

Poverty and Development, PSC/IR 255 Spring 2020 Syllabus

Professor:

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Office: Harkness 320B
Hours: TR 1:30-2:30

Classroom & Time: GAVETT 206, TR 11:05-12:20

Course Overview

Why are some countries poor, while others enjoy a high standard of living? Why some enjoy stability and freedoms, while others suffer with corruption, repression and violence? Why countries stagnate or decline in their economic development? This course is designed to provide a broad theoretical framework for thinking about these problems, focusing on the political and institutional causes of differences in economic development across countries.

Lectures and Readings

There is no textbook for the course. Readings come from recent academic work on the subject, and those are available for download at the library website. Book chapters that are not available for download will be posted on blackboard.

Readings are “required”, which means that any component of them could appear in the exams. The lectures will focus on the main ideas being presented by each paper. Many of the readings, however, are quite technical. Here are a few tips on how to better read academic papers in this course:

Focus on the main idea. What is the research question being answered? How does it fit in the themes discussed so far in the course? How does it relate to the other readings? These components are usually well summarized in the first few pages.

Background. Every paper has a section explaining the context for the case study (i.e., details of the policy being evaluated, details on the country in question, etc.). Read this part carefully, so you can understand what the researcher is doing. Do not dwell on specific events, but think about how information from the case study provides insight into the broader themes of the course.

Technical sections. The empirical methodology or the mathematical model, when present, can be quite challenging. Do not focus on this part. When necessary or relevant, I will provide accessible explanations during the lectures. In order to better understand quantitative results in a paper, focus on the conclusion, where they should well summarized. Be prepared. If you do not read in advance, you might not be able to follow the lectures.

Assessment and Grading

There will be **four** in-class exams with **two** essay questions each. These will be taken from a list of **four to five** questions that will be posted on blackboard the day before each exam. The exams will last 60 minutes. The scores on these will comprise 100% of your grade, and the material for each exam is non-cumulative. The weight of each exam in the final grade is as follows: lowest grade (5%), highest grade (45%), the remaining two (25% each).

Letter grades will be assigned as follows:

A 93-100

A- 85-92

B+ 80-84

B 75-79

B- 70-74

C+ 66-69

C 63-66

C- 60-62

D+ 56-59

D 53-55

D- 50-52

Fail below 50

In the exams, provide clear and concise arguments. A good answer would include your opinion, based on a thoughtful analysis of the theory and evidence presented in the readings and lectures. The more you prepare in advance, the better you will do in the exams. Also, **prepare your OWN answers in advance** (see academic honesty below). The grade for students missing exams will be zero. If a true emergency arises, contact me before the exam and I'll schedule a make-up exam.

Academic Honesty

Tempted to cheat? Don't do it. Fortunately, there are few possible opportunities for cheating in this course. Students are encouraged to talk to each other about the readings, and to study them together. The only exception is that students are **NOT ALLOWED** to share written answers to potential exam questions preceding each exam. Students should prepare their own answers. Attempting to plagiarize someone else's work in the exam (and in life!) will only make your own answers to appear shallow, weak and unoriginal. The university's academic honesty policy can be found at: <http://www.rochester.edu/college/honesty>.

Anything else

If any of this is unclear or if there are other relevant details for your situation, please contact me sooner rather than later. If you have a disability for which you may request an academic accommodation, you are encouraged to contact both myself and the access coordinator for your school to establish eligibility for academic accommodations (please see <https://www.rochester.edu/disability/students.html>). I hope this course will be an enjoyable experience for everyone.

