

Political Economy of Growth (PS 2543)

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Online stuff

This version of the syllabus is from: 2023-01-13.

Signup sheet for presentations: shorturl.at/bjkmt.

Homepage for the course: https://michaelaklin.github.io/2023_ps2543/

Updates are marked with “**New!**”

Course objectives

This graduate course is devoted to the study of the politics of economic growth. While this is nominally a course at the intersection of IPE and CPE, you will see that it borrows heavily from other subfields and disciplines (primarily economics, but also public policy, management, history, sociology, etc.).

The aim for this course is:

- to ensure that you have a strong overview of theoretical models of growth
- to show the richness of rigorous empirical work that has been conducted
- to stimulate new research ideas, new theories, and novel empirical designs

Note: the course is primarily one based on presentations and discussions. The readings consists in a mix of ‘classics’ and recent papers. The latter were selected because they are either interesting (if I read them) or they seem interesting (based on the abstract).

Requirements

Assignments.

- 50%: a research project/pre-analysis plan (including theory + empirical design; data analysis optional)
- 40%: in-class presentations and participation.
- 10%: a book review.

Grade scale: 0 < 60: F, 60 < 64: D-, 64 < 67: D, 67 < 70: D+, 70 < 73: C-, 74 < 77: C, 77 < 80: C+, 80 < 84: B-, 84 < 87: B, 87 < 90: B+, 90 < 94: A-, 93 or more: A. "Y < X" means: "from Y up to, but not including X." Grades are not rounded up.

Late submissions are penalized by a loss of 2 percentage points per day. If you have issues that prevent you from submitting an assignment on time, then please let me know immediately. If you inform me *after* a deadline has passed, I will need to be provided justification (e.g. doctor's note) to cancel the late submission penalty.

Important note: you can discuss ideas with your fellow students, but you must do your assignments individually. For pedagogical reasons, it is essential that you must try to understand the material on your own.

Organization

Every course is divided in three parts:

1. Lecture (if applicable)
2. Paper presentation (+ discussion)
3. Project presentation

Readings

There are no required textbooks for this class. Useful textbooks to study growth models include:

- Aghion, Philippe and Peter W Howitt, (2008)., *The Economics of Growth.*, MIT Press.
- Acemoglu, Daron, (2009)., *Introduction to Modern Economic Growth.*, Princeton, NJ: Princeton University Press.

Class Schedule

The schedule is subject to change.

Week 01, 01/09: Introduction

Hall, Robert E. and Charles I. Jones, (1999)., “Why do Some Countries Produce So Much More Output Per Worker Than Others?’, In: *The Quarterly Journal of Economics* 114.1, pp. 83-116.

Galor, Oded, (2005)., “From Stagnation to Growth: Unified Growth Theory’’, In: , *Handbook of Economic Growth*., Ed. by Philippe Aghion and Steven Durlauf., North-Holland, pp. 171–293.

Week 02, 01/16: MLK Day

No class.

Week 03, 01/23: Growth and inequality: persistence and discontinuities

Comin, Diego, William Easterly, and Erick Gong, (2010)., “Was the Wealth of Nations Determined in 1000 BC?’, In: *American Economic Journal: Macroeconomics* 2, pp. 65–97.

Dell, Melissa, (2010)., “The Persistent Effects of Peru’s Mining Mita’’, In: *Econometrica* 78.6, pp. 1863-1903.

Miguel, Edward and Gérard Roland, (2011)., “The Long-Run Impact of Bombing Vietnam’’, In: *Journal of Development Economics* 96.1, pp. 1-15.

Hornbeck, Richard, (2012)., “The Enduring Impact of the American Dust Bowl: Short- and Long-Run Adjustments to Environmental Catastrophe’’, In: *The American Economic Review* 102.4, pp. 1477-1507.

Voigtländer, Nico and Hans-Joachim Voth, (2012)., “Persecution perpetuated: the medieval origins of anti-Semitic violence in Nazi Germany’’, In: *Quarterly Journal of Economics* 127.3, pp. 1339-1392.

Guiso, Luigi, Paola Sapienza, and Luigi Zingales, (2016)., “Long-Term Persistence’’, In: *Journal of the European Economic Association* 14.6, pp. 1401-1436.

