

Econ 634 - Political Economy (PhD level)- Preliminary

Instructors Jeff Weaver

Course Description:

This course is an upper-year field course for economics PhD students. Students are expected to have taken PhD-level econometrics and microeconomics. This course is intended to 1) familiarize students with the literature in political economy; 2) learn to engage the academic literature critically; 3) equip students with skills that they will need as academic researchers, such as presenting and writing referee reports; and 4) assist students in starting their own research.

The course will meet once per week on Thursdays from 1:30-4:20pm. The class format will be the following, with some adjustments as the course progresses.

Office hours: Wednesdays 3:30-4:50pm ([sign-up link](#))

Course timing:

1:30-1:40pm:

- The class will begin with a review of some related papers in the literature to place the papers that we will discuss in context.

1:40-2:20pm:

- The first paper of the day will be presented by a student (I will do this for the first week). The presentation should last for no more than 40 minutes, including interjections and questions by the class. This paper will be discussed normally if no student is signed up to present.

2:20-3:05pm:

- Following that, we will discuss the second starred paper in turn. We will ask one student to begin the discussion with a pithy summary (~2 minutes) of the paper. We will then review the paper, where I will ask questions to guide the conversation.

3:05-3:15pm:

- A short break with snacks

3:15-4pm:

- Class discussion of the third paper, following the same format as the second paper.

4-4:20pm:

- One goal of the class is to make you comfortable with the empirical methods used in modern applied microeconomics papers. At the end of each class, I will cover the basics of one method used in a paper during the following week. The goal is that this should prepare you to engage more critically and deeply with the paper. I may also briefly introduce the material for the upcoming week and the types of questions you should consider when reading those papers/thinking of critiques and extensions.

Textbook:

There is no assigned textbook for this class. Material will be based on (occasional) lecture notes and the economics articles listed for each class. However, the following resources may be useful for additional reading.

Olken, Ben and Rohini Pande (2013). [JPAL Governance Initiative Review Paper](#)

Finan, Fred, Olken, Ben and Rohini Pande (2015). The Personnel Economics of the State. NBER Working Paper

Daron Acemoglu and James A. Robinson, Economic Origins of Dictatorship and Democracy, Cambridge University Press, 2005.

Besley, Tim and Torsten Persson (2011) Pillars of Prosperity, Princeton University Press.

Downs, Anthony (1957). An Economic Theory of Democracy. Boston, MA: Addison Wesley.

Grossman, Gene and Elhanan Helpman (2001) Special Interest Politics, MIT Press.

Persson, Torsten and Guido Tabellini (2000). Political Economics: Explaining Economic Policy. MIT Press.

Daron Acemoglu's (very detailed) [lecture notes](#)

Grading:

<u>Assignment</u>	<u>Requirements</u>	<u>% of Final Grade</u>
Presentations	<p>Each week, a student will present one paper. The number of presentations will depend on the number of enrolled students. Papers will be assigned to students during the second week of class.</p> <p>The presentations should discuss (i) the research question, motivation, contribution, and relationship to the background literature; (ii) the data; (iii) the empirical strategy; (iv) the main results; (v) conclusions and generalizability; (vi) strengths and weaknesses of the paper; and (vii) future directions for research on the topic. Please send your slides to me before class so I can give you comments on the slides themselves.</p> <p>The presentations will be followed by questions from the rest of the class and discussion. We will grade the presentations. The sign-up link is here. It is preferred that you create the presentations in Beamer, a template for doing that in LyX is here. Some suggestions on giving a presentation as a PhD student can be found here.</p>	15%
Referee Report	<p>During the semester, students will select one paper from a list of recent job market papers in political economy and write a referee report on that paper. The report should follow the format of a referee report and be written as if you were refereeing the paper. The referee report is due by the beginning of class on week 11. Further details on this assignment can be found below, including a link to a sample referee report by a student in a previous year.</p>	15%

Imaginary Research Paper	Students will submit an "imaginary" research paper. For this assignment, you will need to write out an imaginary abstract and introduction for this paper. Further details on this assignment can be found below. This must be completed by <u>week 8.</u>	20%
Presentation of research proposal	<p>During the final week of the course/exam period, you will present a proposal for your own original research project. The goal of this assignment is to give you a start on thinking about your dissertation and coming up with a research proposal.</p> <p>In your presentation, you should: 1) describe the research question and why it is of interest (5 minutes); 2) summarize the related literature (5 minutes); 3) give a description of your proposed project (20 minutes). The proposal should either have 1) a solid identification strategy and description of your data or planned data collection process; or 2) some data with at least one table or figure. We will provide more details on this as the semester goes on.</p> <p>You must meet with me about your proposed project at least once before spending much time on it. You should plan to meet for 15-20 minutes during office hours so that we can talk in more detail. I recommend that you start thinking about the project early and start a list of ideas for possible projects while going through the semester. The best case is that you have a list of possible projects when we meet, and then we can work together to decide which is the strongest.</p> <p>To further help you with your research proposal, I would like you to fill in a short sheet indicating: (1) your research question, (2) what variation you will examine, (3) the proposed estimating equation, (4) the data source(s). The goal of this assignment is to help you refine your research proposal. It's not binding: you can change your mind later and submit more than one sheet. The deadline to submit it is <u>week 10 of the course.</u></p> <p>Presentations will be evaluated on both content and presentation style. Immediately before your presentation, you should send me a copy of your slides so we can make notes on them. I will give detailed feedback on the presentation and the research idea based on the presentation.</p>	20%
Imaginary Introduction for final research proposal	In combination with the presentation, you should write an imaginary abstract and introduction for the final research proposal. For this assignment, you should follow the same guidelines as in the first imaginary research paper, including writing as if you have results from your project. You should submit this by <u>the date of the final exam for the course.</u>	15%
Class participation	You should actively participate in class discussions. At a minimum, you should talk at least twice per class (and hopefully more than that). This can be a comment, a question, a request for clarification on a particular part of a paper or empirical technique, or an idea that you had for how to extend the paper (or a related research idea).	15%