Schedule and Readings

Jan 16 Syllabus discussion

Introduction

- Jan 21 Rodrik, D. (2013). The Past, Present, and Future of Economic Growth. Global Citizen Foundation Working Paper 1 (2013). Up to Section 2
Easterly, W (2002). The Elusive Quest for Growth Cambridge: Harvard University Press. Chapters 1-3.
Todaro, M. P., Smith S. (2015) Economic Development (12th edition) New York: Pearson Addison Wesley. Chapter 3.
- Jan 23 Acemoglu, D., Robinson, J. (2012). Why nations fail: the origins of power, prosperity, and poverty (Vol. 4). New York: Crown Business. Chapters 1-3.
Acemoglu, D., Johnson, S., Robinson, J. (2006). Institutions as a Fundamental Cause of Long-Run Growth. Handbook of Economic Growth, Aghion, P. and Durlauf, S., eds. Amsterdam; North-Holland. Pages 1-20.

Part I. The Historical Legacy of the West

- Jan 28 Acemoglu, D., Johnson, S., & Robinson, J. A (2001). "The Colonial Origins of Comparative Development: An Empirical Investigation." The American Economic Review, 91(5), 1369-1401.
- Jan 30 Iyer, L., Banerjee, A. (2005). History, Institutions, and Economic Performance: The Legacy of Colonial Land Tenure Systems in India. American Economic Review, 95(3), 1190-1213.
- Feb 04 Dell, M. (2010). The persistent effects of Peru's mining mita. Econometrica 78(6): 1863-1903.
- Feb 06 Nunn, N. and L. Wantchekon (2011). The Slave Trade and the Origins of Mistrust in Africa. American Economic Review 7:3221-52.
Nunn N. The Long Term Effects of Africa's Slave Trades (2008). Quarterly Journal of Economics 123(1):139-176.
- Feb 11 Nunn, N., and N. Qian (2014). U.S. Food Aid and Civil Conflict. American Economic Review 1630-1666.
- Feb 13 EXAM 1

Part II. Geography, Natural Resources and Conflict

- Feb 18 Engerman, S., Sokoloff K. (2000). Institutions, Factor Endowments, and Paths of Development in the New World. Journal of Economic Perspectives 14(3): 217-232.
Easterly, W. (2007). Inequality Does Cause Underdevelopment. Journal of Development Economics 84 (2): 755-776.
- Feb 20 Acemoglu, D., Johnson, S., Robinson, J. (2002). Reversal of fortune: Geography and institutions in the making of the modern world income distribution. Quarterly journal of economics: 1231-1294
Sachs, J. (2012). Government, Geography, and Growth: The True Drivers of Economic Development. Foreign Affairs 91(5): 142-150.

- Feb 25 Dell, M., Jones, B. F., Olken, B. A. (2012). Temperature shocks and economic growth: Evidence from the last half century. *American Economic Journal: Macroeconomics*, 4(3), 66-95.
- Feb 27 Robinson, J.A., Torvik, R., Verdier, T. (2006). Political foundations of the resource curse. *Journal of Development Economics* 79:447-468 **(read 447-451)**
- Isham, J., Woolcock M., Pritchett L., and Busby G. (2005). The Varieties of Resource Experience: Natural Resource Export Structures and the Political Economy of Economic Growth. *The World Bank Economic Review* 19(2): 141-174 **(read 141-149)**
- Mar 03 Dube, O., Vargas, J. (2013). Commodity Price Shocks and Civil Conflict: Evidence from Colombia. *Review of Economic Studies* 80: 1384-1421.
- Mar 05 *** No Class**
- Mar 10 Spring Break**
- Mar 12 Spring Break**
- Mar 17 EXAM 2

