

OLLSCOIL NA hEIREANN, GAILLIMH  
THE NATIONAL UNIVERSITY OF IRELAND, GALWAY

SUMMER EXAMINATIONS 1999

**PUBLIC CHOICE (EC329)**  
B.A. & B.Comm. Degree Examination  
Visiting Students

Professor F. Stephen  
Professor M.P. Cuddy  
Mr. B. Kennelly

**Time allowed: TWO hours.**

**Answer Question 1 and 2 other questions. Question 1 carries 40% of the marks.**

1. "In extending economic analysis to political behaviour, public choice illustrates both the strengths and weaknesses of economics." Discuss.
2. Discuss three theories that try to explain the growth of government in western democracies between 1960 and 1985. Assess these theories given that the size of government has fallen in some countries since 1985.
3. Outline
  - (a) the Nordhaus political business cycle model
  - (b) the Hibbs partisan model and
  - (c) the Alesina rational partisan model

carefully distinguishing the assumptions underlying each model. Which model is best supported by the available empirical evidence?
4. Outline the theories and evidence on the link between democracy and economic growth. Generally speaking, do you think there is a trade-off between democratic institutions and economic well-being?
5. Outline Downs' model of party competition. Discuss the view that the Downsian model is too theoretical and simplistic to be of much use in helping us understand political competition in Western democracies.
6. According to Olson, why do individuals join interest groups? Explain the free-riding problem as it relates to collective action. How does Olson's theory explain differences in economic growth between countries?