Dalgaard, Carl-Johan, Nicolai Kaarsen, Ola Olsson, and Pablo Selaya, (2018)., “Roman roads to prosperity: Persistence and non-persistence of public goods provision’’, CEPR Discussion Paper DP12745.

Acemoglu, Daron, David Autor, Joe Hazell, and Pascual Restrepo, (2021)., “AI and jobs: evidence from online vacancies’’, In: *Journal of Labor Economics*.

Acemoglu, Daron and Pascual Restrepo, (2022)., “Tasks, automation, and the rise in US wage inequality’’, In: *Econometrica* 90.5, pp. 1973-2016.

Lindgren, Karl-Oskar and Sven Oskarsoon, (2022)., “The Perpetuity of the Past: Transmission of Political Inequality across Multiple Generations’’, In: *American Political Science Review*, pp. 1–15.

Fouka, Vasiliki and Hans-Joachim Voth, (2022)., “Collective Remembrance and Private Choice: German–Greek Conflict and Behavior in Times of Crisis’’, In: *American Political Science Review*, pp. 1–20.

Background reading:

Moene, Karle Ove and Michael Wallerstein, (2001)., “Inequality, Social Insurance, and Redistribution’ ’, In: *American Political Science Review* 95.4, pp. 859–874.

Kenworthy, Lane and Jonas Pontusson, (2005)., “Rising Inequality and the Politics of Redistribution in Affluent Countries’ ’, In: *Perspectives on Politics* 3.3, pp. 449–471.

Piketty, Thomas, (2013)., *Le Capital au XXIe Siècle.*, Paris: Le Seuil.

Kelly, Morgan, (2019)., “The standard errors of persistence’ ’, CEPR Discussion paper no. DP13783.

Blanchard, Olivier and Dani Rodrik, ed., (2021)., *Combating Inequality.*, MIT Press.

New! Guinnane, Timothy W, (2021)., “We do not know the population of every country in the world for the past two thousand years’ ’, CESifo Working Paper.

New! Guinnane, Timothy W and Philip Hoffman, (2022)., “Medieval Anti-Semitism, Weimar Social Capital, and the Rise of the Nazi Party: A Reconsideration’ ’, CESifo Working Paper.

Week 04, 01/30: Labor, population, migration, and unions

Voigtländer, Nico and Hans-Joachim Voth, (2013)., “The three horsemen of riches: Plague, war, and urbanization in early modern Europe’ ’, In: *Review of Economic Studies* 80.2, pp. 774–811.

Jansen, Giedo, Roderick Sluiter, and Agnes Akkerman, (2016)., “The Diffusion of Strikes: A Dyadic Analysis of Economic Sectors in the Netherlands, 1995–2007’ ’, In: *American Journal of Sociology* 121.6, pp. 1885–1918.

New! Dean, Adam, (2016)., *From Conflict to Coalition.*, Cambridge University Press.

Frymer, Paul and Jacob M Grumbach, (2021)., “Labor unions and white racial politics’ ’, In: *American Journal of Political Science* 65.1, pp. 225–240.

Bouscasse, Paul, Emi Nakamura, and Jón Steinsson, (2021)., “When did growth begin? New estimates of productivity growth in England from 1250 to 1870’ ’, NBER Working Paper 28623.

Erikson, Emily and Hirokazu Shirado, (2021)., “Networks, Property, and the Division of Labor’ ’, In: *American Sociological Review* 86.4, pp. 759–786.

New! Frymer, Paul and Jacob M Grumbach, (2021)., “Labor unions and white racial politics’ ’, In: *American Journal of Political Science* 65.1, pp. 225–240.

Lim, Junghyun, (2022)., “The Electoral Consequences of International Migration in Sending Countries: Evidence from Central and Eastern Europe’ ’, In: *Comparative Political Studies*.

Jones, Charles I, (2022)., “The end of economic growth? Unintended consequences of a declining population’ ’, In: *American Economic Review* 112.11, pp. 3489–3527.

New! Colonnelli, Emanuele, Valdemar Pinho Neto, and Edoardo Teso, (2022)., “Politics at work’ ’, NBER Working Paper 30182.