	<p>This can be challenging for some students, but it is an absolutely essential skill as a researcher; talking during class is a good way to get practice in what should hopefully be a low-stress setting. When you are reading the articles, you should write down some bullet points on things you might want to say about what the authors did rather than just highlighting and trying to understand what they have done.</p>	
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Auditing the Course

Advanced year PhD students and others are welcome to audit the course. Our expectation is that auditors will have read the papers prior to class and be ready to discuss them. Depending on the number of enrolled students, they may also be expected to do one presentation, but do not have to submit any of the other course assignments.

Course Outline:

In the syllabus, required papers are starred with an asterix (*). The paper to be presented that week is marked with double asterisks (**). Students are expected to have read all starred papers prior to the start of each class. Most of these papers can be found in [this dropbox folder](#) for download.

Week 1 (January 16): Introduction to Political Economy

I will begin with an overview of the course and introduction to the material in the next week. We will also go through the syllabus and each of the assignments for the class.

If you have time, you may find it useful to read Persson and Tabellini (2000) chapters 1-5 to get some background on the theoretical side of political economy. This class will be focused on empirical research, so I will not cover this material. But knowing about the theoretical side helps to motivate empirical research.

Methods lecture: Standard errors

Week 2 (January 23): Voter Turnout

*To give an example of how your presentations should look, I will give a presentation on the (**) Gerber and Green (2000) paper. We will then discuss the remaining starred papers.*

****Gerber, Alan and Donald Green (2000). "The Effects of Canvassing, Telephone Calls, and Direct Mail on Voter Turnout: A Field Experiment." American Political Science Review, 94, 3, 653-663.**

Coate, Stephen, Michael Conlin, and Andrea Moro (2008). "The performance of pivotal-voter models in small-scale elections: Evidence from Texas liquor referenda", Journal of Public Economics, 92, 582-596.

Coate, Stephen and Michael Conlin (2004). "A Group Rule-Utilitarian Approach to Voter Turnout: Theory and Evidence." American Economic Review, 94, 5, 1476-1504.

DellaVigna, S., List, J. A., Malmendier, U., & Rao, G. (2016). Voting to tell others. *The Review of Economic Studies*, 84(1), 143-181.

Fujiwara, T., Meng, K., & Vogl, T. (2016). Habit formation in voting: Evidence from rainy elections. *American Economic Journal: Applied Economics*, 8(4), 160-88.

*Gerber, Alan, Donald Green, and Christopher Larimer (2008). "Social Pressure and Voter Turnout: Evidence from a Large-Scale Field Experiment", *American Political Science Review*, 102(1), 33-48.

Nickerson, David W. 2008. Is Voting Contagious? Evidence from Two Field Experiments. *American Political Science Review* 102(1):49-57.

*Washington, Ebonya (2006). "How Black Candidates Affect Voter Turnout", *Quarterly Journal of Economics*, 121(3), 973-998.

Methods lecture: Difference-in-differences; Fixed effects

Week 3 (January 30): Political Preferences

**Alesina, Alberto and Nicola Fuchs-Schündeln (2007). "Good Bye Lenin (or Not?): The Effect of Communism on People's Preferences." *American Economic Review*, 97, 4, 1507-1528.

Bursztyjn, Leonardo and Davide Cantoni (2016). "A Tear in the Iron Curtain: The Impact of Western Television on Consumption Behavior." *Review of Economics and Statistics* 98(1): 25-41.

*Cantoni, Davide, Yuyu Chen, David Y. Yang, Noam Yuchtman, Y. Jane Zhang (2017). "Curriculum and Ideology." *Journal of Political Economy*, 125(2): 338-392.

Edlund, Lena and Rohini Pande (2002). "Why Have Women Become Left-Wing? The Political Gender Gap and the Decline in Marriage," *Quarterly Journal of Economics*, 917-961.

Fujiwara, Thomas (2011). "A Regression Discontinuity Test of Strategic Voting and Duverger's Law", *Quarterly Journal of Political Science* 6, pp. 197-233.

Jensen, Robert and Emily Oster (2009). "The Power of TV: Cable Television and Women's Status in India." *Quarterly Journal of Economics* 124(3): 1057-1094.

Kuziemko, I., R. Buell, T. Reich, and M. Norton (2014). "Last-place Aversion: Evidence and Redistributive Implications," *Quarterly Journal of Economics*, 129 (1): 105-149.

E Luttmer (2001). "Group Loyalty and the Taste for Redistribution." *Journal of Political Economy*, 109, 3, 500-528.

Manacorda, Marco, Edward Miguel, and Andrea Vigorito. (2011). "Government Transfers and Political Support", *American Economic Journal: Applied Economics*, 3(3), 1-28.

