

# ECON 3510: Poverty and Economic Development

Fall 2025

Bowdoin College

## 1 General Information

**Instructor:** Weizheng Lai

**Contact:** By email [w.lai@bowdoin.edu](mailto:w.lai@bowdoin.edu)

**Lecture Time:** TuTh 11:40AM–1:05PM

**Lecture Location:** Hawthorne-Longfellow Library 028-Media Commons Classroom

**Office Hours:** TuTh 10:30–11:30 AM and Tu 4:30–5:30 PM, Hubbard 8 (starting from 9/4); or by appointment

**Course Website:** Canvas

**Communication:** For all emails, please Place “ECON 3510” in the subject line. I will try to respond to emails within 24 hours. Lecture notes and announcements will be posted on the course website. It is your responsibility to check your email and Canvas regularly for updates and announcements.

**Textbook/Materials:** There are no required textbooks for this course. Class discussion will primarily draw upon academic papers, which are readily accessible online through Bowdoin Library. See the Reading List for papers to be discussed. Some econometric textbooks are listed for reference. Lecture notes on econometrics will be posted online before class, while lecture notes on papers will be posted after class discussion.

**Software:** Stata. You can find some resources for learning Stata on the course website. I am also happy to help you during office hours.

**Course Description:** This course will introduce you to political economy of economic development. Political economy studies the interaction between political and economic systems, and it applies economic theory to understand decision-making problems in politics. The main goal is to understand why and how politics and institutions affect economic growth. The discussion will draw upon academic papers in economics and political science. We will discuss their methods and findings as well as identify their strengths and weaknesses. We will cover a wide range of topics, including economic institutions, political institutions, voters’ decisions, the role of politicians, bureaucracy, corruption, conflict, and the inner workings of autocratic regimes through the lens of China.

Through this course, you will (*i*) learn the key concepts of political economy and how they relate to debates about economic development; (*ii*) get familiar with advanced empirical tools and

be able to assess academic research; and (iii) develop your original empirical research question and get your hands dirty to investigate your question.

## 2 Grading

The final grade is based on

- Problem Set  $\times$  2 ( $15\% \times 2 = 30\%$ );
- Research Paper (45%):
  - 1-page proposal (15%);
  - Summary statistics (10%);
  - Final paper (20%).
- In-Class Presentation of Your Project (15%);
- Participation (10%).

**Problem Sets:** Coding exercises to get familiar with the implementation of empirical methods. Solutions will be provided after submission.

**Research Paper:** See the handout for requirements and grading rubrics. You will develop an empirical project to address an original research question. There are several interim deadlines for submission of different parts of the paper (idea approval, 1-page proposal, summary statistics, slides draft, etc.) to enable you to complete the paper on time.

- You must meet with me to discuss your idea by 10/16. Email me to schedule.
- No lectures on 10/16. The time is used as extra office hours to help with research projects. If you haven't met with me by then, I will assign you a slot during the lecture time.
- A 1-page research proposal is due by 10/23. In your proposal, you should articulate your research question, data sources, and empirical methods.
- Summary statistics of your data are due by 11/11.
- Presentations start on 12/4. That said, you should have your results ready before that date.
- The final paper is due by 12/17.

**In-Class Presentation:** In the last three classes, you will present your research project to the class with slides. You should prepare to take questions from the audience. The presentation will be 13 minutes (10 minutes talk + 3 minutes Q&A). It is a great opportunity to get feedback on your project before you complete writing and submit the paper. See the handout for requirements and grading rubrics. I will randomly assign you to a date for the presentation.

**Participation:** Everyone is expected to participate in class discussions, broadly defined. Quality is valued over quantity. Good quality comments will help explain concepts from readings, highlight

puzzles or inconsistencies or question the conclusions of the instructor or other classmates. I may cold-call during class sessions. Since there are no negative points for class participation, you should view being called upon as an opportunity to improve your grade. You will also provide feedback on a peer's research paper.