Background reading:

Franzen, Axel and Dominik Hangartner, (2006)., “Social networks and labour market outcomes: The non-monetary benefits of social capital’ ’, In: *European Sociological Review* 22.4, pp. 353–368.

Hayashi, Fumio and Edward C Prescott, (2008)., “The depressing effect of agricultural institutions on the prewar Japanese economy’ ’, In: *Journal of Political Economy* 116.4, pp. 573-632.

Hainmueller, Jens and Michael J. Hiscox, (2010)., “Attitudes toward Highly Skilled and Low-Skilled Immigration: Evidence from a Survey Experiment’ ’, In: *American Political Science Review* 104.1, pp. 61–84.

Guinnane, Timothy W, (2011)., “The historical fertility transition: A guide for economists’ ’, In: *Journal of Economic Literature* 49.3, pp. 589–614.

Hainmueller, Jens and Dominik Hangartner, (2013)., “Who gets a Swiss passport? A natural experiment in immigrant discrimination’ ’, In: *American Political Science Review* 107.1, pp. 159–187.

Jäger, Simon, Shakked Noy, and Benjamin Schoefer, (2022)., “The German Model of Industrial Relations: Balancing Flexibility and Collective Action’ ’, In: *Journal of Economic Perspectives* 36.4, pp. 53-80.

Naidu, Suresh, (2022)., “Is There Any Future for a US Labor Movement?’ ’, In: *Journal of Economic Perspectives* 36.4, pp. 3-28.

Week 05, 02/06: Technology and infrastructure

Hornung, Erik, (2014)., “Immigration and the diffusion of technology: The Huguenot diaspora in Prussia’ ’, In: *American Economic Review* 104.1, pp. 84–122.

Juhász, Réka, (2018)., “Temporary Protection and Technology Adoption: Evidence from the Napoleonic Blockade’ ’, In: *American Economic Review* 108.11, pp. 3339-76.

Acemoglu, Daron and Pascual Restrepo, (2020)., “Robots and jobs: Evidence from US labor markets’ ’, In: *Journal of Political Economy* 128.6, pp. 2188-2244.

Owen, Erica, (2019)., “Firms vs. Workers? The Politics of Openness in an Era of Global Production and Automation’ ’, Working Paper.

Busemeyer, Marius R. and Tobias Tober, (2022)., “Dealing with Technological Change: Social Policy Preferences and Institutional Context’ ’, In: *Comparative Political Studies*, p. 00104140221139381.

Lim, Junghyun, Michaël Aklin, and Morgan Frank, (2022)., “Quantifying Barriers to a Just Transition for US Fossil Fuel Workers’ ’, Working Paper.

Braun, Sebastian Till and Richard Franke, (2022)., “Railways, Growth, and Industrialization in a Developing German Economy, 1829–1910’ ’, In: *Journal of Economic History* 82.4, pp. 1183–1221.

Bogart, Dan, Xuesheng You, Eduard J Alvarez-Palau, Max Satchell, and Leigh Shaw-Taylor, (2022)., “Railways, divergence, and structural change in 19th century England and Wales’ ’, In: *Journal of Urban Economics* 128, p. 103390.

Voth, Hans-Joachim, Bruno Caprettini, and Alex Trew, (2022)., “Fighting for Growth: Labor scarcity and technological progress during the British industrial revolution’ ’, Working Paper Series 2022-15.

Background reading:

Schumpeter, Joseph, (1934)., *Capitalism, Socialism, and Democracy*., New York: Harper.

Foster, Andrew D and Mark R Rosenzweig, (1996)., “Technical change and human-capital returns and investments: evidence from the green revolution’’, In: *American Economic Review*, pp. 931–953.

Iversen, Torben and David Soskice, (2001)., “An asset theory of social policy preferences’’, In: *American Political Science Review* 95.4, pp. 875–893.

Walter, Stefanie, (2021)., “The backlash against globalization’’, In: *Annual Review of Political Science* 24.1, pp. 421–442.

Week 06, 02/13: Human capital

Harding, Robin and David Stasavage, (2013)., “What Democracy Does (and Doesn’t Do) for Basic Services: School Fees, School Inputs, and African Elections’’, In: *Journal of Politics* 76.1, pp. 229–245.