Mullainathan, Sendhil and Ebonya Washington (2009). "Sticking with Your Vote: Cognitive Dissonance and Political Attitudes", *American Economic Journal: Applied Economics*, 1(1), 86-111.

* Pons, Vincent, & Tricaud, Clémence (2018). Expressive voting and its cost: Evidence from runoffs with two or three candidates. *Econometrica*, 86(5), 1621-1649.

Methods lecture: Two-way fixed effects

Week 4 (February 6): Representative identity

Besley, Timothy, Jose G. Montalvo, and Marta Reynal-Querol (2011) "Do Educated Leaders Matter?" *The Economic Journal*, 121(554): 205-227.

Cagé, Julia, Anna Dagorret, Saumitra Jha, and Pauline Grosjean (2023), "Heroes and Villains: The Effects of Heroism on Autocratic Values and Nazi Collaboration in France", *American Economic Review*, 113(7): 1888-193

**Chattopadhyay, Raghavendra and Esther Duflo (2004) "Women as Policy Makers: Evidence from a Randomized Policy Experiment in India", *Econometrica*, 72(5): 1409-1443.

Dippel, Christian, and Stephan Heblich (2021) "Leadership in Social Movements: Evidence from the "Forty-Eighters" in the Civil War", *American Economic Review*, 111(2): 472-505.

Dube, Oeindrila and S. P. Harish (2020) "Queens", *Journal of Political Economy*, 128(7): 2579-2652.

Easterly, Williams, and Steven Pennings (2021) "Leader Value Added: Assessing the Growth Contribution of Individual National Leaders", Working Paper.

Franck, Raphael and Ilia Rainer (2012) "Does the Leader's Ethnicity Matter? Ethnic Favoritism, Education, and Health in Sub-Saharan Africa", *American Political Science Review*, 106(2): 294-325.

Funke, Manuel, Moritz Schularick, and Christoph Trebesch (2023) "Populist Leaders and the Economy", *American Economic Review*, 113(12): 3249-88.

Hodler, Roland and Paul Raschky (2014) "Regional Favoritism", *Quarterly Journal of Economics*, 129(2): 995-1033.

* Jones, Benjamin and Benjamin Olken (2005) "Do Leaders Matter? National Leadership and Growth Since World War II", *Quarterly Journal of Economics*, 120(3): 835-864.

Jones, Benjamin and Benjamin Olken (2009) "Hit or Miss? The Effect of Assassinations on Institutions and War", *American Economic Journal: Macroeconomics*, 1(2): 55-87.

McGuirk, Eoin, Nathaniel Hilger, and Nicholas Miller (2023). No kin in the game: Moral hazard and war in the US Congress. *Journal of Political Economy*, 131(9): 2370-2401.

Ottinger, Sebastian and Nico Voigtlander (2024) "History's Masters: The Effect of European Monarchs on State Performance", Working Paper.

* Washington, Ebonya (2008) "Female Socialization: How Daughters Affect their Legislator Fathers' Voting on Women's Issues", *American Economic Review* (2008), 98(1): 311-332.

Methods lecture: Regression Discontinuity

Week 5 (February 13): Representative agency and incentives

Besley, Timothy and Anne Case (1995). "Does Political Accountability Affect Economic Policy Choices? Evidence From Gubernatorial Term Limits," *Quarterly Journal of Economics*, 110(3), 769-98.

Diermeier, Daniel, Michael Keane, and Antonio Merlo (2005). "A Political Economy Model of Congressional Careers." *American Economic Review*, 95:347-373.

*Dal Bó, Ernesto and Martín Rossi (2011). "Term Length and the Effort of Politicians," *Review of Economic Studies*, 78(4), 1237-1263.

*Ferreira, Fernando and Joseph Gyourko (2009). "Do Political Parties Matter? Evidence from Cities." *Quarterly Journal of Economics*, 124 (1): 399-422.

Ferraz, Claudio and Frederico Finan (2010). "Electoral accountability and corruption: Evidence from the audit of local governments," *American Economic Review*, 101, 1274-1311.

Fujiwara, Thomas, "Voting technology, political responsiveness, and infant health: Evidence from Brazil," *Econometrica*, 2015, 83 (2), 423-464.

**Lee, David, Enrico Moretti and Matthew Butler (2004). "Do Voters Affect or Elect Policies? Evidence from the US House." *Quarterly Journal of Economics*, August, 807-859.

Pettersson-Lidbom, Per (2008). "Do Parties Matter for Economic Outcomes? A Regression-Discontinuity Approach", *Journal of the European Economic Association*. 6 (5), pp. 1037-1056.

Spenkuch, Jorg, Pablo Montagnes, and Daniel Magleby. 2018 "Backward Induction in the Wild? Evidence from Sequential Voting in the US Senate." *American Economic Review*

Methods lecture: Writing the introduction and abstract for a paper

Week 6 (February 20): Media

*Chen, Yuyu and Yang, David (2019). "The Impact of Media Censorship: 1984 or Brave New World?". *American Economic Review*, 109(6): 2294-2332.

DellaVigna, Stefano and Ethan Kaplan (2007). "The Fox News Effect: Media Bias and Voting." *Quarterly Journal of Economics* 122(3): 1187-1234.

Durante, Ruben and Brian Knight (2012). "Partisan Control, Media Bias, and Viewer Responses: Evidence from Berlusconi's Italy." *Journal of the European Economic Association* 10(3): 451-481.