It is difficult to participate effectively if you do not attend and prepare for class. Required readings for each class are indicated on the syllabus. The syllabus will often indicate which tables or sections will be the focus of class discussion. You are expected to at least read the abstract and introduction. In addition to required readings, the syllabus lists several optional readings, which you may read if you are interested in exploring a specific topic further.

**Letter grades are assigned as follows.**

Score Percentage	Grade	Notes
[90, 100)	A	
[87, 90)	A-	
[82, 87)	B+	
[78, 82)	B	
[75, 79)	B-	
[?, 75)	C- to C+	I will give some version of a C even for scores that dip into the 60 percent range.
[?, ?)	D	A score below 60 percent is likely to earn a D.
[?, ?)	F	An F will only be given in rare circumstances, such as failing multiple assignments or demonstrating no effort in the course.

### 3 Course Policies

**Academic honesty.** The relevant Honor Code clauses for this class include: “Academic Dishonesty’ includes but is not limited to (1) the receiving, giving, or using of any unauthorized assistance on quizzes, tests, written assignments, examinations or laboratory assignments; . . . (4) acquisition, without permission, of tests, computer files or similar material which would give the student an unfair advantage on an assignment or examination; (5) submission of academic work not a student’s own original effort.” More information can be found at: <https://www.bowdoin.edu/dean-of-students/student-handbook/the-academic-honor-code-and-social-code.html>.

**Use of AI.** You may use AI programs, e.g., ChatGPT, to help learn statistical software, generate ideas, and brainstorm. However, you should note that the material generated by these programs may be inaccurate, incomplete, or otherwise problematic. Beware that use may also stifle your own independent thinking and creativity. You may not submit any work generated by an AI program as your own. If you include material generated by an AI program, it should be cited like any other reference material (with due consideration for the quality of the reference, which may be poor). Any plagiarism or other form of cheating will be dealt with severely under Bowdoin’s academic integrity policies. You are responsible for assessing the quality, completeness, and accuracy of the cited information.

**Late submission, extension, and makeup policies.** Assignments submitted late will lose 10% of the points per day. Extensions may be granted if you contact me in advance with compelling reasons and supporting evidence. No makeup exams will be given except in cases of illness (confirmed by a doctor’s certificate), religious observance, participation in College activities at the request of the College authorities, or compelling circumstances beyond the student’s control. If at all possible, the student must inform me (or the Economics Department) of her/his situation before the exam.

**Getting your learning needs met.** Bowdoin College and I are committed to ensuring access to learning opportunities for all students. Please connect with me about any learning or personal challenges that arise for you over the semester that are impacting your engagement and learning in this course. I will honor any requests to reschedule an assignment or miss class due to the observation of religious holidays.

Students seeking accommodations based on disabilities must register with the [Student Accessibility Office](#). Please discuss any special needs or accommodations with me at the beginning of the semester or as soon as you become aware of your needs; I am eager to work with you to ensure that your approved accommodations are appropriately implemented. If you have questions about requesting accommodations or concerns about approved accommodations, please contact Lesley Levy ([llevy@bowdoin.edu](mailto:llevy@bowdoin.edu)), director of student accessibility, or talk with me at any time.

The [Baldwin Center for Learning and Teaching](#) offers peer-to-peer resources including mentors, Q-Tutors, and Writing Assistants. If you are multilingual you may also take advantage of Lisa Flanagan to work on writing and speaking assignments and projects. Tina Chong is available as an Academic Coach to work with you on goal setting, managing time, study habits and other strategies to support academic success ([link](#)).

The [Office of the Dean of Students](#) is also a resource for students facing personal and academic challenges. I encourage you to reach out to the people in the dean's office for a meeting anytime.

**Disclaimer.** This syllabus is intended to give the student guidance in what may be covered during the semester and will be followed as closely as possible. I reserve the right to modify, supplement, and make changes as the course needs arise.