Ansell, Ben and Johannes Lindvall, (2013)., “The political origins of primary education systems: Ideology, institutions, and interdenominational conflict in an era of nation-building’’, In: *American Political Science Review* 107.3, pp. 505–522.

Cantoni, Davide and Noam Yuchtman, (2014)., “Medieval Universities, Legal Institutions, and the Commercial Revolution’’, In: *Quarterly Journal of Economics* 129.2, pp. 823–887.

Squicciarini, Mara P and Nico Voigtländer, (2015)., “Human capital and industrialization: Evidence from the age of enlightenment’’, In: *The Quarterly Journal of Economics* 130.4, pp. 1825–1883.

Rauscher, Emily, (2016)., “Does Educational Equality Increase Mobility? Exploiting Nineteenth-Century U.S. Compulsory Schooling Laws’’, In: *American Journal of Sociology* 121.6, pp. 1697–1761.

Croke, Kevin, Guy Grossman, Horacio A. Larreguy, and John Marshall, (2016)., “Deliberate Disengagement: How Education Can Decrease Political Participation in Electoral Authoritarian Regimes’’, In: *American Political Science Review* 110.3, pp. 579–600.

De la Croix, David, Matthias Doepke, and Joel Mokyr, (2018)., “Clans, guilds, and markets: Apprenticeship institutions and growth in the preindustrial economy’’, In: *Quarterly Journal of Economics* 133.1, pp. 1–70.

Valencia Caicedo, Felipe, (2019)., “The mission: Human capital transmission, economic persistence, and culture in South America’’, In: *Quarterly Journal of Economics* 134.1, pp. 507–556.

Squicciarini, Mara P, (2020)., “Devotion and development: religiosity, education, and economic progress in nineteenth-century France’’, In: *American Economic Review* 110.11, pp. 3454–91.

Background reading:

Bourdieu, Pierre and Jean-Claude Passeron, (1990)., *Reproduction in Education, Society and Culture*., London: Sage Publications.

Weitzman, Martin L, (1998)., “Recombinant growth’’, In: *Quarterly Journal of Economics* 113.2, pp. 331–360.

Barro, Robert J, (2001)., “Human Capital and Growth’’, In: *American Economic Review* 91.2, pp. 12–17.

Stijns, Jean-Philippe, (2006)., “Natural resource abundance and human capital accumulation’ ’, In: *World Development* 34.6, pp. 1060-1083.

Goldin, Claudia and Lawrence F. Katz, (2010)., *The Race between Education and Technology*., Cambridge, MA: Belknap Press.

Week 07, 02/20: Social capital, networks, corruption

Satyanath, Shanker, Nico Voigtlaender, and Hans-Joachim Voth, (2017)., “Bowling for Fascism: Social Capital and the Rise of the Nazi Party’ ’, In: *Journal of Political Economy* 125.2.

Frank, Morgan R, Lijun Sun, Manuel Cebrian, Hyejin Youn, and Iyad Rahwan, (2018)., “Small cities face greater impact from automation’ ’, In: *Journal of the Royal Society Interface* 15.139, p. 20170946.

Hong, Inho, Morgan R Frank, Iyad Rahwan, Woo-Sung Jung, and Hyejin Youn, (2020)., “The universal pathway to innovative urban economies’ ’, In: *Science Advances* 6.34, p. eaba4934.

Battaglini, Marco, Luigi Guiso, Chiara Lacava, Douglas L Miller, and Eleonora Patacchini, (2022)., “Refining Public Policies with Machine Learning: The Case of Tax Auditing’ ’, NBER Working Paper 30777.

Canen, Nathan, Matthew O Jackson, and Francesco Trebbi, (2022)., “Social interactions and legislative activity’ ’, In: *Journal of the European Economic Association*.

New! Jackson, Matthew O, Stephen M Nei, Erik Snowberg, and Leeat Yariv, (2023)., “The Dynamics of Networks and Homophily’ ’, NBER Working Paper 30815.

New! Gulino, Giorgio and Federico Masera, (2023)., “Contagious dishonesty: Corruption scandals and supermarket theft’ ’, In: *American Economic Journal: Applied Economics*.

