IPEC 326 – Research Topics: Corruption, Clientelism, and Patronage

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Time and place: MW 9:30–10:45AM, Maguire 104

Office hours: M 4-6PM

Objectives of the Course

This course will primarily focus on three forms of misuse of political power: corruption, clientelism, and patronage. Drawing from a recent body of academic research in economics and political science, we will examine how each phenomenon is organized, how researchers attempt to measure it, what are some of their important causes, the ways in which they may be damaging for political and economic systems in which they exist, and whether and how they may be contained or overcome.

While we will be learning about these phenomena, an equally important goal of the class will be to familiarize students with the theoretical and empirical tools current quantitative social science research uses to formulate and answer research questions about these topics. This goal is really a means to another end: to encourage students to identify and develop research questions of interest toward their senior thesis. (But I would also like to believe that learning how to think analytically about important real-world problems will give you skills beyond writing a senior thesis.) In this vein, the course will *not* attempt to be a comprehensive survey of the knowledge on these topics. For the most part, we will *not* be reading the old, seminal treatments on corruption, clientelism, and patronage. Rather, we will primarily be reading more recent and more focused academic papers. The selection of the readings is guided by their creativity and methodological rigor as well as the importance of their subject matter.

Course structure and materials

Class time will be part instruction, part students' presentations, and part directed discussion. Usually, one topic will span a Wednesday and a Monday class meeting, in that order. I will lecture on Wednesday, and there will be two student presentations and a discussion on Monday (see more below). Two things are critical for good progress in the class. First, students will be expected to read the assigned materials prior to the class meeting. This is important, since the short written assignments (described below), the in-class presentations, and the directed discussion will be based on the readings. Second, we will be relying overwhelmingly on academic journal articles, which will be quite advanced. The Wednesday instruction will usually focus on (a) providing some background and context to the readings, and (b) clarifying some methodological and theoretical points. But it will usually *not* be designed to summarize the readings. Therefore, class attendance is quite important. If you cannot attend a class, make sure to let me know in advance.

There are no textbooks for the course. If you need reference materials for the methodological aspects of the readings, the following are reasonably accessible textbooks:

Kennedy, Peter. *A Guide to Econometrics*. 5th Edition, MIT press, 2006.

Angrist, Joshua D., and Jörn-Steffen Pischke. *Mostly Harmless Econometrics: An Empiricist's Companion*. Princeton University Press, 2008.

Dunning, Thad. *Natural Experiments in the Social Sciences: A Design-Based Approach.* Cambridge University Press, 2012.

Osborne, Martin J., and Ariel Rubinstein. *A Course in Game Theory*. MIT press, 1994.

If you feel you need other reference materials, please let me know.

Student Responsibilities and Grading

Group presentations (2)	30%
Individual response papers (2)	30%
Participation	10%
Research proposal	30%

Presentations

Once a week, starting in week 3, two groups of two students will prepare a presentation on two of the week's readings. I will randomly assign you into the groups at the beginning of the semester, and we will then decide on a schedule of presentations based on the course outline and your particular interests. Each group will present twice during the semester. We will make sure that no group presents in consecutive weeks. I will ask the groups to state three preferences for a presentation, and try to accommodate everyone's preferences as best as possible. The readings to be presented are indicated with a * sign below.

The main purpose of the presentation will *not* be to summarize the work – the entire class is supposed to read the paper before class. Instead, the group presenting will strive to act as a "defender" of the study's arguments and methods. The purpose of this is to incentivize you to try hard to understand the logic behind the authors' arguments and empirical tests. There is a lot of truth to the notion that if you cannot explain it, you do not understand it. The papers we will read will be quite advanced. Do not worry if you cannot understand every detail, but you should be able to understand the logic and the main thrust of the authors' argument and empirical approach. The role of the presenters will be to anticipate potential critiques of the study from other participants in the class, and prepare arguments that may be used in the study's defense. The presentation should be no longer than 25 minutes. I will distribute a more detailed set of guidelines for the presentation in the second week of class. Also, I will do the first presentation to give you a sense of the expectations of how to do it yourselves.

Thought papers

Each student will write two thought papers no longer than two double-spaced pages in some of the weeks when the student is not presenting. We will decide on a schedule of thought papers at the beginning of the semester based on the course outline and your particular interests.

The purpose again is *not* to summarize the reading(s), but to critically think about them – for example, to mount a constructive critique, discuss an interesting extension, or point to gaps given other arguments learned in the class or elsewhere.

The paper should be submitted by the end of the day on Saturday, prior to the Monday class meeting. I will collect all the papers and distribute them before the class on Monday. Reading other students' thought papers before the meeting is highly recommended, as they will influence the directed discussion. As with the presentation, I will write a first response paper myself and distribute it to the class, to give you a sense of what will be expected.

