What is commonly known as “Rational Choice Theory” actually consists of multiple “families” of models, usually but not always mathematical, that investigate the ways that actions taken by rational individual decision makers can interact to generate often surprising aggregate outcomes. This workshop is an introduction to rational choice theories and their uses in social science. It focuses on the logic of rational choice analysis in both explanatory and, to a lesser extent, normative contexts. The aim of the workshop is to both discuss the basic techniques of rational choice modeling and explore the theoretical issues that motivate and limit any use of those techniques. The workshop especially is concerned with arguments surrounding how we might interpret and empirically test formal models. Specifically, it asks whether that is a plausible interpretation of making models in the first place. In other words, we will focus on the problem of determining just what any particular class of rational choice theories tells us about the social and political world and just how it purports to do so. Topics include models of voting, bargaining, collective action, social norms, institutions, and even culture. Readings are drawn from economics, political science, sociology and anthropology. Although the workshop does not presuppose familiarity with either game theory or the mathematics needed to solve game theoretic problems, some prior knowledge of those topics will be an advantage. Students interested in this workshop are therefore strongly advised to take the Game Theory workshop in the first session.

Class format throughout will combine lecture and discussion, but the balance hopefully will shift from the former to the latter as the session progresses. Since the success of the workshop depends in large measure on student participation I expect students to come to class prepared. That means that I expect students to at least try to do the assigned reading in advance. It also means that there are no free-riders I treat all students - whether or not they are registered for a grade - as full participants for purposes of participation and discussion.

This summer the workshop will be run ‘remotely’ due to concerns regarding the coronavirus pandemic.

(1) I will make all readings and other workshop materials available on line.
(2) I will hold (highly recommended) ‘virtual office hours’ via skype.
(3) I will upload pre-recorded videos (10-15 minute ‘lectures’) on particular topics.
(4) I will hold (required) daily classes via zoom.
We will take Eastern Standard Time (meaning Ann Arbor, MI time) as our default. I will work to accommodate time zone differences arising from where students actually reside.

**NOTE:** Students who register for a grade must write two short analytical papers on topics to be negotiated with me. They should speak with me about this before the end of the first week of the session. The aim is to make the assignments useful to your progress at your home department/institution.

### Assigned Readings

If you are concerned about whether you have the technical background necessary for the workshop I recommend that you have a look at a couple of books:


Each of these appears below on the syllabus. They indicate the level at which we will proceed. Neither is difficult mathematically. That in no way means neither is difficult. It is just an indication that the difficult, important issues at stake in this workshop are not mathematical but conceptual.

What follows is a list of assigned readings, often accompanied by recommendations for further readings (marked *) that provide either helpful background or more detailed theoretical or technical presentations of issues raised in the assigned material. I propose the recommended readings solely as a guide for those who might wish to pursue topics in greater depth. As noted, the readings – assigned & recommended – will be available online.

At the very end of the syllabus I append a list of reliable texts and a schedule of when I anticipate covering which parts of the assigned materials.

**PLEASE NOTE:** *We will start in on the Gamm and Shepsle paper on the first day!*

### I: Basic Issues in Rational Choice Explanation


**II: Preferences and Rationality**


**III: Modeling Rational Action**

**A: Markets: Coordinating Parametric Action in a Decentralized Environment:**


B: *Politics and Society: Strategic Interaction in the Rest of the World*


C: *Game Theory*

[i] **Basics.**


[ii] **Solving Games.**


[iii] Some Matters of Interpretation.


C: Bargaining Theory


IV: Public Goods, Collective Action, and the Possibility of Decentralized Coordination

A: Rescuing Decentralized Solutions I: The Coase Theorem


B: Rescuing Decentralized Solutions II: Mechanism Design


* David Kreps. 1990. A Course in Microeconomic Theory. Princeton. [Ch. 18].

C: Rescuing Decentralized Solutions III: Community


V: Centralized Institutions and the Necessity of Politics

A: Social Choice


**B. Institutional Equilibria: Legislatures**


**C. Equilibrium Institutions**


VI: **Thinking About Models: Conceptual Problems & Empirical Assessment**


Appendix: Some Advice on Texts

For good, relatively non-technical overviews of “rational choice theory” see:


For those interested in the historical development of rational choice theories, there are two volumes that collect many of the seminal papers.


In recent years, numerous texts have appeared that offer good background to this course and a solid foundation for further study in this area.

Several texts, listed roughly in ascending order of technical difficulty, cover social choice theory.


A good reference book (now in a 2nd edition) containing relevant short encyclopedia entries covering a wide variety of topics in game theory from *The New Palgrave: A Dictionary of Economics* is:

There are many recent, reliable game theory texts. Here is a good selection. Again, they appear roughly in order of increasing level of technical/mathematical difficulty.


For very recent, extremely useful tour of the ‘greatest hits’ of formal models of politics see:


There is always the most important question - “Why Do We Care?” And that question is at the intersection of “analytical,” “explanatory,” and “normative” tasks. You might start with any of these texts:


And for some intriguing offerings from prominent game theorists about why they care:


Finally, a provocative, very recent incredibly comprehensive text, on thinking with models:

Class Schedule

Here is a rough guide to when we will cover the various readings. Hopefully we will not diverge from this plan too much!

**Week One**

**June**
22 Monday - No Class (Registration)
23 Tuesday - Introduction; Gamm & Shepsle
24 Wednesday - Elster; Satz & Ferejohn; Hausman; Little
25 Thursday - Morrow; Hausman
26 Friday - Becker; Milgrom & Roberts; Schelling (Both);

**Week Two**

29 Monday – Kreps; Quine
30 *Tuesday* - Harsanyi; Rubinstein; Myerson; Varoufakis; Schelling

**July**
1 Wednesday - Clinton; Gibbons
2 Thursday – Knight & Epstein
3 Friday – No Class (Holiday)

**Week Three**

6 Monday – Schelling; Sugden & Zamarrón; Myerson
7 Tuesday - Muthoo; Elster
8 Wednesday - Coase; Farrell; McKelvey & Page
9 Thursday- Hammond & Miller
10 Friday - Taylor; Calvert

**Week Four**

13 Monday - Arrow; Sen; List
14 Tuesday - Shepsle; Strom; Krehbeil
15 Wednesday - North; Calvert; Knight
16 Thursday - MacDonald; Signorino; Clarke/Primo
17 Friday – Johnson (3); Dowding-Miller.