New! Browne, Oliver, Ludovica Gazze, Michael Greenstone, and Olga Rostapshova, (2023)., “Man vs. Machine: Technological Promise and Political Limits of Automated Regulation Enforcement’ ’, NBER Working Paper 30816.

Background reading:

Coleman, James S., (1988)., “Social Capital in the Creation of Human Capital’ ’, In: *American Journal of Sociology* 94, pp. 95-120.

Montgomery, James D, (1991)., “Social networks and labor-market outcomes: Toward an economic analysis’ ’, In: *American Economic Review* 81.5, pp. 1408-1418.

Knack, Stephen and Philip Keefer, (1997)., “Does Social Capital Have an Economic Payoff? A Cross-Country Investigation’ ’, In: *Quarterly Journal of Economics* 112.4, pp. 1251-1288.

Putnam, Robert D., (2001)., *Bowling Alone*., New York: Simon & Schuster.

Glaeser, Edward L, (2008)., *Cities, agglomeration, and spatial equilibrium*., Oxford University Press.

Campante, Filipe, Ruben Durante, and Andrea Tesei, (2022)., “Media and social capital’ ’, In: *Annual Review of Economics* 14, pp. 69–91.

Week 08, 02/27: Institutions (democracy vs autocracy)

Feyrer, James and Bruce Sacerdote, (2009)., “Colonialism and Modern Income: Islands as Natural Experiments’ ’, In: *The Review of Economics and Statistics* 91.2, pp. 245-262.

Michalopoulos, Stelios and Elias Papaioannou, (2013)., “National Institutions and Subnational Development in Africa’ ’, In: *Quarterly Journal of Economics* 129.1, pp. 151-213.

Fernández, Raquel, (2014)., “Women’s rights and development’ ’, In: *Journal of Economic Growth* 19.1, pp. 37-80.

Pepinsky, Thomas B, (2016)., “Colonial migration and the origins of governance: Theory and evidence from Java’ ’, In: *Comparative Political Studies* 49.9, pp. 1201-1237.

Lacroix, Jean, (2017)., “Steam democracy up! Industrialization-led opposition in Napoleonic plebiscites’ ’, In: *European Review of Economic History* 22.2, pp. 135-160.

Acemoglu, Daron, Suresh Naidu, Pascual Restrepo, and James A Robinson, (2019)., “Democracy does cause growth’ ’, In: *Journal of Political Economy* 127.1, pp. 47-100.

Background reading:

Lipset, Seymour Martin, (1959)., “Some Social Requisites of Democracy: Economic Development and Political Legitimacy’ ’, In: *American Political Science Review* 53.1, pp. 69-105.

O’Donnell, Guillermo, (1973)., *Modernization and bureaucratic-authoritarianism: Studies in South American politics.*, Institute of International Studies.

Dahl, Robert A., (1989)., *Democracy and Its Critics.*, New Haven: Yale University Press.

Przeworski, Adam, (1991)., *Democracy and the market: Political and economic reforms in Eastern Europe and Latin America.*, Cambridge University Press.

Acemoglu, Daron, Simon Johnson, and James A. Robinson, (2001)., “The Colonial Origins of Comparative Development: An Empirical Investigation’ ’, In: *American Economic Review* 91.5, pp. 1369-1401.

Baum, Matthew A. and David A. Lake, (2003)., “The Political Economy of Growth: Democracy and Human Capital’ ’, In: *American Journal of Political Science* 47.2, pp. 333-347.

Rodrik, Dani, Arvind Subramanian, and Francesco Trebbi, (2004)., “Institutions rule: the primacy of institutions over geography and integration in economic development’ ’, In: *Journal of Economic Growth* 9.2, pp. 131-165.

Glaeser, Edward L., Rafael La Porta, Florencio Lopez-de-Silanes, and Andrei Shleifer, (2004)., “Do Institutions Cause Growth?’ ’, In: *Journal of Economic Growth* 9.3, pp. 271-303.

Cheibub, Jose A., Jennifer Gandhi, and James Vreeland, (2010)., “Democracy and Dictatorship Revisited’ ’, In: *Public Choice* 143.1, pp. 67-101.

