

## EXAMPLE SYLLABUS: CAUSES AND CONSEQUENCES OF CORRUPTION

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<b>Time</b>	AAA
<b>Place</b>	BBB
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### Course description:

What is corruption? Why does corruption occur? What are the impacts of corruption on economic and political development? How can corruption be reduced? This course seeks to: (1) answer these questions where possible, (2) explore where a lack of consensus exists, and (3) encourage students to engage with how we can better answer these questions.

Corruption is commonly studied in both economics and political science, and as such is a core area of research in political economy. Readings will therefore be derived from both disciplines, and will cover both theoretical and empirical research. This course covers corruption at all levels of economic development and state capacity, and should therefore familiarize students with the types of corruption that exist in each regime type.

### Prerequisites:

There are no official prerequisites for this course. *However*, this class focuses on rigorous theoretical and empirical research on corruption from economics and political science. As such, we will be reading articles from journals such as *American Economic Review* and *American Political Science Review* that are technical in nature. In addition to internalizing the findings of the articles, students will be required to engage with the strengths and weaknesses of the research designs, as well as questions of robustness and external validity. Familiarity with microeconomic theory, empirical research design, experimental methods, and/or econometrics is therefore helpful but not required. For example, we will discuss why field experiments are often considered the “gold standard” in proving causality, as well as their limitations in answering many substantive questions of interest.

### Readings/books:

Education is expensive enough. I will not ask you to purchase any books for this course. All readings can be found online at the following link. We will, however, regularly refer to Rose-Ackerman, S. and Palifka, B. J. (2016). *Corruption and government: Causes, consequences, and reform*. Cambridge University Press. Please feel free to purchase if you wish, but all required readings from the book will be posted.

Students are expected to do the reading before class and to come to class prepared to discuss the readings. As an aid to discussion, half of the class students will post two or three page observations or discussion questions on the readings for that week. Students will be divided randomly by week unless they have a strong preference for a particular topic. These posts will not be graded but will count towards your class participation grade.

## **Final exam / research paper**

All students have an option of taking an exam or writing a paper. The exam will be a 24 hour self-scheduled take-home exam.

The paper is a roughly 15-20 page paper on a topic connected to the subject of the course. Students who want to write a paper should see me early in the term to discuss a topic, and are strongly encouraged to tailor their papers to their course of study (I want this assignment to be useful to you). For example, policy students may consider writing a policy memo, graduate students may consider a research design or first draft of a publishable research paper or literature review for a dissertation, and undergraduates may consider a literature review or book/article critique.

## What is corruption?

### Is corruption a legal or normative concept?

Rose-Ackerman, S. (2018). Corruption & purity. *Daedalus*, 147(3):98–110

Rose-Ackerman, S. and Palifka, B. J. (2016). *Corruption and government: Causes, consequences, and reform*. Cambridge University Press. Chapter 1, pp 30-33.

Svensson, J. (2005). Eight questions about corruption. *Journal of Economic Perspectives*, 19(3):19–42

Bowler, S. and Donovan, T. (2016). Campaign money, congress, and perceptions of corruption. *American Politics Research*, 44(2):272–295

### Types of corruption

Rose-Ackerman, S. and Palifka, B. J. (2016). *Corruption and government: Causes, consequences, and reform*. Cambridge University Press. Chapter 1, pp 34-37.

Rose-Ackerman, S. and Palifka, B. J. (2016). *Corruption and government: Causes, consequences, and reform*. Cambridge University Press. Chapter 2.

Rose-Ackerman, S. and Palifka, B. J. (2016). *Corruption and government: Causes, consequences, and reform*. Cambridge University Press. Chapter 8.

Fadiman, J. A. (1986). A traveler’s guide to gifts and bribes. *Harvard Business Review*, 64(4):122–136

### Measuring corruption

Consult the websites of Transparency International, especially material on the Corruption Perceptions Index and the World Bank’s brief on anti-corruption.

Rose-Ackerman, S. and Palifka, B. J. (2016). *Corruption and government: Causes, consequences, and reform*. Cambridge University Press. Chapter 1, pp 40-54.