Durante, Ruben and Ekaterina Zhuravskaya (2018). "Attack When the World Is Not Watching? US News and the Israeli-Palestinian Conflict." *Journal of Political Economy* 126(3): 1085-1133.

*Levy, Ro'ee. (2021). "Social Media, News Consumption, and Polarization: Evidence from a Field Experiment" . *American Economic Review*, 111(3): 831-871.

Gentzkow, M., Shapiro, J. M., & Sinkinson, M. (2011). The Effect of Newspaper Entry and Exit on Electoral Politics. *American Economic Review*, 101(7): 2980-3018.

Martin, Gregory J. and Ali Yurukoglu (2017). "Bias in Cable News: Persuasion and Polarization." *American Economic Review* 107(9): 2565-2599.

Paluck, Elizabeth and Don Green (2009). "Deference, Dissent and Dispute Resolution: An Experimental Intervention Using Mass Media to Change Norms and Behavior in Rwanda." *American Political Science Review*, 103(4): 622-644.

**Snyder, James and David Stromberg (2010). "Press Coverage and Political Accountability." *Journal of Political Economy* 118(2): 355-408.

David Yanagizawa-Drott (2014). "Propaganda and Conflict: Evidence from the Rwandan Genocide," *Quarterly Journal of Economics*, 129(4): 1947-1994.

Methods lecture: Border-pair designs

Week 7 (February 27): Money in politics

-I recommend skimming the first 8 pages of Ansolabehere, Stephen, John (2002). "Why is there So Little Money in Politics?" in the *Journal of Economic Perspectives*, though we will not discuss it in class

Avis, Eric, Claudio Ferraz, Frederico Finan, and Carlos Varjao (2018) "Money and politics: The effects of campaign spending limits on political entry and competition." *American Economic Journal: Applied Economics*, 14(4): 167-99.

Bertrand, Marianne, Matilde Bombardini and Francesco Trebbi (2014) "Is it Whom You Know or What you Know? An Empirical Assessment of the Lobbying Process." *American Economic Review*, 104 (12): 3885-3920.

****Bertrand, Marianne, Matilde Bombardini, Raymond Fisman, and Francesco Trebbi (2020)**
"Tax-exempt lobbying: Corporate philanthropy as a tool for political influence." *American Economic Review* 110 (7): 2065-2102.

Bertrand, Marianne, Matilde Bombardini, Raymond Fisman, Brad Hackinen, and Francesco Trebbi (2021) "Hall of Mirrors: Corporate philanthropy and strategic advocacy." *The Quarterly Journal of Economics* 136 (4): 2413-2465.

Blanes-Vidal, Jordi, Mirko Draca and Christian Fons-Roen (2012). "Revolving Door Lobbyists." *American Economic Review*, 102(7): 3731-3748.

Diermeier, Daniel, Michael Keane, and Antonio Merlo. 2005. "A Political Economy Model of Congressional Careers." *American Economic Review*, 95:347-373

*Finan, Frederico and Laura Schecter (2012) "Vote-Buying and Reciprocity", *Econometrica*, 80(2): 863-881.

Grossman, Gene M. and Elhanan Helpman (1994) "Protection for Sale", *American Economic Review*, 84(4): 833-850.

Kang, Karam (2016). "Policy Influence and Private Returns from Lobbying in the Energy Sector", *Review of Economic Studies*, Vol. 83(1), pp. 269-305.

Levitt, Steven (1994). "Using Repeat Challengers to Estimate the Effect of Campaign Spending on Election Outcomes in the U.S. House", *Journal of Political Economy*, 102(4): 777-798.

*Spenkuch, Jorg and David Toniatti (2018). "Political Advertising and Election Results". *Quarterly Journal of Economics*, 133(4): 1981-2036.

Vicente, Pedro (2013), "Is Vote Buying Effective? Evidence from a Field Experiment in West Africa." *Economic Journal*, 124(574): 356-387.

Methods lecture: Instrumental variables

Week 8 (March 6): Institutions and Long-run Persistence

Imaginary research paper due at the beginning of this class

****Acemoglu, D, S. Johnson and J Robinson (2001).** "The Colonial Origins of Comparative Development: An Empirical Investigation." *The American Economic Review* 91(5): 1369-1401.

Acemoglu, D., Johnson, S., & Robinson, J. A. (2002). "Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution". *The Quarterly journal of economics*, 117(4), 1231-1294.

*Alsan, Marcella (2015). The Effect of the TseTse Fly on African Development. *American Economic Review*, 105: 382–410.

Banerjee, Abhijit and Iyer, Lakshmi (2005) “History, Institutions and Economic Performance: The Legacy of Colonial Land Tenure Systems in India.” *American Economic Review*, 95: 1190-1213.

*Dell, Melissa (2010). The Persistent Effects of Peru's Mining Mita. *Econometrica*, 78(6), 1863-1903

Melissa Dell and Ben Olken, The Development Effects of the Extractive Colonial Economy: The Dutch Cultivation System in Java. *Review of Economic Studies*. 87, 164–203 (2019).

Dell, Melissa, Lane, Nathan and Querubin, Pablo, The Historical State, Local Collective Action, and Economic Development in Vietnam. *Econometrica* 86, 2083–2121 (2018).

Engerman, S. L., & Sokoloff, K. L. (2002). “Factor endowments, inequality, and paths of development among new world economics” (No. w9259). National Bureau of Economic Research.