Acemoglu, Daron, Georgy Egorov, and Konstantin Sonin, (2021)., “Institutional change and institutional persistence’ ’, In: *The Handbook of Historical Economics.*, Elsevier, pp. 365-389.

Week 09, 03/06: Spring Break

No class.

Week 10, 03/13: Institutions (autocracy)

Albertus, Michael, (2015)., *Autocracy and Redistribution*., New York: Cambridge University Press.

Miller, Michael K., (2015)., “Electoral Authoritarianism and Human Development’ ’, In: *Comparative Political Studies* 48.12, pp. 1526-1562.

Geddes, Barbara, Joseph Wright, Joseph George Wright, and Erica Frantz, (2018)., *How dictatorships work: Power, personalization, and collapse*., New York: Cambridge University Press.

Dower, Paul Castañeda, Evgeny Finkel, Scott Gehlbach, and Steven Nafziger, (2018)., “Collective action and representation in autocracies: Evidence from Russia’s great reforms’ ’, In: *American Political Science Review* 112.1, pp. 125-147.

Rozenas, Arturas and Yuri M. Zhukov, (2019)., “Mass Repression and Political Loyalty: Evidence from Stalin’s ‘Terror by Hunger’ ’, In: *American Political Science Review* 113.2, pp. 569–583.

Rizio, Stephanie M and Ahmed Skali, (2019)., “How often do dictators have positive economic effects? Global evidence, 1858–2010’ ’, In: *The Leadership Quarterly*.

Chang, Qing, (2022)., “Career Incentives, Economic Competition, and Public Land Prices’ ’, Working Paper.

Background reading:

Linz, Juan José, (2000)., *Totalitarian and authoritarian regimes*., Lynne Rienner Publishers.

Olson, Mancur, (1993)., “Dictatorship, democracy, and development’ ’, In: *American political science review* 87.3, pp. 567-576.

Gandhi, Jennifer, (2008)., *Political institutions under dictatorship*., New York: Cambridge University Press.

Svolik, Milan W., (2012)., *The politics of authoritarian rule*., New York: Cambridge University Press.

Gehlbach, Scott, Konstantin Sonin, and Milan W. Svolik, (2016)., “Formal Models of Nondemocratic Politics’ ’, In: *Annual Review of Political Science* 19.1, pp. 565-584.

Week 11, 03/20: Institutions (informal, bureaucracy, state capacity, etc.)

Alesina, Alberto, Paola Giuliano, and Nathan Nunn, (2013)., “On the origins of gender roles: Women and the plough’ ’, In: *Quarterly Journal of Economics* 128.2, pp. 469-530.

Cantoni, Davide, (2015)., “The economic effects of the Protestant Reformation: testing the Weber hypothesis in the German lands’ ’, In: *Journal of the European Economic Association* 13.4, pp. 561-598.

Acemoglu, Daron, Camilo García-Jimeno, and James A Robinson, (2015)., “State capacity and economic development: A network approach’ ’, In: *American Economic Review* 105.8, pp. 2364–2409.

Nowak, Andrzej, Michele J Gelfand, Wojciech Borkowski, Dov Cohen, and Ivan Hernandez, (2016)., “The evolutionary basis of honor cultures’ ’, In: *Psychological science* 27.1, pp. 12-24.

Schulz, Jonathan, (2017)., “The Churches’ Bans on Consanguineous Marriages, Kin-Networks and Democracy’ ’, Working Paper.

Lowes, Sara, Nathan Nunn, James A Robinson, and Jonathan L Weigel, (2017)., “The evolution of culture and institutions: Evidence from the Kuba kingdom’ ’, In: *Econometrica* 85.4, pp. 1065-1091.

Lehne, Jonathan, (2018)., “An opium curse? The long-run economic consequences of narcotics cultivation in British India’ ’, Working Paper.

Vogler, Jan P, (2019)., “Imperial rule, the imposition of bureaucratic institutions, and their long-term legacies’ ’, In: *World Politics* 71.4, pp. 806-863.

Colonnelli, Emanuele, Mounu Prem, and Edoardo Teso, (2020)., “Patronage and selection in public sector organizations’ ’, In: *American Economic Review* 110.10, pp. 3071-99.

