1 Overview

This is a graduate-level survey course in political economy. It is the second course in the Political Economy sequence that started in the Fall Quarter with Econ 220/PolSci 460A, taught by Matthew Gentzkow and Andrew Hall. Although ideally students will have taken the Fall Quarter course, this course can be taken as a “stand alone” with permission of the instructors.

The Fall Quarter course focused on the political economy of democracies, covering work on electoral politics in countries where the presumption is that elections are basically fair. This course focuses mainly on the political economy of non-democracies, on transitions to democracy, democratic stability and instability, and economic implications. We include some discussion of work on the political economy of armed conflict, which is more relevant for these issues than in contexts where fair elections can be assumed.

This is principally a theory-oriented class, although almost all weeks will have some empirical papers assigned.

Prerequisite The class will assume familiarity with game theory at the level of ECON 203. No specific background in political economy is needed. Some topics build on knowledge in basic micro- and macroeconomics (at the 1st year economics PhD level), but such background will not be systematically required to understand the course.

Materials There is no textbook; we use original papers.

Class structure In each class meeting we will focus on two key papers. Students are expected to have read these papers carefully and to have made a serious attempt to understand models, broader arguments, evidence advanced, and author claims about
relationship of the paper to prior work. Re-reading will often be a good idea. The syllabus
also lists related papers of interest in the same vein as the two discussion papers.

The class format will be discussion, but combined with two sorts of presentations. First, students will sign up to present articles each week, with each student presenting a
total of probably three articles over the quarter. (See more details under “requirements
and grading” below.) These presentations will be short, intended to focus on the core
arguments and ideas as a prelude to discussion.

Second, the instructors will in some classes present overviews of classes of models,
empirical background, or prior literature relevant to understanding and evaluating the
focus papers of the day.

Requirements and grading Evaluation will be based on (1) participation and effort
shown for class discussion, including the presentations, and (2) a 5–10 page proposal for
a research project involving a political economy model, including discussion of relation to
the literature. Grading will place two-thirds weight on (1) and one-third on (2).

Presentations should be no more than 20 minutes long. They should be reasonably
organized: speakers should have practiced the entire presentation aloud at home, at least
once, before presenting in class, and make sure it fits in the time allotted. Presentations
can use slides, or handouts, but do not need to. No need to dwell on details of notation;
the key is to get across the main ideas.

More detailed instructions on the research proposal will appear later.

2 Reading List and Agenda

We have listed here the two focus papers for each class meeting (starred), along with some
other relevant “classics” and more recent articles on the topic.

This reading list is a more-or-less complete version. We will continue to make changes
before the quarter starts, and may make minor revisions during the quarter. For example,
we will get more definite about starred papers for later weeks as we go along.

(1/7) Course introduction.

(1/9) Institutions and development, 1: North and Weingast and after.

(a) *Timothy Besley and Maitreesh Ghatak. Property rights and economic develop-


(c) Douglas C. North and Barry R. Weingast. Constitutions and commitment: The evolution of institutions governing public choice in seventeenth century

(1/14) Institutions and development, 2:

(a) *Daron Acemoglu and James A Robinson. Economic backwardness in political perspective. American Political Science Review, 100(1):115–131, 2006*

(b) *Rául Sánchez de la Sierra. On the origins of the state: Stationary bandits and taxation in eastern congo. Unpublished ms., 2017*

(c) Daron Acemoglu. Politics and economics in weak and strong states. *Journal of monetary Economics, 52(7):1199–1226, 2005*


(1/16) Flawed democracy 1: Clientelism


(c) Simeon Nichter. Vote buying or turnout buying? machine politics and the secret ballot. *American political science review, 102(1):19–31, 2008*


(1/21) MLK Day. No class.

(1/23) Flawed democracy 2: Agency failures.


(1/28) Democratization


Protests, revolutions, coups.


(b) *Ruben Enikolopov, Alexey Makarin, Maria Petrova, and Leonid Polishchuk. Social image, networks, and protest participation. Unpublished manuscript, 2018

(c) Andrew T. Little. Communication technology and protest. Journal of Politics, 78(1), 2015


(g) Salvador Barbera and Matthew O. Jackson. A model of protests, revolution, and information. Unpublished ms., 2018


Labor coercion


(c) Michael Suk-Young Chwe. Why were workers whipped? Pain in a principal-agent model. The Economic Journal, 100(403):1109–1121, 1990


(f) Samuel Lee and Petra Persson. Human trafficking and regulating prostitution. Unpublished paper, Stanford University, 2018

(2/6) Autocracy


(2/11) Censorship, autocratic media

(b) *Sergei Guriev and Daniel Treisman. Informational autocrats. Ms., Sciences Po and UCLA, 2018

(2/13) Corruption, 1: Economic consequences


(2/18) President’s Day. No Class.

(2/20) Corruption, 2: Causes and cures


(b) *Juan Ortner and Sylvain Chassang. Making corruption harder: asymmetric information, collusion, and crime. Journal of Political Economy*, 126(5):2108–2133, 2018

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


Conflict, 1: Contest Models.


Conflict, 2: Some economic implications.


Conflict, 3: Information and commitment problem explanations for violent conflict.

(a) *James Fearon and Xin Jin. Armed conflict bargaining. Ms., Stanford University, 2018


Conflict, 4: Mechanism design and violent conflict.


State and society, 1: Culture and norms.


(b) *Matthew O. Jackson and Yiqing Xing. The complementarity between community and government in enforcing norms and contracts, and their interaction with religion and corruption. Ms., Stanford University, November 2018


State and society, 2: Social identity.


