

**Higher School of Economics
International Center for the Study of Institutions and Development (ICSID)**

Comparative Political Economy

DRAFT SYLLABUS

To be updated

INSTRUCTORS

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COURSE DESCRIPTION

This course aims to make graduate students familiar with the major concepts, theories, and debates in comparative political economy.

REQUIREMENTS

Three referee reports on any of the articles or books on the syllabus. The report must be circulated to the class prior to our meeting. E-mail is fine. These are not literature reviews, but should demonstrate your analytical skills.

The reports should have three components:

The report should briefly (one paragraph) sum up the main argument made by the author and the evidence provided.

The report should contain an evaluation and critique of the author's argument and evidence. Does the author's argument make sense? Why or why not? Does the evidence (if any) comport with his/her argument? Why or why not? Do you know of other evidence that undermines (or supports) the author's argument? Does one of the other readings for that day offer a perspective that is discordant with the perspective offered by the author? This section should constitute the lion's share of the paper.

The report should conclude with a recommendation (reject the manuscript, major revision, minor revision, publish as is) to the (fictitious) editor.

One seminar paper. In session 3, we will discuss research strategies. The paper should be about 10-15 (but can be longer) pages and can be either:

A research proposal that identifies a theoretical or empirical puzzle worth exploring, reviews and critiques existing literature, lays out hypotheses to be tested, identifies appropriate methods for testing the argument, and discusses the potential strength and weaknesses of the proposal. Research proposals need not actually collect the data and conduct the analyses, although it is hoped that this can be done in the future.

A research paper that is written with the goal of submission to an academic journal. It includes all the steps of a research proposal, but also conducts some preliminary data collection and analysis.

A weak essay will simply do the above. A strong paper will propose a novel topic that sheds light on an important debate, identify how and why this paper may make a contribution to the literature, and propose a reasonable research strategy. A strong paper will also include a careful critique of the research design identifying the strengths and weaknesses of the proposal. This is a chance for you to begin to develop your own ideas for research even if you do not have time to actually collect the data necessary to assess the argument.

To assist in the writing process, we will ask you to submit some preliminary assignment: a one-page research proposal describing two or three potential research questions, dependent variable, possible sources of data, etc. for the paper; comprehensive outlines; and a full draft of the paper, due during the final class.

Failure to submit a research paper will result in a failing grade.

Final Exam. An exam based on all material of the semester.

Discussion. A critical component of the course is lively discussion of the week's readings. You should be prepared to discuss each reading on the syllabus for each week. You have not really done the readings until you are able to succinctly restate the argument, describe the methodology, and identify some strengths and weaknesses of the work. In other words, reading the article once, or worse, skimming the abstract, the introduction and conclusion alone, will not be sufficient. We will discuss several strategies for reading articles to get the most out of them.

Evaluation Summary:

30% Three referee reports

30% Seminar paper

30% Final

10% Discussion during seminar

Session 1. Social Choice, Cooperation, and Collective Action

Kenneth A. Shepsle and Mark S. Bonchek. 2010. *Analyzing Politics*. 2nd ed Chapters 4, and Chapter 5 selection, Chapter 8 231-245, Chapter 96 262-292 and Chapter 10

Recommended:

William H. Riker. 1986. *The Art of Political Manipulation*. Chapter 3.

David Austen-Smith. 1998. *Annual Review of Political Science*. "Social Choice Theory, Game Theory, and Positive Political Theory." 1:259-287.

Nolan McCarty and Adam Meirowitz. 2007. *Political Game Theory*. Chapter 4.

Session 2. Causal Inference, Endogeneity, and Model Specification

Herbert Kitschelt. 2002. "Accounting for Postcommunist Regime Diversity: What Counts as a Good Cause? In *Capitalism and Democracy in Central and Eastern Europe*, ed. Gregorz Ekiert and Stephen Hanson, Cambridge University Press.

https://netfiles.uiuc.edu/fesnic/fspub/Kitschelt_Good_Cause.pdf

Daron Acemoglu, Simon Johnson, and James Robinson. 2001. "The Colonial Origins of Comparative Development." *American Economic Review*. 91:5 1369-1401.

Banerjee, Abhijit V., and Esther Duflo. (2008). "The Experimental Approach to Development Economics." <http://www.nber.org/papers/w14467.pdf>

Recommended:

Edward Glaeser, Rafael La Porta, Florencio Lopez-de-Silanes, and Andrei Shleifer "Do Institutions Cause Growth?" *Journal of Economic Growth*, September, 2004

Adam Przeworski, "The Last Instance: Are Institutions the Primary Cause of Development?" *European Journal of Sociology* 45:2, 165-188.