Rich, Jessica AJ, (2022)., “Outsourcing Bureaucracy to Evade Accountability: How Public Servants Build Shadow State Capacity’ ’, In: *American Political Science Review*, pp. 1–16.

Slough, Tara, (2022)., “Bureaucratic Quality and Electoral Accountability’ ’, Working Paper.

Background reading:

Bourdieu, Pierre and Jean-Claude Passeron, (1990)., *Reproduction in Education, Society and Culture*., London: Sage Publications.

Mauss, Marcel, (2000)., *The Gift*., New York: W. W. Norton.

Lauth, Hans-Joachim, (2000)., “Informal Institutions and Democracy’ ’, In: *Democratization* 7.4, pp. 21-50.

Guiso, Luigi, Paola Sapienza, and Luigi Zingales, (2006)., “Does culture affect economic outcomes?’ ’, In: *Journal of Economic perspectives* 20.2, pp. 23-48.

Tsai, Kellee S, (2006)., “Adaptive informal institutions and endogenous institutional change in China’ ’, In: *World Politics* 59.1, pp. 116-141.

Weber, Max, (2019)., *Economy and Society*., Harvard University Press.

Hendrix, Cullen S, (2010)., “Measuring state capacity: Theoretical and empirical implications for the study of civil conflict’ ’, In: *Journal of Peace Research* 47.3, pp. 273–285.

Alesina, Alberto and Paola Giuliano, (2015)., “Culture and institutions’ ’, In: *Journal of Economic Literature* 53.4, pp. 898-944.

Pomeranz, Dina and José Vila-Belda, (2019)., “Taking state-capacity research to the field: Insights from collaborations with tax authorities’ ’, In: *Annual Review of Economics* 11, pp. 755–781.

Besley, Timothy, Robin Burgess, Adnan Khan, and Guo Xu, (2022)., “Bureaucracy and development’ ’, In: *Annual Review of Economics* 14, pp. 397–424.

Week 12, 03/27: Law, crime, and property rights

Kostelnik, James and David Skarbek, (2013)., “The governance institutions of a drug trafficking organization’ ’, In: *Public Choice* 156.1-2, pp. 95-103.

Buonanno, Paolo, Ruben Durante, Giovanni Prarolo, and Paolo Vanin, (2015)., “Poor institutions, rich mines: Resource curse in the origins of the sicilian mafia’ ’, In: *The Economic Journal* 125.586, pp. F175–F202.

Dube, Oeindrila, Omar García-Ponce, and Kevin Thom, (2016)., “From Maize to Haze: Agricultural Shocks and the Growth of the Mexican Drug Sector’ ’, In: *Journal of the European Economic Association* 14.5, pp. 1181-1224.

Dimico, Arcangelo, Alessia Isopi, and Ola Olsson, (2017)., “Origins of the Sicilian Mafia: The Market for Lemons’ ’, In: *The Journal of Economic History* 77.4, pp. 1083-1115.

Daniele, Gianmarco and Gemma Dipoppa, (2022)., “Fighting Organized Crime by Targeting their Revenue: Screening, Mafias, and Public Funds’ ’, In: *Journal of Law, Economics, and Organization*.

Ash, Elliott, Daniel L Chen, and Suresh Naidu, (2022)., “Ideas have consequences: The impact of law and economics on american justice’ ’, NBER Working Paper 29788.

Background reading:

Anderson, Robert T, (1965)., “From Mafia to Cosa Nostra’ ’, In: *American Journal of Sociology* 71.3, pp. 302-310.

Krueger, Anne O, (1974)., “The political economy of the rent-seeking society’ ’, In: *American Economic Review* 64.3, pp. 291–303.

North, Douglass C and Barry R Weingast, (1989)., “Constitutions and Commitment: The Evolution of Institutions Governing Public Choice in Seventeenth-Century England’ ’, In: *The Journal of Economic History* 49.4, pp. 803-832.

Gottfredson, Michael and Travis Hirschi, (1990)., *A General Theory of Crime.*, Stanford: Stanford University Press.

