



POLITICAL ECONOMY APPROACH

The term political economy is derived from the Greek polis, meaning “city” or “state,” and oikonomos, meaning “one who manages a household or estate.” Political economy thus can be understood as the study of how a country—the public’s household—is managed or governed, taking into account both political and economic factors.

Source: Britannica Online Encyclopedia- Political economy – p. 1



Economics

“Economics is the science which studies human behavior as a relationship between ends and scarce means that have alternative uses.”

- decision making
- society

Source: Drazen, Allan. "CHAPTER ONE. What is a Political Economy?". Political Economy in Macroeconomics, Princeton: Princeton University Press, 2018, p. 5



Politics

study of *power and authority, and the exercise of power and authority*. Power, in turn, means the ability of an individual or group to achieve outcomes which reflect his objectives. Similarly, authority “exists whenever one, several, or many people explicitly or tacitly permit someone else to make decisions for them in some category of acts”.

Source: Drazen, Allan. "CHAPTER ONE. What is a Political Economy?". Political Economy in Macroeconomics, Princeton: Princeton University Press, 2018, p. 6



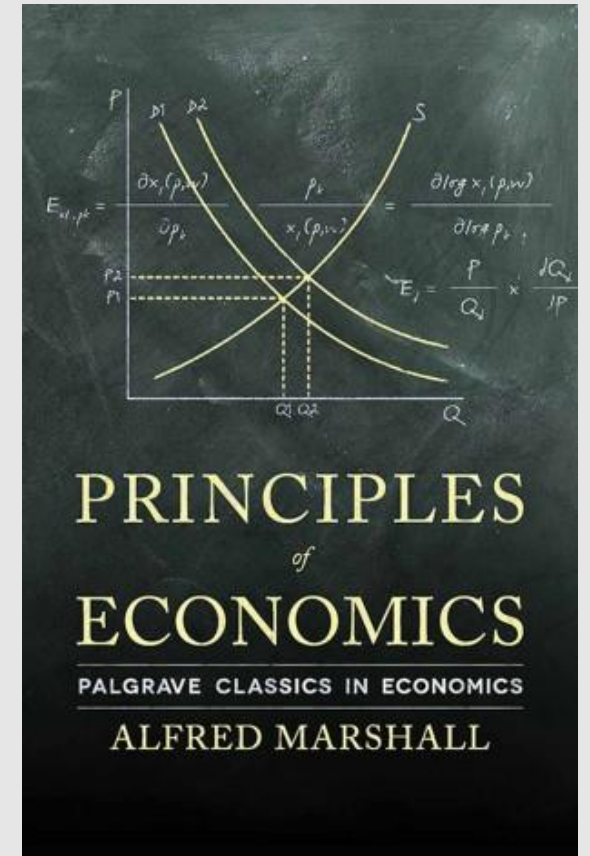
Politics and Economics

The Third of May 1808 painting by Francisco Goya



Whereas political economy, which was rooted in moral philosophy, was from the beginning very much a normative field of study, economics sought to become objective and value-free.

Source: Britannica Online Encyclopedia-
Political economy – p. 3



the political economy of economics

This does not mean that the new science of economics lacked a political theory. The explicit choice to eliminate the word political reflects an important view of power and government that has carried forward in debates among neoclassical economists and between defenders of the paradigm and its critics. In essence, it states that economics is not only more important than politics. As an objective science, economics can and should be disconnected from politics.

Am I being irrational ?

- Such a methodology is generally mathematical and is based on the assumption that an actor's economic behavior is rational and is aimed at maximizing benefits for himself.



Political economy

“Economists must not only know their economic models, but also understand politics, interests, conflicts, passions the essence of collective life. For a brief period of time you could make changes by decree; but to let them persist, you have to build coalitions and bring people around. You have to be a politician.”

Alejandro Foxley, Chilean Minister of Finance, 1994

- Political economists attempting to understand domestic macroeconomic policy often study the influence of political institutions (e.g., legislatures, executives, and judiciaries) and the implementation of public policy by bureaucratic agencies. The influence of political and societal actors (e.g., interest groups, political parties, churches, elections, and the media) and ideologies (e.g., democracy, fascism, or communism) also is gauged.