Escresa, L. and Picci, L. (2017). A new cross-national measure of corruption. *The World Bank Economic Review*, 31(1):196–219

Duggan, M. and Levitt, S. D. (2002). Winning isn’t everything: Corruption in sumo wrestling. *American Economic Review*, 92(5):1594–1605

Fisman, R. and Miguel, E. (2007). Corruption, norms, and legal enforcement: Evidence from diplomatic parking tickets. *Journal of Political Economy*, 115(6):1020–1048

## Causes of corruption

### Economic and political incentives for corruption

Treisman, D. (2007). What have we learned about the causes of corruption from ten years of cross-national empirical research? *Annu. Rev. Polit. Sci.*, 10:211–244

Olken, B. A. and Barron, P. (2009). The simple economics of extortion: evidence from trucking in Aceh. *Journal of Political Economy*, 117(3):417–452

Schnakenberg, K. E. and Turner, I. R. (2019). Signaling with reform: How the threat of corruption prevents informed policymaking. *American Political Science Review*

Malesky, E. J., Gueorguiev, D. D., and Jensen, N. M. (2015). Monopoly money: Foreign investment and bribery in vietnam, a survey experiment. *American Journal of Political Science*, 59(2):419–439

### Corruption, racism, and colonialism

Mulinge, M. M. and Lesetedi, G. N. (1998). Interrogating our past: colonialism and corruption in sub-saharan africa. *African Journal of Political Science*, pages 15–28

Angeles, L. and Neanidis, K. C. (2015). The persistent effect of colonialism on corruption. *Economica*, 82(326):319–349

### Police corruption

Rose-Ackerman, S. and Palifka, B. J. (2016). *Corruption and government: Causes, consequences, and reform*. Cambridge University Press. Chapter 6, Part IV, “Corruption in law enforcement,” pp. 509-514.

Holmes, L. (2020). Police corruption. In *Oxford Research Encyclopedia of Criminology and Criminal Justice*

Punch, M. (2000). Police corruption and its prevention. *European Journal on Criminal Policy and Research*, 8(3):301–324

Porter, L. E. and Warrender, C. (2009). A multivariate model of police deviance: examining the nature of corruption, crime and misconduct. *Policing & Society*, 19(1):79–99

### Corruption, attitudes, and culture

Rose-Ackerman, S. and Palifka, B. J. (2016). *Corruption and government: Causes, consequences, and reform*. Cambridge University Press. Chapter 7, pp. 34-37.

Corbacho, A., Gingerich, D. W., Oliveros, V., and Ruiz-Vega, M. (2016). Corruption as a self-fulfilling

prophecy: evidence from a survey experiment in costa rica. *American Journal of Political Science*, 60(4):1077–1092

Truex, R. (2011). Corruption, attitudes, and education: Survey evidence from nepal. *World Development*, 39(7):1133–1142

Hanna, R. and Wang, S.-Y. (2017). Dishonesty and selection into public service: Evidence from india. *American Economic Journal: Economic Policy*, 9(3):262–90

## Economic and political impacts of corruption

### Corruption and economic development

Rose-Ackerman, S. and Palifka, B. J. (2016). *Corruption and government: Causes, consequences, and reform*. Cambridge University Press. Chapter 1, pp. 55-62.

Bardhan, P. (2016). State and development: The need for a reappraisal of the current literature. *Journal of Economic Literature*, 54(3):862–92

Zhu, B. (2017). Mncs, rents, and corruption: Evidence from china. *American Journal of Political Science*, 61(1):84–99

### Organized crime and corruption

Rose-Ackerman, S. and Palifka, B. J. (2016). *Corruption and government: Causes, consequences, and reform*. Cambridge University Press. Chapter 9, pp. 294-315.

Findley, M. G., Nielson, D. L., and Sharman, J. C. (2013). Using field experiments in international relations: A randomized study of anonymous incorporation. *International Organization*, pages 657–693

Johannesen, N. and Zucman, G. (2014). The end of bank secrecy? an evaluation of the g20 tax haven crackdown. *American Economic Journal: Economic Policy*, 6(1):65–91

### Corruption in national security and defense procurement

Transparency International-UK, Government Defence Anti-corruption index

Le Billon, P. (2003). Buying peace or fuelling war: the role of corruption in armed conflicts. *Journal of International Development: The Journal of the Development Studies Association*, 15(4):413–426

DellaVigna, S. and La Ferrara, E. (2010). Detecting illegal arms trade. *American Economic Journal: Economic Policy*, 2(4):26–57

Guidolin, M. and La Ferrara, E. (2007). Diamonds are forever, wars are not: Is conflict bad for private firms? *American Economic Review*, 97(5):1978–1993

## Reducing corruption

### Electoral accountability and corruption

Dunning, T., Grossman, G., Humphreys, M., Hyde, S. D., McIntosh, C., Nellis, G., Adida, C. L., Arias, E., Bicalho, C., Boas, T. C., et al. (2019). Voter information campaigns and political accountability: Cumulative findings from a preregistered meta-analysis of coordinated trials. *Science Advances*, 5(7):eaaw2612