Florentini, Gianluca and Sam Peltzman, (1997)., *The economics of organised crime.*, New York: Cambridge University Press.

Porta, Rafael La, Florencio Lopez-de-Silanes, and Andrei Shleifer, (2008)., “The Economic Consequences of Legal Origins’ ’, In: *Journal of Economic Literature* 46.2, pp. 285-332.

Venkatesh, Sudhir, (2008)., *Gang Leader for a Day.*, New York: Penguin.

Week 13, 04/03: Violence and war

Nunn, Nathan and Leonard Wantchekon, (2011)., “The slave trade and the origins of mistrust in Africa’ ’, In: *American Economic Review* 101.7, pp. 3221–52.

Berger, Daniel, William Easterly, Nathan Nunn, and Shanker Satyanath, (2013)., “Commercial imperialism? Political influence and trade during the Cold War’ ’, In: *American Economic Review* 103.2, pp. 863–96.

Oatley, Thomas, (2015)., *A Political Economy of American Hegemony*., New York: Cambridge University Press.

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Course policies

Pandemic/COVID

During this pandemic, it is extremely important that you abide by the public health regulations, the University of Pittsburgh's health standards and guidelines, and Pitt's Health Rules. These rules have been developed to protect the health and safety of all of us. Universal face covering is required in all classrooms and in every building on campus, without exceptions, regardless of vaccination status. This means you must wear a face covering that properly covers your nose and mouth when you are in the classroom. If you do not comply, you will be asked to leave class. It is your responsibility have the required face covering when entering a university building or classroom. For the most up-to-date information and guidance, please visit <https://coronavirus.pitt.edu> and check your Pitt email for updates before each class.

If you are required to isolate or quarantine, become sick, or are unable to come to class, contact me as soon as possible to discuss arrangements.

Disability Resource Services

If you have a disability for which you are or may be requesting an accommodation, you are encouraged to contact both your instructor and the Office of Disability Resources and Services, 140 William Pitt Union, 412-648-7890, as early as possible in the term. Disability Resources and Services will verify your disability and determine reasonable accommodations for this course.

Academic Integrity Policy

Cheating/plagiarism will not be tolerated. Students suspected of violating the University of Pittsburgh Policy on Academic Integrity, noted below, will be required to participate in the outlined procedural process as initiated by the instructor. A minimum sanction of a zero score for the quiz, exam or paper will be imposed. (For the full Academic Integrity policy, go to www.provost.pitt.edu/info/ai1.html.)

E-mail Communication Policy

Each student is issued a University e-mail address (username@pitt.edu) upon admittance. This e-mail address may be used by the University for official communication with students. Students are expected to read e-mail sent to this account on a regular basis. Failure to read and react to University communications in a timely manner does not absolve the student from knowing and complying with the content of the communications. The University provides an e-mail forwarding service that allows students to read their e-mail via other service providers (e.g., Hotmail, AOL, Yahoo). Students that choose to forward their e-mail from their pitt.edu address to another address do so at their own risk. If e-mail is lost as a result of forwarding, it does not absolve the student from responding to official communications sent to their University e-mail address. To forward e-mail sent to your University account, go to <http://accounts.pitt.edu>, log into your account, click on Edit Forwarding Addresses, and follow the instructions on the page. Be sure to log out of your account when you have finished. (For the full E-mail Communication Policy, go to www.bc.pitt.edu/policies/policy/09/09-10-01.html.)

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The University of Pittsburgh does not tolerate any form of discrimination, harassment, or retaliation based on disability, race, color, religion, national origin, ancestry, genetic information, marital

status, familial status, sex, age, sexual orientation, veteran status or gender identity or other factors as stated in the University's Title IX policy. The University is committed to taking prompt action to end a hostile environment that interferes with the University's mission. For more information about policies, procedures, and practices, see: <https://www.diversity.pitt.edu/about>. I ask that everyone in the class strive to help ensure that other members of this class can learn in a supportive and respectful environment. If there are instances of the aforementioned issues, please contact the Title IX Coordinator, by calling 412-648-7860, or e-mailing titleixcoordinator@pitt.edu. Reports can also be filed online: <https://www.diversity.pitt.edu/civil-rights-title-ix-compliance/make-report>.