

PSC 565
Political Economy of Development

Fall 2108
5pm-7:40pm, Harkness 329

Alexander Lee

Instructor:

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Office Hours: Wednesdays, 10-12 or by appointment

Course Goals:

This course surveys selected topics in the extensive literature on political and economic development. We will focus on differences in formal and informal institutions across countries. Topics will include the determinants of economic growth, the modernization hypothesis, distributional conflict, government corruption, the success and failure of states to deliver of public goods, among others.

This course is also designed to prepare students to design and implement research projects that rigorously identify causal relationships. The material will examine some of the most common solutions to problems of causal inference in social science, and how they can be fitted to larger programs of hypothesis testing. Techniques to be covered include instrumental variables, regression discontinuity, natural experiments, field experiments, difference in difference and matching. Students will be asked to read and critique recent work from comparative politics that use these techniques, with an emphasis on applications to substantive questions rather than methodological details. Students will be asked to produce multiple research proposals that use these techniques, and present them in class.

Grading:

Class Participation $\frac{3}{4}$ 20%

Six short research proposals (10% each) $\frac{3}{4}$ 60%

Final Research Proposal $\frac{3}{4}$ 20%

Course Policies:

Unexcused late work will be penalized a whole letter grade, and an additional letter grade for every additional 24 hours of lateness. Plagiarism or cheating will be treated seriously and reported to the Board of Academic Honesty.

Course Requirements:

Attendance and Reading: Students will be graded on their attendance and participation in all classes.

Short Research Proposals: Students should produce a proposal of between 600 and 900 words using the identification strategy discussed in the previous week of class. The proposal should outline the question to be studied, the conclusions of the existing literature, a working hypothesis, the data to be used and justify whether the project satisfies any assumptions inherent in the design. The proposal is due by email at 7pm the evening before it is due. Student will make a short five minute presentation of their ideas in the next class.

Final Research Proposal: Should develop one of their short proposals into a more fully formed idea, with a literature review and detailed discussion of data availability and identification issues. Suggested length, 3000-4000 words.

Readings

Week 1: Introduction

September 4th: Introduction to the class and the subject

Week 2: Field Experiments

September 11th: Lecture and Discussion

Readings:

Wantchekon, Leonard. "Clientelism and voting behavior: Evidence from a field experiment in Benin." *World politics* 55.03 (2003): 399-422.

Olken, Benjamin A. "Direct democracy and local public goods: Evidence from a field experiment in Indonesia." *American political science review* 104.2 (2010): 243-267.

Bertrand, M., S. Djankov, R. Hanna and S. Mullainathan. 2007. "Obtaining a Driver's License in India: An Experimental Approach to Studying Corruption," *The Quarterly Journal of Economics*, 122:4, 1639-1676.

Ahuja, Amit, and Susan L. Ostermann. "Crossing caste boundaries in the modern Indian marriage market." *Studies in Comparative International Development* 51.3 (2016): 365-387.

Week 3: Field Experiments

September 18th: Student Presentations

Week 4: Survey and Lab Experiments

September 25th: Lecture and Discussion

Readings:

Habyarimana, James, Macartan Humphreys, Daniel N. Posner, and Jeremy M. Weinstein. "Why does ethnic diversity undermine public goods provision?." *American Political Science Review* 101, no. 04 (2007): 709-725.

Lyall, Jason, Graeme Blair, and Kosuke Imai. "Explaining support for combatants during wartime: A survey experiment in Afghanistan." *American Political Science Review* 107.4 (2013): 679-705.

Dunning, Thad, and Lauren Harrison. "Cross-cutting cleavages and ethnic voting: An experimental study of cousinage in Mali." *American Political Science Review* 104.1 (2010): 21-39.

Carlson, Elizabeth. "Ethnic voting and accountability in Africa: A choice experiment in Uganda." *World Politics* 67.2 (2015): 353-385.

Week 5: Survey and Lab Experiments

October 2nd: Student Presentations

Week 6: Natural Experiments

October 9th: Lecture and Discussion

Readings:

Ferraz, Claudio, and Frederico Finan. "Exposing Corrupt Politicians: The Effects of Brazil's Publicly Released Audits on Electoral Outcomes." *The Quarterly Journal of Economics* 123.2 (2008): 703-745.

Chattopadhyay, Raghendra, and Esther Duflo. "Women as policy makers: Evidence from a randomized policy experiment in India." *Econometrica* 72.5 (2004): 1409-1443.

Shami, M. 2012. "Collective Action, Clientelism, and Connectivity," *American Political Science Review*, 106:3, 588-606.

Acemoglu, Daron, et al. "The consequences of radical reform: The French Revolution." *American economic review* 101.7 (2011): 3286-3307.

Week 7: Natural Experiments

October 23rd: Student Presentations

Week 8: Instrumental Variables

October 30th: Lecture and Discussion

Readings:

Miguel, Edward, Shanker Satyanath, and Ernest Sergenti. "Economic shocks and civil conflict: An instrumental variables approach." *Journal of political Economy* 112.4 (2004): 725-753.

Dube, O. and J. Vargas. 2013. "Commodity Price Shocks and Civil Conflict: Evidence from Columbia," *Review of Economic Studies*, 80, 1384-1421.

Acemoglu, Daron, Camilo Garcia-Jimeno, and James A. Robinson. "State capacity and economic development: A network approach." *American Economic Review* 105.8 (2015): 2364-2409.

Feyrer, James, and Bruce Sacerdote. "Colonialism and modern income: Islands as natural experiments." *The Review of Economics and Statistics* 91.2 (2009): 245-262.

Week 9: Instrumental Variables

November 6th: Student Presentations

Week 10: Regression Discontinuity

November 13th: Lecture and Discussion

Readings:

Lee, Alexander, and Kenneth A. Schultz. "Comparing British and French Colonial Legacies: A Discontinuity Analysis of Cameroon." *Quarterly Journal of Political Science* 7 (2012): 365-410.

Fisman, Raymond, Florian Schulz, and Vikrant Vig. "The Private Returns to Public Office." *Journal of Political Economy* 122.4 (2014): 806-862.

Nellis, Gareth, and Niloufer Siddiqui. "Secular party rule and religious violence in Pakistan." *American political science review* 112.1 (2018): 49-67.

Dell, Melissa. "The persistent effects of Peru's mining mita." *Econometrica* 78.6 (2010): 1863-1903.

No Class November 20th

Week 11: Regression Discontinuity

November 27th: Student Presentations

Week 12: Difference in Difference

December 4th: Lecture and Discussion

Readings:

Lyall, Jason. "Does indiscriminate violence incite insurgent attacks? Evidence from Chechnya." *Journal of Conflict Resolution* (2009).

Pierskalla, Jan H., and Florian M. Hollenbach. "Technology and collective action: The effect of cell phone coverage on political violence in Africa." *American Political Science Review* 107.2 (2013): 207-224.

Lee, Alexander. "Does Affirmative Action Work? Evaluating India's Quota System" Working Paper.

Franck, Raphael, and Ilia Rainer. "Does the leader's ethnicity matter? Ethnic favoritism, education, and health in sub-Saharan Africa." *American Political Science Review* 106.2 (2012): 294-325.

Week 13: Difference in Difference

December 11th: Student Presentations