Tor ... [et al.]. 2013. Public management in the twenty-first century : trends, ideas and practices.

Universitetsforlaget

Hill, Michael. 2013. The public policy process. 6th ed. Pearson

Collection of articles:

Compendium of Journal Articles

Other:

A list of compulsory readings will be provided on It's learning or in class.

During the course there may be hand-outs and other material on additional topics relevant for the course and the examination.

Recommended reading

Books:

Barr, Nicholas. 2012. Economics of the welfare state. 5th ed. Oxford University Press

Cullis, John G. and Philip Jones. 2009. Public finance and public choice : analytical perspectives. 3rd ed. Oxford

University Press

Le Grand, Julian. 2006. Motivation, agency, and public policy : of knights and knaves, pawns and queens. paperback edition. Oxford University Press

Lijphart, Arend. 2012. Patterns of democracy : government forms and performance in thirty-six countries. 2nd ed. Yale University Press

Pollitt, Christopher and Geert Bouckaert. 2011. Public management reform : a comparative analysis : new public management governance, and the neo-Weberian state. 3rd ed. Oxford University Press

Shepsle, Kenneth A. 2010. Analyzing politics : rationality, behavior, and institutions. 2nd ed. W.W. Norton

Weingast, Barry R. and Donald A. Wittman, eds. 2006. The Oxford handbook of political economy. Oxford University Press

Course outline

1. Introduction to political economy and the state – market relationship
2. Market failures, state failures and the supply of public, private and strategic goods
3. Political and market institutions, decision making, lobbying, and public choice analysis
4. Public services, the welfare state, privatization, liberalization and modernization
5. Macroeconomic policy, budgets and the growth and containment of state spending
- 6 The relationship between states and markets, democracy and capitalism, the rule of law and economic growth.

Computer-based tools

Not applicable

Learning process and workload

A course of 6 ECTS credits corresponds to a workload of 160-180 hours.

Please note that while attendance is not compulsory in all courses, it is the student's own responsibility to obtain any information provided in class that is not included on the course homepage/It's learning or text book.

Examination

Form of assessment	Weight	Group size
Term paper	100%	Individual

Specific information regarding student assessment will be provided in class. This information may be relevant to requirements for term papers or other hand-ins, and/or where class participation can be one of several components of the overall assessment.

Examination code(s)

GRA 59162 term paper accounts for 100 % of the final grade in the course GRA 5916.

Examination support materials

Permitted examination support materials for written examinations are detailed under examination information in the student portal @bi. The section on support materials and the use of calculators and dictionaries should be paid special attention to.

Re-sit examination

It is only possible to retake an examination when the course is next taught. The assessment in some courses is based on more than one exam code. Where this is the case, you may retake only the assessed components of one of these exam codes. All retaken examinations will incur an additional fee. Please note that you need to retake the latest version of the course with updated course literature and assessment. Please make sure that you have familiarised yourself with the latest course description.

Additional information

Honor Code

Academic honesty and trust are important to all of us as individuals, and represent values that are encouraged and promoted by the honor code system. This is a most significant university tradition. Students are responsible for familiarizing themselves with the ideals of the honor code system, to which the faculty are also deeply committed.

Any violation of the honor code will be dealt with in accordance with BI's procedures for cheating. These issues are a serious matter to everyone associated with the programs at BI and are at the heart of the honor code and academic integrity. If you have any questions about your responsibilities under the honor code, please ask.