



Universidade Presbiteriana

Mackenzie

CCSA - Centro de Ciências Sociais e Aplicadas

Programa de Pós-Graduação em Economia e Mercados

Course Syllabus

Department/Faculty Applied Social Science Center
Graduate Program Economics and Markets –Professional Master's
Degree <input type="checkbox"/> Academic Master's <input type="checkbox"/> Doctorate (PhD) <input checked="" type="checkbox"/> Professional Master's
Course Name Public Choice, Government Failures and Economic Freedoms
Professor(s) Prof. Dr. Clayton Vinicius Pegoraro de Araujo
Office hours 48 hours
Course Overview <p>Discussion on the role of the State in the formation and maintenance of formal rules. Definition of property rights. Presentation of the criticism to the intervention of the government to correct market failures. Explanation of the problems arising from governmental intervention: government failures. Establishment of relations between individual rationality and social decision. Discussion on the logic of action and collective decision. Research on interest groups. Characterization of rent seeking behavior. Characterization of "Logrolling". Analysis of the phenomena of bureaucracy and corruption. Study of the political-economic cycles. Establishment of relations between regulation and regulatory capture. Discussion on the relationship between economic freedoms, business action, the process of market discovery and coordination, and economic development.</p>



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Topics outline

Discussion on the role of the State in the formation and maintenance of formal rules: analysis on the role of institutions and their economic consequences; the question of the spontaneous order of institutions.

Definition of Property Rights: natural formation and legal protection of private property; discussion of the tragedy of the commons.

Presentation of the criticism to the intervention of the government to correct market failures.

Explanation of the problems arising from government intervention - government failures: deepening the debate about market failures and their unintended consequences, especially in the light of the Austrian School of Economics. Practical application to recent public problems.

Establishment of relations between individual rationality and social decision. Discussion on the logic of action and collective decision: debate on the role of individual and collective human action within a democratic context; debate about the economic rationality of the average voter.

Analysis of the phenomena of bureaucracy and corruption: analysis of the classic Weberian view on bureaucracy and Austrian criticism.

Study of the political-economic cycles: mainly in the light of the TACE (Austrian Theory of the Economic Cycle) and consequent pendular political theory; analysis of the 2008 crisis.

Establishment of relations between regulation and regulatory capture. Research on interest groups. Characterization of rent seeking behavior. Characterization of "Logrolling": deepening of the concepts presented in light of the theory of capture.

Discussion on the relationship between economic freedoms, business action, the process of market discovery and coordination and economic development: development of a study on entrepreneurship in Austrian theory and Brazilian practice.

Letter Grade Assignment

Grade A (Excellent)

Grade B (Good)

Grade C (Satisfactory)

Grade D (Unsatisfactory)



Texts, Materials, and supplies

Basic texts:

BUCHANAN, James M.; TULLOCK, Gordon. The calculus of consent. Ann Arbor: University of Michigan Press, 1962.

HUERTA DE SOTO, Jesus. The Austrian school: market order and entrepreneurial creativity. Cheltenham: Edward Elgar, c2008.

MUELLER, Dennis C. Perspectives on public choice: a handbook. New York: Cambridge University Press, 1997.

Complementary texts:

ACEMOGLU, Daron; ROBINSON, James A. Por que as nações fracassam. Elsevier Brasil, 2012.

DOWNS, Anthony. Uma teoria econômica da democracia. Trad. de Sandra Guardini Teixeira Vasconcelos. São Paulo. 1999.

MATTOS, Paulo; PRADO, Mariana Mota (Coord.) (Org.). Regulação econômica e democracia: o debate norte-americano. São Paulo: Ed. 34, 2004.

MUELLER, Dennis C. Public choice: A survey. Journal of Economic Literature, p. 395-433, 1976.

NORTH, Douglass Cecil. Institutions, institutional change, and economic performance. Cambridge: Cambridge University Press, 1990.

OLSON, Mancur. A lógica da ação coletiva: os benefícios públicos e uma teoria dos grupos sociais. Edusp, 1999.

PERSSON, Torsten; TABELLINI, Guido Enrico. The economic effects of constitutions. MIT press, 2005.

SCHUMPETER, Joseph A. Capitalismo, socialismo e democracia. Rio de Janeiro: Zahar, 1984.

TULLOCK, Gordon; BRADY, Gordon L.; SELDON, Arthur. Government failure: a primer in public choice. Cato Institute, 2002.