Part III. Democracy, Corruption, Political Accountability

- Mar 19 Acemoglu, D., Robinson, J. (2006). *Economic Origins of Dictatorship and Democracy* Cambridge University Press. **(read pages 1-43)**
- Mar 24 Martinez-Bravo, M., Mukherjee, P., Stegmann, A. (2017). The Non-Democratic Roots of Elite Capture: Evidence from Soeharto Mayors in Indonesia. *Econometrica* 85(6): 1991-2010
- Mar 26 Bardhan, P., Mookherjee, D. (2019). Decentralizing antipoverty program delivery in developing countries. *Journal of Public Economics* 89: 675-704. **(read 675-680)**
- Frey, A. (2019). Cash Transfers, Clientelism, and Political Enfranchisement: Evidence from Brazil. *Journal of Public Economics* 176: 1-17. **(read 1-5)**
- Mar 31 Olken, B. (2007). Monitoring Corruption: Evidence from a Field Experiment in Indonesia. *Journal of Political Economy* 115: 200-249
- Fujiwara, T. (2015). Voting Technology, Political Responsiveness, and Infant Health: Evidence From Brazil. *Econometrica* 83(2): 423-464
- Campello, D., Zucco Jr., C. (2016) Presidential Success and the World Economy. *The Journal of Politics*, 78(2): 589-602
- Apr 02 Anderson, S., Francois P., Kotwal A. (2015). Clientelism in Indian Villages. *American Economic Review* 105(6): 1780-1816
- Apr 07 EXAM 3

Part IV. Culture, Gender, Ethnicity and Religion

- Apr 09 Nunn N. (2012). Culture and the Historical Process. *Economic History of Developing Regions* 27: 108-126.
- Tabellini, G. (2010). Culture and Institutions: Economic Development in the Regions of Europe. *Journal of the European Economics Association* 8(4): 677-716.

- Apr 14 Greif, A. (1991). Cultural Beliefs and the Organization of Society: A Historical and Theoretical Reflection on Collectivist and Individualist Societies. *Journal of Political Economy* 102(5): 912-950
- Apr 16 Chattopadhyay, R., Duflo, E. (2004). Women as policy makers: Evidence from a Randomized Policy Experiment in India. *Econometrica* 72(5): 1409–1443.
- Apr 21 Alesina, A., La Ferrara, E. (2005). Ethnic Diversity and Economic Performance. *Journal of Economic Literature* 43: 762-800
- Habyarimana, J., Humphreys M., Posner D., Weinstein, J. (2007). Why Does Ethnic Diversity Undermine Public Goods Provision? *American Political Science Review* 101 (4): 709-725.
- Apr 23 Bazzi, S., Koehler-Derrick G., Marx, B. (2019). The Institutional Foundations of Religious Politics: Evidence from Indonesia. *The Quarterly Journal of Economics*
- Apr 28 EXAM 4

For W Students only

There will be a final paper, which will represent 25% of the final grade (the exams will represent 75% of the grade). The paper provides students with an opportunity to examine the topics discussed in class from the in-depth perspective of one or several empirical cases of their choosing. The paper will require W students to cite at least six academic sources not among assigned readings.

The topic is your choice, as long as it is somewhat related to the topic of this course (I am not too restrictive about your choice of topic). The paper should be comprised of three main components:

- a research question that you intend to examine. This is an introduction, the idea is to convince readers that your question is interesting and relevant.
- Context. Here you will, if necessary, provide enough information on the context of the question. For example, if your question is specific to a certain country and/or period of time. Some information the context is required for the readers to understand the paper.
- a literature review on the topic, summarizing what other people have said about the question you've posed. This is the body of the paper.
- your personal view on the subject. This is more or less like a conclusion, where you comment on the answers provided by the literature you've reviewed, and contribute with your thoughts.

The paper should be written in font size 12, one-half spacing, no more than 10 pages excluding a page with bibliographical references at the end (cover page does not count). In the text, you should cite at least 6 academic works that are not part of the literature being reviewed in the lectures. In the text, cite using the following format (Frey, 2019), and include the full reference in the bibliography.

Deadlines:

Anytime before **Mar 26, 2020**. Please come to my office hours with your proposed idea. We'll talk about it, and I might give you some recommendations for the literature.

Apr 21, 2020. A first draft of the paper is due, by email. After that, we'll get together again to discuss potential improvements for the final version.

May 05, 2020. The final version is due, by email.