Nunn, N. (2008). The Long-Term Effects of Africa's Slave Trades. *The Quarterly Journal of Economics*, 139-176.

Methods lecture: Spatial RD

Week 9 (March 13): Regime Change and Democratization

Acemoglu, Daron, Simon Johnson, James Robinson, and Pierre Yared. (2008). “Income and Democracy”, *American Economic Review*, 98(3), 808-842.

Acemoglu, D. (2006). *Economic origins of dictatorship and democracy*. Cambridge University Press (pgs. 99-203)

Acemoglu, Daron, Robinson, James, and Ragnar Torvik. 2013. "Why Do Voters Dismantle Checks and Balances?" *The Review of Economic Studies*. 80(3): 845-875.

* Aidt, Toke, and Raphaël Franck, 2015. “Democratization Under the Threat of Revolution: Evidence from the Great Reform Act of 1832.” *Econometrica*. 83(2): 505-547.

Angelucci, Charles, Simone Meraglia, and Nico Voigtlander (2022) “How Merchant Towns Shaped Parliaments: From the Norman Conquest of England to the Great Reform Act.” *American Economic Review*, 112(10): 3441-87.

* Burgess, Robin, Remi Jedwab, Edward Miguel, Ameet Morjaria and Gerard Pedro i Miguel (2013). “The Value of Democracy: Evidence from Road Building in Kenya.” *American Economic Review*, 105, 6, 1817-51.

Dal Bó, Pedro, Andrew Foster and Louis Putterman (2010). “Institutions and Behavior: Experimental Evidence on the Effects of Democracy.” *American Economic Review*, 100, 2205-2229.

Francois, Patrick, Rainer, Ilija, and Francesco, Trebbi. 2015. "How is Power Shared in Africa?" *Econometrica*. 83(2): 465-503.

Jha, Saumitra. 2015. "Financial Asset Holdings and Political Attitudes: Evidence from Revolutionary England." *The Quarterly Journal of Economics*. 1485-1545.

** Martinez-Bravo, M., i Miquel, G. P., Qian, N., & Yao, Y. (2021). "The Rise and Fall of Local Elections in China: Theory and Empirical Evidence on the Autocrat's Trade-off." *American Economic Review*

Olken, B. A. (2010). Direct democracy and local public goods: Evidence from a field experiment in Indonesia. *American Political Science Review*, 104(02), 243-267.

Pande, R. (2011). Can informed voters enforce better governance? Experiments in low-income democracies. *Annual Review of Economics*, 3(1), 215-237.

Przeworski, Adam. 2014. "Acquiring the Habit of Changing Governments Through Elections." *Comparative Political Studies*. 48(1): 101-129.

Svolik, Milan. 2013. "Learning to Love Democracy: Electoral Accountability and the Success of Democracy." *American Journal of Political Science*. 57(3): 685-702.

Methods lecture: Writing a referee report

No class on March 20th (Spring Break)

Week 10 (March 27): Political Influences on Economic Outcomes/Clientelism

***For this class, we will spend the first hour going through the two below starred papers. The remaining time will be devoted to meeting with you individually to discuss your ideas for the research proposals. ***

Anderson, Siwan, Patrick Francois, and Ashok Kotwal (2015). "Clientelism in Indian Villages." *American Economic Review*, 105(6): 1780-1816.

Ferguson, Thomas, and Hans-Joachim Voth (2008) "Betting on Hitler: The Value of Political Connections in Nazi Germany", *Quarterly Journal of Economics*, 123(1): 101-137.

*Fisman, Ray (2001). "Estimating the Value of Political Connections", *American Economic Review*, 91: 1095-1102.

Dube, Arin, Ethan Kaplan, and Suresh Naidu (2011). "Coups, Corporations, and Classified Information", *Quarterly Journal of Economics*, 126(3), 1-35.

*Khwaja, Asim, and Atif Mian. (2005). "Do Lenders Favor Politically Connected Firms? Rent Provision in an Emerging Financial Market", *Quarterly Journal of Economics*, 120(4).

Martínez-Bravo, M. 2014. "The Role of Local Officials in New Democracies: Evidence from Indonesia." *American Economic Review*, 104(4): 1244-87.

Shleifer, Andrei and Robert Vishny (1992). "Politicians and Firms", *Quarterly Journal of Economics*, 109: 995-1026.

No methods lecture

Week 11 (April 3): Bureaucracy (Selection and Allocation)

Referee report due at the beginning of class

Aneja, Abhay, and Guo Xu (2022) "The Costs of Employment Segregation: Evidence from the Federal Government under Woodrow Wilson", *Quarterly Journal of Economics*, 137(2): 911-958.

*Ashraf, Nava, Oriana Bandiera, Edward Davenport, and Scott Lee (2020) "Losing pro-sociality in the quest for talent? Sorting, selection, and productivity in the delivery of public services", *American Economic Review*, 110(5): 1355-94.

Bergeron, Augustin, Pedro Bessone, John Kabeya Kabeya, Gabriel Tourek, and Jonathan Weigel (2024) "Optimal Assignment of Bureaucrats: Evidence from Randomly Assigned Tax Collectors in the Democratic Republic of Congo", Working Paper.

Best, Michael, Jonas Hjort, and David Szaknyi (2019) "Individuals and Organizations as Sources of State Effectiveness", Working Paper.