## 4 Schedule (Subject to Change)

Date	Lecture Topic	Reading	Notes
9/2	Introduction		
9/4	Causality		
9/9	Instrumental Variable		
9/11	Economic Institutions	<a href="#">Acemoglu et al. (2001)</a> : Table 4	
9/16	Panel Data		PS1 assigned
9/18	Difference-in-Differences		
9/23	Political Institutions I	<a href="#">Acemoglu et al. (2008)</a> : Figures 1 & 2	
9/25	Political Institutions II	<a href="#">Acemoglu et al. (2019)</a> : Figure 3 & Table 7	<b>PS1 due</b>
9/30	Voting I (Median Voter Theorem)	<a href="#">Miller (2008)</a> : Figure 2	PS2 assigned
10/2	Voting II (Empirics)		
10/7	Regression Discontinuity		
10/9	Voting III (Empirics)	<a href="#">Fujiwara (2015)</a>	In-class replication
10/14	No class. Fall break!		
10/16	No class. Extra office hours to help with research projects.		<b>You must meet with me to discuss your idea by 10/16.</b> <b>PS2 due</b>
10/21	Voting III (Empirics) (cont'd)	<a href="#">Fujiwara (2015)</a>	In-class replication
10/23	Turnout	<a href="#">Gerber et al. (2008)</a> : Tables 1, 2 & 3	
10/28	Matching; Politicians I	<a href="#">Jones and Olken (2009)</a> : Tables 5, 6 & 7	
10/30	Politicians I (cont'd)	<a href="#">Jones and Olken (2009)</a> : Tables 9, 10 & 11	
11/4	Politicians II	<a href="#">Besley and Case (1995)</a> : Table 4 & Figure 1	
11/6	Bureaucracy	<a href="#">Aneja and Xu (2024)</a> : Section III	
11/11	Bureaucracy (cont'd)	<a href="#">Aneja and Xu (2024)</a> : Section IV	<b>Summary statistics due</b>
11/13	Corruption	<a href="#">Fenizia and Saggio (2024)</a> : Section IV.A	
11/18	Corruption (cont'd)	<a href="#">Fenizia and Saggio (2024)</a> : Section V	
11/20	Conflict	<a href="#">Dube and Vargas (2013)</a> : Table 2	
11/25 & 11/27	No class. Thanksgiving!		
12/2	China	<a href="#">Chen and Kung (2019)</a> : Table 5	
12/4 & 12/9 & 12/11	Presentation of Project		<b>Final slides due;</b> you may send draft slides to me for advice at least 48 hours before your presentation** <b>Paper due</b>
12/17			

Note: All assignments are due by 11:59 PM on the assigned due dates.

## 5 Reading List

(\*) : required reading; discussed in detail in class.

### 5.1 Institutions

#### 5.1.1 *On Fundamental Causes of Economic Growth*

- Acemoglu, D., Johnson, S., and Robinson, J. A. (2005). Institutions as a fundamental cause of long-run growth. *Handbook of Economic Growth*, 1:385–472.
- Acemoglu, D. and Robinson, J. A. (2025). Culture, institutions, and social equilibria: A framework. *Journal of Economic Literature*, 63(2):637–692.
- Sachs, J. D. (2001). Tropical underdevelopment.

#### 5.1.2 *Economic Institutions*

- (\*) Acemoglu, D., Johnson, S., and Robinson, J. A. (2001). The colonial origins of comparative development: An empirical investigation. *American Economic Review*, 91(5):1369–1401.
- Banerjee, A. and Iyer, L. (2005). History, institutions, and economic performance: The legacy of colonial land tenure systems in India. *American Economic Review*, 95(4):1190–1213.
- Guiso, L., Sapienza, P., and Zingales, L. (2016). Long-term persistence. *Journal of the European Economic Association*, 14(6):1401–1436.
- Field, E. (2007). Entitled to work: Urban property rights and labor supply in Peru. *The Quarterly Journal of Economics*, 122(4):1561–1602.
- Besley, T. (1995). Property rights and investment incentives: Theory and evidence from Ghana. *Journal of Political Economy*, 103(5):903–937.
- Dell, M. (2010). The persistent effects of Peru's mining mita. *Econometrica*, 78(6):1863–1903.