Boas, T. C., Hidalgo, F. D., and Melo, M. A. (2019). Norms versus action: Why voters fail to sanction malfeasance in brazil. *American Journal of Political Science*, 63(2):385–400

Ferraz, C. and Finan, F. (2008). Exposing corrupt politicians: the effects of brazil’s publicly released audits on electoral outcomes. *The Quarterly Journal of Economics*, 123(2):703–745

Incerti, T. (2020). Corruption information and vote share: A meta-analysis and lessons for experimental design. *American Political Science Review*, 114(3):761–774

Campante, F. R. and Do, Q.-A. (2014). Isolated capital cities, accountability, and corruption: Evidence from us states. *American Economic Review*, 104(8):2456–81

### Corruption and gender

Swamy, A., Knack, S., Lee, Y., and Azfar, O. (2001). Gender and corruption. *Journal of Development Economics*, 64(1):25–55

Chaudhuri, A. (2012). Gender and corruption: A survey of the experimental evidence. In *New advances in experimental research on corruption*. Emerald Group Publishing Limited

Bauhr, M. and Charron, N. (2021). Will women executives reduce corruption? marginalization and network inclusion. *Comparative Political Studies*, 54(7):1292–1322

Esarey, J. and Dalton, M. (2021). The changing relationship between gender and corruption. Technical report, Working Paper. URL: [http://www.justinesarey.com/Corruption\\_and...](http://www.justinesarey.com/Corruption_and...)

Eggers, A. C., Vivyan, N., and Wagner, M. (2018). Corruption, accountability, and gender: Do female politicians face higher standards in public life? *The Journal of Politics*, 80(1):321–326

### Monitoring corruption

Borcan, O., Lindahl, M., and Mitrut, A. (2017). Fighting corruption in education: What works and who benefits? *American Economic Journal: Economic Policy*, 9(1):180–209

Olken, B. A. (2007). Monitoring corruption: evidence from a field experiment in indonesia. *Journal of Political Economy*, 115(2):200–249

Rahman, D. (2012). But who will monitor the monitor? *American Economic Review*, 102(6):2767–97

Pan, J. and Chen, K. (2018). Concealing corruption: How chinese officials distort upward reporting of online grievances. *American Political Science Review*, 112(3):602–620

### Transparency

Halter, M. V., De Arruda, M. C. C., and Halter, R. B. (2009). Transparency to reduce corruption? *Journal of Business Ethics*, 84(3):373–385

Kolstad, I. and Wiig, A. (2009). Is transparency the key to reducing corruption in resource-rich countries? *World development*, 37(3):521–532

Lindstedt, C. and Naurin, D. (2010). Transparency is not enough: Making transparency effective in reducing corruption. *International political science review*, 31(3):301–322

Peisakhin, L. and Pinto, P. (2010). Is transparency an effective anti-corruption strategy? evidence from a field experiment in india. *Regulation & Governance*, 4(3):261–280

Strom, S. (2012). Web sites shine light on petty bribery worldwide. *The New York Times*, March, 6:2012

Ang, Y. Y. (2014). Authoritarian restraints on online activism revisited: Why “I-paid-a-bribe” worked in India but failed in China. *Comparative Politics*, 47(1):21–40

### Crafting domestic institutions to reduce to corruption

Gans-Morse, J., Borges, M., Makarin, A., Mannah-Blankson, T., Nickow, A., and Zhang, D. (2018). Reducing bureaucratic corruption: Interdisciplinary perspectives on what works. *World Development*, 105:171–188

Basu, K. (2011). Why, for a class of bribes, the act of giving a bribe should be treated as legal

Popa, M. (2015). Elites and corruption: a theory of endogenous reform and a test using British data. *World Politics*, 67(2):313–352

Lewis-Faupel, S., Neggers, Y., Olken, B. A., and Pande, R. (2016). Can electronic procurement improve infrastructure provision? evidence from public works in india and indonesia. *American Economic Journal: Economic Policy*, 8(3):258–83

Gulzar, S., Pasquale, B. J., et al. (2017). Politicians, bureaucrats, and development: Evidence from india. *American Political Science Review*, 111(1):162–183

Charron, N., Dahlström, C., Fazekas, M., and Lapuente, V. (2017). Careers, connections, and corruption risks: Investigating the impact of bureaucratic meritocracy on public procurement processes. *The Journal of Politics*, 79(1):89–104



*International treaties and national laws against foreign bribery*

Rose-Ackerman, S. and Palifka, B. J. (2016). *Corruption and government: Causes, consequences, and reform*. Cambridge University Press. Chapter 14, pp. 461-490

Read the US Foreign Corrupt Practices Act, 15 U.S.C.