Besley, Timothy, Robin Burgess, Adnan Khan, and Guo Xu (2021) "Bureaucracy and Development", *Annual Review of Economics*, 14: 397-424.

Colonnelli, Emanuele, Mounu Prem, and Edoardo Teso (2020) "Patronage and Selection in Public Sector Organizations", *American Economic Review*, 110(10): 3071-99.

**Dal Bó, Ernesto, Frederico Finan, and Martin Rossi (2013) "Strengthening State Capabilities: The Role of Financial Incentives in the Call to Public Service", *Quarterly Journal of Economics*, 128(3): 1169-1218.

Deserranno, Erika (2019) "Financial incentives as signals: experimental evidence from the recruitment of village promoters in Uganda", *American Economic Journal: Applied Economics*, 11(1): 277-317.

Deserranno, Erika, Philipp Kastrau, and Gianmarco Leon-Ciliotta (2022) "Promotions and Productivity: The Role of Meritocracy and Pay Progression in the Public Sector", Working Paper.

Fenzia, Alessandra (2022) "Managers and Productivity in the Public Sector", *Econometrica*, 90(3): 1063-1084.

Frederico Finan, Benjamin Olken, and Rohini Pande (2017) "The Personnel Economics of the State", *Handbook of Economic Field Experiments*, 2: 467-514.

Hanna, Rema and Shing-Yi Wang (2017). "Dishonesty and Selection into Public Service", *American Economic Journal: Economic Policy* 9(3): 262-290.

Neggers, Yusuf (2018) "Enfranchising your Own? Experimental Evidence on Bureaucrat Diversity and Election Bias in India", *American Economic Review*, 108(6): 1288-1321.

Spenkuch, Jorg, Edoardo Teso, and Guo Xu (2021) "Ideology and Performance in Public Organizations", *Econometrica* 91(4): 1171-1203

*Weaver, Jeffrey (2021) "Job for Sale: Corruption and Misallocation in Hiring", *American Economic Review*, 111(10): 3093-3122.

Methods lecture: Clustered RCTs

Week 12 (April 10): Bureaucrats (Incentives)

Bandiera, Oriana, Michael Best, Adnan Khan, and Andrea Prat (2021) "The Allocation of Authority in Organizations: A Field Experiment with Bureaucrats", *Quarterly Journal of Economics* (forthcoming).

* Bertrand, Marianne, Robin Burgess, and Arunish Chawla (2020) "The Glittering Prizes: Career Incentives and Bureaucrat Performance", *Review of Economic Studies*, 87(2): 626-655.

** Duflo, Esther, Rema Hanna, and Stephen Ryan (2012) "Incentives Work: Getting Teachers to Come to School", *American Economic Review*, 102(4): 1241-1278.

Khan, Adnan, Asim Khwaja, and Benjamin Olken (2016) "Tax Farming Redux: Experimental Evidence on Performance Pay for Tax Collectors", *Quarterly Journal of Economics*, 131(1): 219-271.

Khan, Adnan Q., Asim Ijaz Khwaja, and Benjamin A. Olken. "Making moves matter: Experimental evidence on incentivizing bureaucrats through performance-based postings", *American Economic Review* 109, no. 1 (2019): 237-70.

Moreira, Diana, and Santiago Pérez (2022) "Civil Service Reform and Organizational Practices: Evidence from the Pendleton Act", Working Paper.

* Xu, Guo (2018) "The Costs of Patronage: Evidence from the British Empire", *American Economic Review*, 108(11): 3170-3198.

++ Muralidharan, K., Niehaus, P., Sukhtankar, S., & Weaver, J. (2021). Improving last-mile service delivery using phone-based monitoring. *American Economic Journal: Applied Economics*, 13(2), 52-82.

Methods lecture: Referee responses. We will use the paper denoted ++ to frame this discussion of referee responses. When reading this paper, you should take notes on what you think are the

weaknesses of the paper and what you might critique in a referee report. However, you can read this more quickly than the other ones

Week 13 (April 17): Corruption

Avis, Eric, Claudio Ferraz, and Frederico Finan. (2018) "Do government audits reduce corruption? Estimating the impacts of exposing corrupt politicians." *Journal of Political Economy*, 126(5): 1912-1964.

Banerjee, Abhijit, Rema Hanna, Jordan Kyle, Benjamin Olken, Sudarno Sumarto (2018) "Tangible Information and Citizen Empowerment: Identification Cards and Food Subsidy Programs in Indonesia", *Journal of Political Economy*, 126(2): 451-491.

Bertrand, Marianne, Simeon Djankov, Rema Hanna, Sendhil Mullainathan (2007) "Obtaining a Driver's License in India: An Experimental Approach to Studying Corruption", *Quarterly Journal of Economics*, 122(4): 1639-1676.

Burgess, Robin, Matthew Hansen, Benjamin Olken, Peter Potapov, and Stefanie Sieber (2012) "The Political Economy of Deforestation in the Tropics", *Quarterly Journal of Economics*, 127(4): 1707-1754.

Bobonis, Gustavo, Luis Camara Fuertes, and Rainer Schwabe (2016) "Monitoring Corruptible Politicians", *American Economic Review*, 106(8): 2371-2405.

Chalendard, Cyril, Anna M Fernandes, Gael Raballand, and Bob Rijkers (2023) "Corruption in Customs", *Quarterly Journal of Economics*, 138(1): 575-636.