#### 5.1.3 *Political Institutions*

- (\*) Acemoglu, D., Johnson, S., Robinson, J. A., and Yared, P. (2008). Income and democracy. *American Economic Review*, 98(3):808–42.
- (\*) Acemoglu, D., Naidu, S., Restrepo, P., and Robinson, J. A. (2019). Democracy does cause growth. *Journal of Political Economy*, 127(1):47–100.
- Abeberese, A. B., Barnwal, P., Chaurey, R., and Mukherjee, P. (2023). Democracy and firm productivity: Evidence from Indonesia. *Review of Economics and Statistics*, 105(3):713–722.
- Martinez-Bravo, M., Padró i Miquel, G., Qian, N., and Yao, Y. (2022). The rise and fall of local elections in China. *American Economic Review*, 112(9):2921–2958.

- Sánchez de la Sierra, R. (2020). On the origins of the state: Stationary bandits and taxation in Eastern Congo. *Journal of Political Economy*, 128(1):32–74.
- Acemoglu, D., Cantoni, D., Johnson, S., and Robinson, J. A. (2011). The consequences of radical reform: The French Revolution. *American Economic Review*, 101(7):3286–3307.
- Papaioannou, E. and Siourounis, G. (2008). Democratisation and growth. *The Economic Journal*, 118(532):1520–1551.
- Sen, A. K. (1999). Democracy as a universal value. *Journal of Democracy*, 10(3):3–17.
- Olson, M. (1993). Dictatorship, democracy, and development. *American Political Science Review*, 87(3):567–576.

## 5.2 Democracy

### 5.2.1 Voting

- (\*) Miller, G. (2008). Women's suffrage, political responsiveness, and child survival in American history. *The Quarterly Journal of Economics*, 123(3):1287–1327.
- (\*) Fujiwara, T. (2015). Voting technology, political responsiveness, and infant health: Evidence from Brazil. *Econometrica*, 83(2):423–464.
- Lee, D. S., Moretti, E., and Butler, M. J. (2004). Do voters affect or elect policies? Evidence from the US House. *The Quarterly Journal of Economics*, 119(3):807–859.
- Marcucci, A., Rohner, D., and Saia, A. (2023). Ballot or bullet: The impact of the UK's representation of the people act on peace and prosperity. *The Economic Journal*, 133(652):1510–1536.
- Ferreira, F. and Gyourko, J. (2009). Do political parties matter? Evidence from US cities. *The Quarterly Journal of Economics*, 124(1):399–422.
- Pettersson-Lidbom, P. (2008). Do parties matter for economic outcomes? A regression-discontinuity approach. *Journal of the European Economic Association*, 6(5):1037–1056.
- Gerber, E. R. and Hopkins, D. J. (2011). When mayors matter: Estimating the impact of mayoral partisanship on city policy. *American Journal of Political Science*, 55(2):326–339.
- Meltzer, A. H. and Richard, S. F. (1981). A rational theory of the size of government. *Journal of Political Economy*, 89(5):914–927.

### 5.2.2 Turnout

- (\*) Gerber, A. S., Green, D. P., and Larimer, C. W. (2008). Social pressure and voter turnout: Evidence from a large-scale field experiment. *American Political Science Review*, 102(1):33–48.