Please note that all of your written assignments will be checked by a plagiarism-detector software upon electronic submission via turnitin.com. Any suspected plagiarism will be reported to the Honor Council.[1]

Participation

Participation in the directed class discussion is an important component of a satisfactory completion of the course.

Research Proposal

The final requirement for the course is a research proposal, which should be no longer than 10 double-spaced pages. I do *not* expect you to write a complete research paper. Instead, the research proposal should include: (1) a statement of a research question or puzzle, (2) how and why it may advance our current knowledge, (3) a *brief* review of the literature related to the topic, (4) a theoretical argument that can be used to provide an answer to the question, (5) testable hypothesis or hypotheses drawn from the theoretical argument, and (6) preliminary description of what data and methods may be used to test these hypotheses.

[1]All submitted papers will be added as source documents in the Turnitin.com reference database solely for the purpose of detecting plagiarism of such papers in the future. Use of the Turnitin.com service is subject to the terms of use agreement posted on the Turnitin.com site.

We will devote one class, roughly in the seventh week of the course, to collectively brainstorming potential research projects. The idea is to help you with the thinking for your own research proposal. To facilitate the discussion, everyone in the class will be required to circulate one week in advance a document with one research idea – hopefully the topic of your eventual research proposal – in no more than a few paragraphs. We will choose several of the research ideas, and spend time in class discussing the process of turning those ideas into the outline of a research proposal.

You should be thinking about your paper and discussing the topic with me by the end of the fifth week of the course. Note that if your research interest lies primarily in topics covered toward the end of the class, you should be prepared to read ahead. The proposal is due by Friday, December 18. No incomplete grades will be allowed, except in exceptional circumstances.

Outline of the Course

Introduction

Course description and introduction

Methods overview: econometrics, Ordinary Least Squares regression, causal inference, and experiments

Part I: Corruption

Organization of Corruption

Hellman, Joel, Geraint Jones, and Daniel Kaufmann (2003), "Seize the State, Seize the Day: An Empirical Analysis of State Capture and Corruption in Transition Economies." *Journal of Comparative Economics*, Vol. 31(4), pp. 751-773.

Olken, Benjamin, and Patrick Barron (2009), "The Simple Economics of Extortion: Evidence from Trucking in Aceh." *Journal of Political Economy*, Vol. 117 (3), pp. 417-252.

How do We Measure Corruption?

Fisman, Raymond (2001), "Estimating the Value of Political Connections." *American Economic Review*, Vol. 91 (4), pp. 1095-1102.

Donchev, Dilyan, and Gergely Ujhelyi (2014), "What Do Corruption Indices Measure?." *Economics & Politics*, Vol. 26(2), pp. 309-331.

*Fang, Hanming, Quanlin Gu, and Li-An Zhou (2014), "The Gradients of Power: Evidence from the Chinese Housing Market." NBER Working Paper No. 20317, July.

*Hollyer, James, B. Peter Rosendorff, and James R. Vreeland (2014), "Measuring Transparency." *Political Analysis*, Vol. 22(4), pp. 413-434.

Some Roots and Effects of Corruption

Treisman, Daniel, (2000), “The Causes of Corruption.” *Journal of Public Economics*, Vol. 76, pp. 399-457.

Bertrand, Marianne, Simeon Djankov, Rema Hanna, and Sendhil Mullainathan (2007), “Obtaining a Driving License in India: An Experimental Approach to Studying Corruption.” *Quarterly Journal of Economics*, Vol. 122 (4), pp. 1639-76.

*Monteiro, Joana, and Claudio Ferraz (2012), “Does Oil Make Leaders Unaccountable? Evidence from Brazils Offshore Oil Boom.” Working Paper.

*Simpser, Alberto (2014), “The Intergenerational Persistence of Attitudes toward Corruption.” Working Paper.

Controlling Corruption

Ferraz, Claudio and Fred S. Finan (2008), “Exposing Corrupt Politicians: The Effects of Brazils Publicly Released Audits on Electoral Outcomes.” *Quarterly Journal of Economics*, Vol. 123, pp. 703745.

Van Rijckeghem, Caroline, and Beatrice Weder (2001), “Bureaucratic Corruption and the Rate of Temptation: do Wages in the Civil Service Affect Corruption, and By How Much?” *Journal of Development Economics*, Vol. 65(2), pp. 307-331.

*Enikolopov, Ruben, Maria Petrova, and Konstantin Sonin (2015), “Social Media and Corruption.” Working Paper.

*Fisman, Raymond, and Edward Miguel (2007), “Corruption, Norms, and Legal Enforcement: Evidence from Diplomatic Parking Tickets.” *Journal of Political Economy*, Vol. 115, pp. 1020-1048.

Limits of Corruption Control

Klašnja, Marko, Andrew T. Little, and Joshua A. Tucker (2014), “Political Corruption Traps.” Working Paper.