*Ferraz, Claudio, and Fred Finan. (2008). "Exposing Corrupt Politicians: The Effects of Brazil's Publicly Released Audits on Electoral Outcomes", *Quarterly Journal of Economics*, 123(2), 703-745.

Garbiras-Díaz, N., & Montenegro, M. (2022). All eyes on them: A field experiment on citizen oversight and electoral integrity. *American Economic Review*, 112(8), 2631-2668.

Hsieh, Chang-Tai, and Enrico Moretti (2006) "Did Iraq Cheat the United Nations? Underpricing, Bribes, and the Oil for Food Program", *Quarterly Journal of Economics*, 121(4): 1211-1248.

**Olken, Benjamin (2007). "Monitoring Corruption: Evidence from a Field Experiment in Indonesia," *Journal of Political Economy*, 115, 2, 200-249.

Olken, Benjamin and Barron, Patrick (2009), "The Simple Economics of Extortion: Evidence from Trucking in Aceh", *Journal of Political Economy* 117(3), 417-452.

Reinikka, Ritva and Jakob Svensson (2004) "Local Capture: Evidence from a Central Government Transfer Program in Uganda", *Quarterly Journal of Economics*, 119(2):679-705.

*Sanchez de la Sierra, Raul, Kristof Titeca, Haoyang Xie, Albert Malukisa Nkuku, Aimable A. Lameke (2024) "The Real State: Inside the Congo's Traffic Police Agency", Working Paper.

Shleifer, Andrei and Robert Vishny (1993) "Corruption", Quarterly Journal of Economics, 108(3): 599-617.

Methods lecture: Doing a literature review; finding data

Week 14 (April 24): Conflict

Abadie, Alberto and Javier Garbeazabal (2003) "The Economic Costs of Conflict: A Case Study of the Basque Country," American Economic Review, 93(1): 113-132.

Acemoglu, Daron, Tarek A. Hassan, and James A. Robinson (2011) "Social Structure and Development: A Legacy of the Holocaust in Russia", Quarterly Journal of Economics, 126(2): 895-946.

Berman, Eli, Jacob Shapiro, and Joseph Felter (2011) "Can Hearts and Minds Be Bought? The Economics of Counterinsurgency in Iraq," Journal of Political Economy, 119(4): 766-819.

Besley, Timothy and Marta Reynal-Querol (2014) "The Legacy of Historical Conflict: Evidence from Africa", American Political Science Review, 108(2): 319-336.

Blattman, Christopher (2009) "From Violence to Voting: War and Political Participation in Uganda", American Political Science Review, 103(2): 231-247.

Blattman, Christopher and Miguel, Edward (2010). "Civil War", The Journal of Economic Literature. 48(1): 3-57.

Blattman, Christopher and Jeannie Annan (2016). "Can Employment Reduce Lawlessness and Rebellion? A Field Experiment with High-Risk Men in a Fragile State." American Political Science Review 110(1): 1-17.

Blattman, Christopher, Julian Jamison, and Margaret Sheridan (2017) "Reducing Crime and Violence: Experimental Evidence on Cognitive Behavioral Therapy in Liberia", American Economic Review, 107(4): 1165-1206.

Blattman, Christopher, Gustavo Duncan, Benjamin Lessing, and Santiago Tobon (2022) "Gang Rule: Understanding and Countering Criminal Governance", Working Paper.

Bulte, Erwin, Robert Lensink, Eleonora Nilsen, Daan Van Soest, Philip Verwimp, and Martin Voors (2012) "Violent Conflict and Behavior: Evidence from Field Experiments in Burundi", American Economic Review, 102(2): 941-964.

****Dell, Melissa (2015) "Trafficking Networks and the Mexican Drug War", American Economic Review, 105(6): 1738-1779.**

Dell, Melissa and Pablo Querubin (2018). "Nation Building Through Foreign Intervention: Evidence from Discontinuities in Military Strategies." *Quarterly Journal of Economics* 133(2): 701-764.

*Dube, Oeindrila and Juan Vargas (2013) "Commodity price shocks and civil conflict: Evidence from Colombia" *The Review of Economic Studies*, 80(4): 1384-1421.

Guidolin, Massimo and Eliana La Ferrara (2007) "Diamonds are Forever, Wars are Not: Is Conflict Bad for Private Firms?," *American Economic Review*, 97(5): 1978-1993.

Heldring, Leander (2012) "The Origins of Violence in Rwanda", *The Review of Economic Studies*, 88(2): 730-763.

Miguel, Edward, Shanker Satyanath, and Ernest Sergenti (2004) "Economic shocks and civil conflict: An instrumental variables approach", *Journal of political Economy*, 112(4): 725-753.

Nunn, Nathan, and Nancy Qian (2014) "US Food Aid and Civil Conflict", *American Economic Review*, 104(6): 1630-1666. [note comment of Barrett and Christian (2017)]

Trebbi, Francesco and Eric Weese (2019) "Insurgency and Small Wars: Estimation of Unobserved Coalition Structures", 87(2): 463-496.

*Yanagizawa-Drott, David (2014) "Propaganda and Conflict: Evidence from the Rwandan Genocide", *Quarterly Journal of Economics*, 129(4): 1947-1994.

Methods lecture: Giving an academic presentation

May 1 and Exam Time: Student Presentations on Research Projects

Absences

You are expected to attend every class. If you must be absent, you must email the professor. More than one absence in the semester may result in receiving a lower grade due to the participation component of the class.