Weismann, M. F. (2009). The foreign corrupt practices act: The failure of the self-regulatory model of corporate governance in the global business environment. *Journal of Business Ethics*, 88(4):615–661

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- Ang, Y. Y. (2014). Authoritarian restraints on online activism revisited: Why “I-paid-a-bribe” worked in India but failed in China. *Comparative Politics*, 47(1):21–40.
- Angeles, L. and Neanidis, K. C. (2015). The persistent effect of colonialism on corruption. *Economica*, 82(326):319–349.
- Bardhan, P. (2016). State and development: The need for a reappraisal of the current literature. *Journal of Economic Literature*, 54(3):862–92.
- Basu, K. (2011). Why, for a class of bribes, the act of giving a bribe should be treated as legal.
- Bauhr, M. and Charron, N. (2021). Will women executives reduce corruption? marginalization and network inclusion. *Comparative Political Studies*, 54(7):1292–1322.
- Boas, T. C., Hidalgo, F. D., and Melo, M. A. (2019). Norms versus action: Why voters fail to sanction malfeasance in brazil. *American Journal of Political Science*, 63(2):385–400.
- Borcan, O., Lindahl, M., and Mitrut, A. (2017). Fighting corruption in education: What works and who benefits? *American Economic Journal: Economic Policy*, 9(1):180–209.
- Bowler, S. and Donovan, T. (2016). Campaign money, congress, and perceptions of corruption. *American Politics Research*, 44(2):272–295.
- Campante, F. R. and Do, Q.-A. (2014). Isolated capital cities, accountability, and corruption: Evidence from us states. *American Economic Review*, 104(8):2456–81.
- Charron, N., Dahlström, C., Fazekas, M., and Lapuente, V. (2017). Careers, connections, and corruption risks: Investigating the impact of bureaucratic meritocracy on public procurement processes. *The Journal of Politics*, 79(1):89–104.
- Chaudhuri, A. (2012). Gender and corruption: A survey of the experimental evidence. In *New advances in experimental research on corruption*. Emerald Group Publishing Limited.
- Corbacho, A., Gingerich, D. W., Oliveros, V., and Ruiz-Vega, M. (2016). Corruption as a self-fulfilling prophecy: evidence from a survey experiment in costa rica. *American Journal of Political Science*, 60(4):1077–1092.
- DellaVigna, S. and La Ferrara, E. (2010). Detecting illegal arms trade. *American Economic Journal: Economic Policy*, 2(4):26–57.
- Duggan, M. and Levitt, S. D. (2002). Winning isn’t everything: Corruption in sumo wrestling. *American Economic Review*, 92(5):1594–1605.
- Dunning, T., Grossman, G., Humphreys, M., Hyde, S. D., McIntosh, C., Nellis, G., Adida, C. L., Arias, E., Bicalho, C., Boas, T. C., et al. (2019). Voter information campaigns and political accountability: Cumulative findings from a preregistered meta-analysis of coordinated trials. *Science Advances*, 5(7):eaaw2612.
- Eggers, A. C., Vivyan, N., and Wagner, M. (2018). Corruption, accountability, and gender: Do female politicians face higher standards in public life? *The Journal of Politics*, 80(1):321–326.