- Gerber, A. S. and Green, D. P. (2000). The effects of canvassing, telephone calls, and direct mail on voter turnout: A field experiment. *American Political Science Review*, 94(3):653–663.
- Fujiwara, T., Meng, K., and Vogl, T. (2016). Habit formation in voting: Evidence from rainy elections. *American Economic Journal: Applied Economics*, 8(4):160–188.
- Gerber, A., Hoffman, M., Morgan, J., and Raymond, C. (2020). One in a million: Field experiments on perceived closeness of the election and voter turnout. *American Economic Journal: Applied Economics*, 12(3):287–325.
- Bursztyn, L., Cantoni, D., Funk, P., Schönenberger, F., and Yuchtman, N. (2024). Identifying the effect of election closeness on voter turnout: Evidence from Swiss referenda. *Journal of the European Economic Association*, 22(2):876–914.
- Kaplan, E., Saltiel, F., and Urzua, S. (2023). Voting for democracy: Chile’s plebiscito and the electoral participation of a generation. *American Economic Journal: Economic Policy*, 15(3):438–464.
- Willeck, C. and Mendelberg, T. (2022). Education and political participation. *Annual Review of Political Science*, 25(1):89–110.
- Levine, D. K. and Palfrey, T. R. (2007). The paradox of voter participation? A laboratory study. *American Political Science Review*, 101(1):143–158.
- Cantoni, E., Pons, V., and Schafer, J. (2025). Voting rules, turnout, and economic policies. *Annual Review of Economics*, 17.
- Palfrey, T. R. and Rosenthal, H. (1985). Voter participation and strategic uncertainty. *American Political Science Review*, 79(1):62–78.

### 5.3 Governance Structures

#### 5.3.1 Politicians

- (\*) Jones, B. F. and Olken, B. A. (2009). Hit or miss? The effect of assassinations on institutions and war. *American Economic Journal: Macroeconomics*, 1(2):55–87.
- (\*) Besley, T. and Case, A. (1995). Does electoral accountability affect economic policy choices? Evidence from gubernatorial term limits. *The Quarterly Journal of Economics*, 110(3):769–798.
- Chattopadhyay, R. and Duflo, E. (2004). Women as policy makers: Evidence from a randomized policy experiment in India. *Econometrica*, 72(5):1409–1443.
- He, G., Wang, S., and Zhang, B. (2020). Watering down environmental regulation in China. *The Quarterly Journal of Economics*, 135(4):2135–2185.
- Blinder, A. S. and Watson, M. W. (2016). Presidents and the US economy: An econometric exploration. *American Economic Review*, 106(4):1015–1045.

### 5.3.2 Bureaucracy

- (\*) Aneja, A. and Xu, G. (2024). Strengthening state capacity: Civil service reform and public sector performance during the Gilded Age. *American Economic Review*, 114(8):2352–2387.
- Xu, G. (2023). Bureaucratic representation and state responsiveness during times of crisis: The 1918 pandemic in India. *Review of Economics and Statistics*, 105(2):482–491.
- Dal Bó, E., Finan, F., and Rossi, M. A. (2013). Strengthening state capabilities: The role of financial incentives in the call to public service. *The Quarterly Journal of Economics*, 128(3):1169–1218.
- Dipoppa, G. and Gulzar, S. (2024). Bureaucrat incentives reduce crop burning and child mortality in South Asia. *Nature*, 634(8036):1125–1131.
- He, G. and Wang, S. (2017). Do college graduates serving as village officials help rural China? *American Economic Journal: Applied Economics*, 9(4):186–215.
- Spenkuch, J. L., Teso, E., and Xu, G. (2023). Ideology and performance in public organizations. *Econometrica*, 91(4):1171–1203.

## 5.4 Corruption

- (\*) Fenizia, A. and Saggio, R. (2024). Organized crime and economic growth: Evidence from municipalities infiltrated by the Mafia. *American Economic Review*, 114(7):2171–2200.
- Fisman, R. (2001). Estimating the value of political connections. *American Economic Review*, 91(4):1095–1102.
- Connell, E. and Prem, M. (2022). Corruption and firms. *The Review of Economic Studies*, 89(2):695–732.
- Chen, T. and Kung, J. K.-s. (2019). Busting the “princelings”: The campaign against corruption in China’s primary land market. *The Quarterly Journal of Economics*, 134(1):185–226.
- Olken, B. A. (2007). Monitoring corruption: Evidence from a field experiment in Indonesia. *Journal of Political Economy*, 115(2):200–249.
- Shleifer, A. and Vishny, R. W. (1993). Corruption. *The Quarterly Journal of Economics*, 108(3):599–617.
- Banerjee, A., Mullainathan, S., and Hanna, R. (2012). Corruption. Technical report, National Bureau of Economic Research.
- Becker, G. S. and Stigler, G. J. (1974). Law enforcement, malfeasance, and compensation of enforcers. *The Journal of Legal Studies*, 3(1):1–18.
- Olken, B. A. and Pande, R. (2012). Corruption in developing countries. *Annual Review of Economics*, 4(1):479–509.