Source: Britannica Online Encyclopedia- Political economy – p. 5

- Issues can be viewed from several different theoretical perspectives

Source: Britannica Online Encyclopedia- Political economy – p. 5

Political Economy of Infrastructures

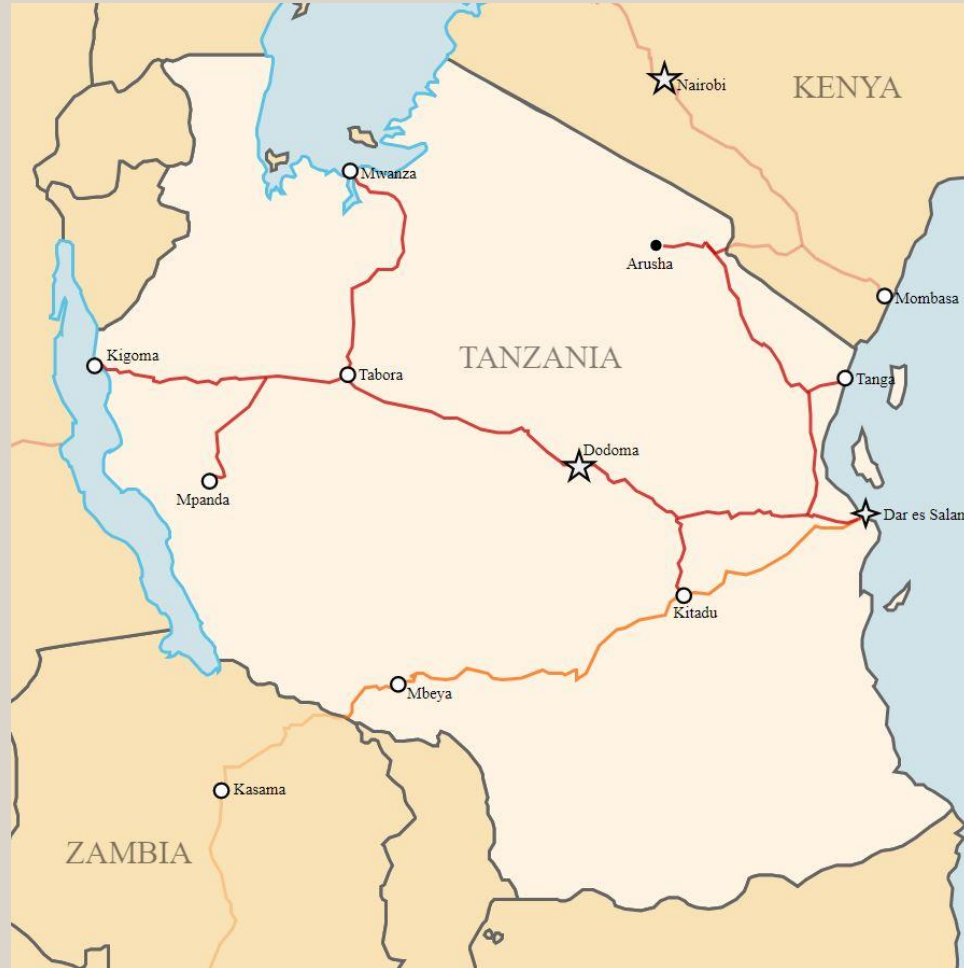
- Globalization and capitalism
 - Locally dependence
- Time- space compression
- Sunken infrastructure
- Winners and losers



changes in mobility and communication infrastructure and patterns are not neutral processes in the light of given or changing technological–logistical conditions and capabilities. Rather, they are necessary elements in the struggle for maintaining, changing or consolidating social power’

Mobility, is ‘one of the arenas in which the struggle for control and power is fought’. An important strategic weapon of the powerful in this struggle ‘is the ideology of progress and the legitimizing scientific discourse of scientists and engineers’

Tanzania Rail Infrastructure



- Political economy perspectives argue that developing countries are held in unequal and exploitative relationships with metropolitan cores in the wealthy North.
- At independence, colonial states faced massive problems as they inherited infrastructure networks designed to serve metropolitan rather than local needs.
- All railways built in Africa since independence have replicated the colonial pattern of linking enclaves with the nearest port.