Referee Report:

Writing referee reports is an important task on which graduate students frequently do not receive much training. This is an important way to contribute to the profession and improve others' research. It is also good practice to read a paper carefully and deconstruct its argument.

Whenever doing a referee report, you should prepare two documents. The first is the referee report, which should be 2-3 pages double-spaced. The report has three main parts:

- One paragraph summary of the main argument of the article
- 2-4 major comments on the paper, where you discuss important positives or drawbacks of the paper. These should each be around a paragraph in length.
- Finally, you should conclude the report with minor comments. These can be 1-3 sentences and refer to more minor points about the paper.

When writing the reports, always consider your audience – you are writing these to the author and editor. The editor will likely not have read the paper in as much detail as you, so make sure that your report is clear enough that they will not need to have read the paper to understand it. A great referee report not only clearly states the shortcomings of the work, but also lays out constructive and realistic suggestions for improvement if possible. Do not include your recommendation for publication in the report. This [document](#) outlines what your report should include. Please read it carefully before writing your report. You can also look at this sample [report](#) and [letter](#) from a previous year's student (must be logged into USC email to access).

The second document is a recommendation letter to the editor. This can be anywhere between 1-3 paragraphs depending on how much you need to make your point. You should list your recommendation for the paper (reject, revise and resubmit, acceptance) and the key reason for this recommendation.

One of the best ways to learn about how to write a successful job market is to read that of past candidates. I have thus selected a number of good political economy job market papers over the past year for you to select from for referee reports. Please use the version of the papers in this [dropbox folder](#), NOT any updated drafts. It is more useful to practice referee reports on less polished papers rather than the final published draft.

- Justine Knebelmann (MIT), "Discretion versus Algorithms: Bureaucrats and Tax Equity in Senegal"
- Sahil Chinoy (Harvard), "Politics and Sorting in the US Labor Market"
- Nicolas Longuet-Marx (Columbia). Party Lines or Voter Preferences? Explaining Political Realignment
- Miguel Ortiz (Berkeley), "Hate, Fear and Intergroup Contact: Experimental Evidence from Nigeria"
- Miriam Venturini (Zurich), "The Imperfect Union: Labor Racketeering, Corruption Exposure, and Its Consequences"
- Duncan Webb (PSE). "Silence to Solidarity: Using Group Dynamics to Reduce Anti-Transgender Discrimination in India"

Please read the below resources prior to writing your referee reports. They provide useful guidance on how to write a successful report – the document linked above gives my opinion, but we have much less experience writing referee reports than any of the below authors! There is also a sample report from a previous year's class included in the folder so you have a model for how to write these.

- Berk et al, "Preparing a Referee Report: Guidelines and Perspectives":
<https://www.aeaweb.org/content/file?id=222>
- Bellemare, "Contributing to Public Goods: My 20 Rules for Refereeing":
<http://marcfbellemare.com/wordpress/5542>
- Chris Blattman 2013 Syllabus (see the last four pages):
<https://chrisblattman.com/files/2009/07/POLS-G8412-Syllabus-Spring-2013-Jan-2013-final.docx>
- https://thepoliticalmethodologist.files.wordpress.com/2016/02/tpm_v23_n1.pdf

Please e-mail your referee report and your recommendation letter to the editor to jbweaver@usc.edu by the beginning of class on the date listed above.

Imaginary Paper:¹

Students will submit one "imaginary" research paper. For this assignment, you will need to write out an imaginary abstract and introduction for this paper. The goal of this assignment is to give you practice on how to write an exciting and motivating introduction for a paper, as well as think more deeply about how you would construct an empirical research project. It will also give you a chance to practice your writing, which most students do not spend much time on until they start writing their job market paper.

The introduction will motivate the question or puzzle of interest, explain why it is a challenging topic to study, expand on the research design for how the imaginary paper addresses the challenge and answers the question, and then place the findings in the relevant literature by highlighting the contribution of the paper. To help with this, I suggest that you find a well-published paper on a topic similar to what you want to write about (but not exactly the same) that you think is well-written. You can then follow the structure that they do in terms of organizing the flow of the introduction. It typically works well for the first few paragraphs to motivate the importance of the paper within the broader literature, the middle section summarizes the paper roughly in order of how the paper would be written, and the final few paragraphs explain the contribution to different strands of literature, with an emphasis on how it differs from/builds on existing work.

The abstract should be no more than 200 words and summarize the results of the paper. It should focus on the key points of the "paper" only, while motivating why the paper is important. You should skip over details that are not relevant to someone giving a casual read, but include enough that people understand the basic idea of what you are doing. This is difficult to do, and likely will require multiple rounds of revision.

For this assignment, your "paper" should be original, i.e., it should differ meaningfully from existing work in the literature in terms of making a separate conceptual point, having a different empirical design, or some other differentiator such that it may be publishable if it were a real paper. You should make up the details and results, where the results would be in line with what you think would be plausible in the context. However, this should involve data and an empirical strategy that are at least plausible, even if they don't exist or may not be possible in practice.

Students might find it helpful to reference the following advice on how to write economics paper introductions ([here](#), [here](#), [here](#)). The first imaginary research proposal should NOT be the same topic as your final research proposal.

¹ Thanks to Raul Sanchez de la Sierra and Eduardo Montero for the idea of this assignment.