## 5.5 Conflict

- (\*) Dube, O. and Vargas, J. F. (2013). Commodity price shocks and civil conflict: Evidence from Colombia. *Review of Economic Studies*, 80(4):1384–1421.
- Fetzer, T. (2020). Can workfare programs moderate conflict? Evidence from India. *Journal of the European Economic Association*, 18(6):3337–3375.
- Miguel, E., Satyanath, S., and Sergenti, E. (2004). Economic shocks and civil conflict: An instrumental variables approach. *Journal of Political Economy*, 112(4):725–753.
- Lai, W., Xu, L. C., and Yang, L. (2025). Property rights, fiscal capacity, and social capacity: The lasting impact of the taiping rebellion. *Conditionally Accepted by Journal of Economic Growth*.
- Blattman, C. and Miguel, E. (2010). Civil war. *Journal of Economic Literature*, 48(1):3–57.

## 5.6 Political Economy of Autocratic Regimes: The Case of China

- (\*) Chen, T. and Kung, J. K.-s. (2019). Busting the “princelings”: The campaign against corruption in China’s primary land market. *The Quarterly Journal of Economics*, 134(1):185–226.
- Beraja, M., Kao, A., Yang, D. Y., and Yuchtman, N. (2023). AI-tocracy. *The Quarterly Journal of Economics*, 138(3):1349–1402.
- Jiang, J. (2018). Making bureaucracy work: Patronage networks, performance incentives, and economic development in China. *American Journal of Political Science*, 62(4):982–999.
- Li, H. and Zhou, L.-A. (2005). Political turnover and economic performance: The incentive role of personnel control in China. *Journal of Public Economics*, 89(9-10):1743–1762.
- Campante, F. R., Chor, D., and Li, B. (2023). The political economy consequences of China’s export slowdown. *Journal of the European Economic Association*, 21(5):1721–1771.
- Mattingly, D. C. (2024). How the party commands the gun: The foreign–domestic threat dilemma in China. *American Journal of Political Science*, 68(1):227–242.
- Cantoni, D., Chen, Y., Yang, D. Y., Yuchtman, N., and Zhang, Y. J. (2017). Curriculum and ideology. *Journal of Political Economy*, 125(2):338–392.
- Qin, B., Strömberg, D., and Wu, Y. (2017). Why does China allow freer social media? protests versus surveillance and propaganda. *Journal of Economic Perspectives*, 31(1):117–140.
- Wen, J. Y. (2025). State employment as a strategy of autocratic control in China. *The Review of Economics and Statistics*, pages 1–45.
- Wang, S. and Yang, D. Y. (2025). Policy experimentation in china: The political economy of policy learning. *Journal of Political Economy*, 133(7):2180–2228.
- Chen, L. and Zhang, H. (2021). Strategic authoritarianism: The political cycles and selectivity of china’s tax-break policy. *American Journal of Political Science*, 65(4):845–861.
- Xu, C. (2011). The fundamental institutions of China’s reforms and development. *Journal of Economic Literature*, 49(4):1076–1151.

- Yang, D. Y. (2024). China: Autocracy 2.0. Technical report, National Bureau of Economic Research.

## 5.7 Econometric Reference

- Angrist, J. D. and Pischke, J.-S. (2014). *Mastering'metrics: The path from cause to effect*. Princeton University Press.