Source: Graham, Stephen, and Simon Marvin. 2001. splintering urbanism-networked infrastructures, technological mobilities and the urban condition. Routledge, pp. 129-130

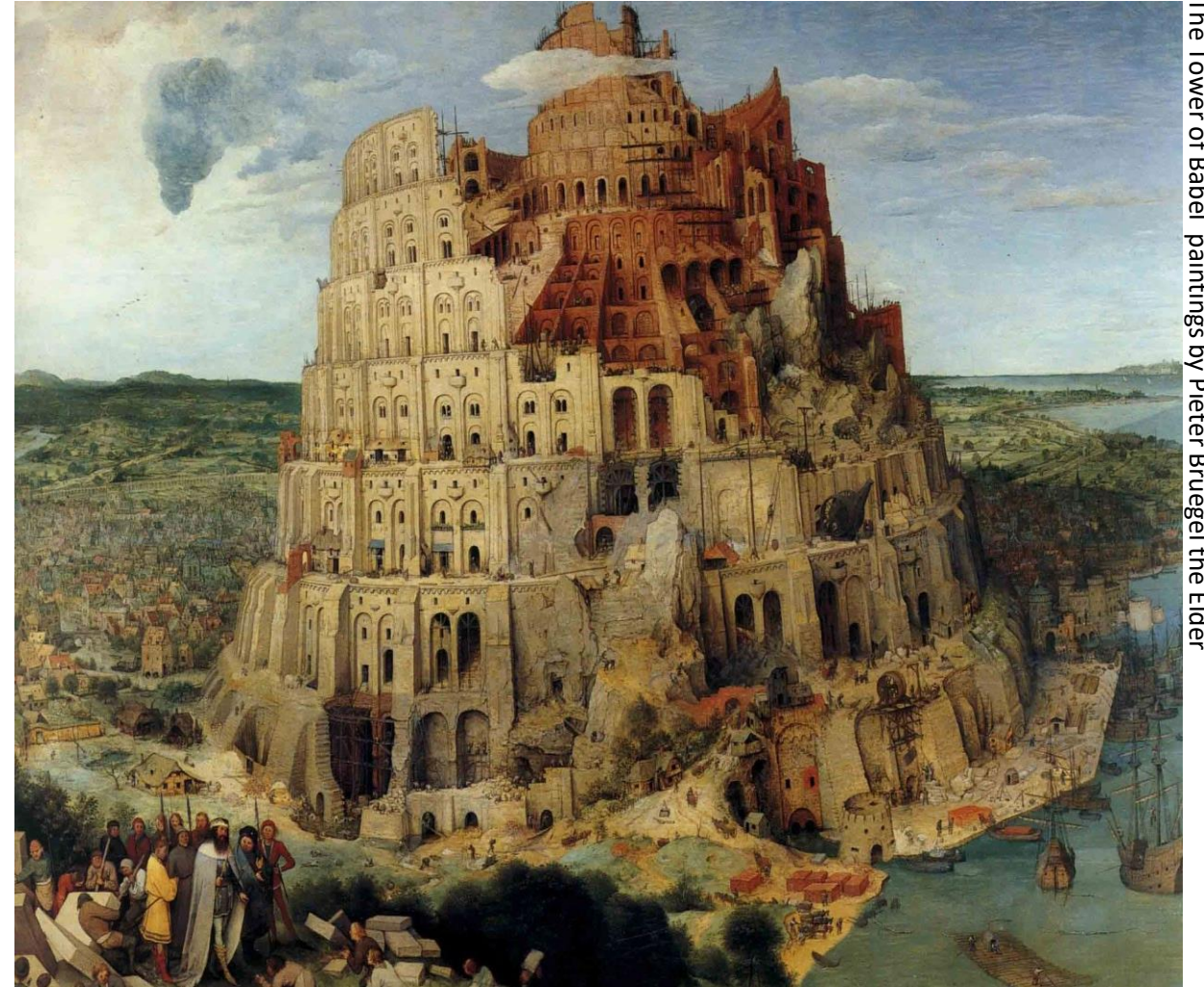
Urban political ecology



Maria Kaika

- Cities can be a key actor

Source: Juan Luis Manfredi-Sanchez (2021): The political economy of city diplomacy, Economic and Political Studies, p. 16



The Tower of Babel paintings by Pieter Bruegel the Elder