Olken, Benjamin A. (2009), “Corruption Perceptions vs. Corruption Reality.” *Journal of Public Economics*, Vol. 93, pp. 95064.

*King, Gary, Jennifer Pan, and Margaret E. Roberts (2013), “How Censorship in China Allows Government Criticism but Silences Collective Expression.” *American Political Science Review*, Vol. 107(2), pp. 326-343.

*Snyder, James M. Jr. and David Strómberg (2010), “Press Coverage and Political Accountability.” *Journal of Political Economy*, Vol. 118(2), pp. 355-408.

Brainstorming Session on Research Proposals

Part II: Clientelism/Vote-Buying

Organization and Measurement of Clientelism

*Stokes, Susan (2005), "Perverse Accountability: A Formal Model of Machine Politics with Evidence from Argentina." *American Political Science Review*, Vol. 99 (3), pp. 315-325.

*Nichter, Simeon (2010), "Vote Buying or Turnout Buying? Machine Politics and the Secret Ballot." *American Political Science Review*, Vol. 102: pp 19-31.

Gonzalez-Ocantos, Ezequiel, Chad Kiewiet de Jonge, Carlos Meléndez, Javier Osorio, and David W. Nickerson (2012), "Vote Buying and Social Desirability Bias: Experimental Evidence from Nicaragua." *American Journal of Political Science*, Vol. 56 (1): 202-217.

Larreguy, Horacio, John Marshall and Pablo Querubin (2015), "Parties, Brokers and Voter Mobilization: How Turnout Buying Depends Upon the Party's Capacity to Monitor Brokers." Forthcoming, *American Political Science Review*.

Roots and Consequences of Clintelism

Chandra, Kanchan (2007), "Counting Heads: A Theory of Voter and Elite Behavior in Patronage Democracies." In Herbert Kitschelt and Steven Wilkinson, eds., *Patrons, Clients, and Policies: Patterns of Democratic Accountability and Political Competition*. Cambridge: Cambridge University Press. + Chapter 11, "Explaining different head counts in the BSP and Congress" in Chandra, Kanchan (2007), *Why Ethnic Parties Succeed Patronage and Ethnic Head Counts in India*, Cambridge University Press.

*Diaz-Cayeros, Alberto, Federico Estévez, and Beatriz Magaloni (2014), "Strategies of Vote Buying: Democracy, Clientelism and Poverty Relief in Mexico." New York: Cambridge University Press (Chapters 3-4, and 6).

*Hidalgo, F. Daniel and Simeon Nichter (2015), "Voter Buying: Shaping the Electorate through Clientelism." Working Paper.

Overcoming Clientelism

Stokes, Susan C., Thad Dunning, Marcelo, Nazareno, and Valeria Brusco (2013), "Party Leaders Against the Machine" (Chapter 7), in "Brokers, Voters, and Clientelism." Cambridge: Cambridge University Press, pp. 175-200.

Keefer, Philip, and Razvan Vlaicu (2008), "Democracy, Credibility, and Clientelism." *Journal of Law, Economics, and Organization*, Vol. 24, pp. 271-406.

*Weitz-Shapiro, Rebecca (2012), "What Wins Votes: Why Some Politicians Opt Out of Clientelism." *American Journal of Political Science*, Vol. 56, pp. 568583.

*Wantchekon, Leonard (2003), “Clientelism and Voting Behavior: Evidence from a Field Experiment in Benin,” *World Politics*, Vol. 55, pp. 399-422.

Part III: Patronage

Organization of Patronage

Schneider, Ben Ross (1993), “The Career Connection: A Comparative Analysis of Bureaucratic Preferences and Insulation.” *Comparative Politics*, Vol. 25, pp.331350.

*Golden, Miriam (2003), “Electoral Connections: The Effects of the Personal Vote on Political Patronage, Bureaucracy, and Legislation in Postwar Italy.” *British Journal of Political Science*, Vol. 33(2), pp. 189-212.

*Iyer, Lakshmi, and Anandi Mani (2012), “Traveling Agents: Political Change and Bureaucratic Turnover in India.” *Review of Economics and Statistics*, Vol. 94, pp. 723-739.

Adoption of the Merit System

*Rauch, James E., and Peter B. Evans (2000), “Bureaucratic Structure and Bureaucratic Performance in Less Developed Countries.” *Journal of Public Economics*, Vol. 75, pp. 4971.

*Ting, Michael M., James M. Snyder, Shigeo Hirano, and Olle Folke (2013), “Elections and Reform: The Adoption of Civil Service Systems in the US States.” *Journal of Theoretical Politics*, Vol. 25, pp. 363-387.

Bolton, Alexander, James R. Hollyer and Leonard Wantchekon (2015), “Migration, Bureaucratic Reform and Institutional Persistence: Evidence from US Municipalities.” Working Paper.

Wrap-up

Wrap-up; discussion of students’ progress on research proposals.