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- Escresa, L. and Picci, L. (2017). A new cross-national measure of corruption. *The World Bank Economic Review*, 31(1):196–219.
- Fadiman, J. A. (1986). A traveler’s guide to gifts and bribes. *Harvard Business Review*, 64(4):122–136.
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- Findley, M. G., Nielson, D. L., and Sharman, J. C. (2013). Using field experiments in international relations: A randomized study of anonymous incorporation. *International Organization*, pages 657–693.
- Fisman, R. and Miguel, E. (2007). Corruption, norms, and legal enforcement: Evidence from diplomatic parking tickets. *Journal of Political Economy*, 115(6):1020–1048.
- Gans-Morse, J., Borges, M., Makarin, A., Mannah-Blankson, T., Nickow, A., and Zhang, D. (2018). Reducing bureaucratic corruption: Interdisciplinary perspectives on what works. *World Development*, 105:171–188.
- Guidolin, M. and La Ferrara, E. (2007). Diamonds are forever, wars are not: Is conflict bad for private firms? *American Economic Review*, 97(5):1978–1993.
- Gulzar, S., Pasquale, B. J., et al. (2017). Politicians, bureaucrats, and development: Evidence from india. *American Political Science Review*, 111(1):162–183.
- Halter, M. V., De Arruda, M. C. C., and Halter, R. B. (2009). Transparency to reduce corruption? *Journal of Business Ethics*, 84(3):373–385.
- Hanna, R. and Wang, S.-Y. (2017). Dishonesty and selection into public service: Evidence from india. *American Economic Journal: Economic Policy*, 9(3):262–90.
- Holmes, L. (2020). Police corruption. In *Oxford Research Encyclopedia of Criminology and Criminal Justice*.
- Incerti, T. (2020). Corruption information and vote share: A meta-analysis and lessons for experimental design. *American Political Science Review*, 114(3):761–774.
- Johannessen, N. and Zucman, G. (2014). The end of bank secrecy? an evaluation of the g20 tax haven crackdown. *American Economic Journal: Economic Policy*, 6(1):65–91.
- Kolstad, I. and Wiig, A. (2009). Is transparency the key to reducing corruption in resource-rich countries? *World development*, 37(3):521–532.
- Le Billon, P. (2003). Buying peace or fuelling war: the role of corruption in armed conflicts. *Journal of International Development: The Journal of the Development Studies Association*, 15(4):413–426.
- Lewis-Faupel, S., Neggers, Y., Olken, B. A., and Pande, R. (2016). Can electronic procurement improve infrastructure provision? evidence from public works in india and indonesia. *American Economic Journal: Economic Policy*, 8(3):258–83.

- Lindstedt, C. and Naurin, D. (2010). Transparency is not enough: Making transparency effective in reducing corruption. *International political science review*, 31(3):301–322.
- Malesky, E. J., Gueorguiev, D. D., and Jensen, N. M. (2015). Monopoly money: Foreign investment and bribery in vietnam, a survey experiment. *American Journal of Political Science*, 59(2):419–439.
- Mulinge, M. M. and Lesetedi, G. N. (1998). Interrogating our past: colonialism and corruption in sub-saharan africa. *African Journal of Political Science*, pages 15–28.
- Olken, B. A. (2007). Monitoring corruption: evidence from a field experiment in indonesia. *Journal of Political Economy*, 115(2):200–249.
- Olken, B. A. and Barron, P. (2009). The simple economics of extortion: evidence from trucking in Aceh. *Journal of Political Economy*, 117(3):417–452.
- Pan, J. and Chen, K. (2018). Concealing corruption: How chinese officials distort upward reporting of online grievances. *American Political Science Review*, 112(3):602–620.
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- Popa, M. (2015). Elites and corruption: a theory of endogenous reform and a test using British data. *World Politics*, 67(2):313–352.
- Porter, L. E. and Warrender, C. (2009). A multivariate model of police deviance: examining the nature of corruption, crime and misconduct. *Policing & Society*, 19(1):79–99.
- Punch, M. (2000). Police corruption and its prevention. *European Journal on Criminal Policy and Research*, 8(3):301–324.
- Rahman, D. (2012). But who will monitor the monitor? *American Economic Review*, 102(6):2767–97.
- Rose-Ackerman, S. (2018). Corruption & purity. *Daedalus*, 147(3):98–110.
- Rose-Ackerman, S. and Palifka, B. J. (2016). *Corruption and government: Causes, consequences, and reform*. Cambridge University Press.
- Schnakenberg, K. E. and Turner, I. R. (2019). Signaling with reform: How the threat of corruption prevents informed policymaking. *American Political Science Review*.
- Strom, S. (2012). Web sites shine light on petty bribery worldwide. *The New York Times*, March, 6:2012.
- Svensson, J. (2005). Eight questions about corruption. *Journal of Economic Perspectives*, 19(3):19–42.
- Swamy, A., Knack, S., Lee, Y., and Azfar, O. (2001). Gender and corruption. *Journal of Development Economics*, 64(1):25–55.
- Treisman, D. (2007). What have we learned about the causes of corruption from ten years of cross-national empirical research? *Annu. Rev. Polit. Sci.*, 10:211–244.
- Truex, R. (2011). Corruption, attitudes, and education: Survey evidence from nepal. *World Development*, 39(7):1133–1142.
- Weismann, M. F. (2009). The foreign corrupt practices act: The failure of the self-regulatory model of corporate governance in the global business environment. *Journal of Business Ethics*, 88(4):615–661.

Zhu, B. (2017). Mncs, rents, and corruption: Evidence from china. *American Journal of Political Science*, 61(1):84–99.