Acemoglu, Daron, Simon Johnson and James A. Robinson. 2001. "The Colonial Origins of Comparative Development: An Empirical Investigation. *American Economic Review* 91: 1369-1401.

Albouy, David. 2012. "The Colonial Origins of Comparative Development: An Empirical Investigation: Comment." *American Economic Review* 102: 3059-3076.

Acemoglu, Daron, Simon Johnson and James A. Robinson. 2011. "Hither Thou Shalt Come, But No Further: Reply to "The Colonial Origins of Comparative Development: An Empirical Investigation: Comment. Ms.

Deaton, A (2009) "Instruments of development: Randomization in the tropics, and the search for the elusive keys to economic development, NBER Working Paper 14690

<http://papers.nber.org/papers/w14690>

Guido W. Imbens Better LATE Than Nothing: Some Comments on Deaton (2009) and Heckman and Urzua (2009) http://www.economics.harvard.edu/faculty/imbens/files/bltn_09apr10.pdf

Alan S. Gerber, Donald P. Green, and Edward H. Kaplan. "The Illusion of Learning from Observational Research." from *Problems and Methods in the Study of Politics*, edited by Ian Shapiro, Rogers M. Smith, Tarek E. Masoud . Cambridge University Press, 2004.

Macartan Humphreys and Jeremy Weinstein. 2009. "Field Experiments and the Political Economy of Development" *Annual Review of Political Science*

Duflo, Esther, Rachel Glennerster, and Michael Kremer, "Using Randomization in Development Economics Research: A Toolkit", <http://econwww.mit.edu/files/806> <http://www.nber.org/papers/t0333>

Lustick, Ian. 1996. "History, Historiography, and Political Science: Multiple Historical Records and the Problem of Selection Bias." *American Political Science Review* 90:3 605-18.

Session 3. Research Design and Writing a Paper

Darden, Keith and Grzymala-Busse, Anna. 2006. "The Great Divide: Literacy, nationalism and the communist collapse. *World Politics*." 59: 1, 83-115.

Patrick Dunleavy, blogs post below

<https://medium.com/advice-and-help-in-authoring-a-phd-or-non-fiction/seven-upgrade-strategies-for-a-problematic-article-or-chapter-3c6b81be9aa2>

<http://blogs.lse.ac.uk/impactofsocialsciences/2014/02/05/academics-choose-useless-titles/>

<http://blogs.lse.ac.uk/impactofsocialsciences/2012/11/28/lupton-30-tips-writing/>

Heath, Chip and *Stan Heath Made To Stick*. Intro, Chapters 1, 4, 6 and Epilogue.

Huber, John. 2013. "Is Theory Getting Lost in the Identification Revolution?" ms.

<http://themonkeycage.org/2013/06/14/is-theory-getting-lost-in-the-identification-revolution/>

Session 4. Interests Groups and Lobbying

Grossman, Gene and Elhanan Helpman, 2001. *Special Interest Politics* (selected pages).

Guriev, Sergei and Andrei Rachinsky, 2005, "The Role of Oligarchs in Russian Capitalism," *The Journal of Economic Perspectives*.

Olson, Mancur, 1982. *Rise and Decline of Nations* (selected pages).

Session 5. Corruption and Governance

Fisman, Raymond (2001), "Estimating the Value of Political Connections." *American Economic Review* 91 (4), pp. 1095-1102. [http://www-](http://www-1.gsb.columbia.edu/faculty/rfisman/estimating_the_value.pdf)

[1.gsb.columbia.edu/faculty/rfisman/estimating_the_value.pdf](http://www-1.gsb.columbia.edu/faculty/rfisman/estimating_the_value.pdf)

Claudio Ferraz and Fred Finan. (2008). "Exposing Corrupt Politicians: The Effects of Brazil's Publicly Released Audits on Electoral Outcomes", *QJE*, 123(2), 703-745.

<http://www.mitpressjournals.org/doi/pdfplus/10.1162/qjec.2008.123.2.703>

John McMillan, "How To Subvert Democracy: Montesinos in Peru" *Journal of Economic Perspectives*, 2004. 18:4, 69-92.

Recommended:

Olken, Benjamin and Patrick Barron. 2007. "The Simple Economics of Extortion: Evidence from Trucking in Aceh," <http://www.nber.org/papers/w13145.pdf>

Andrei Shleifer; Robert W. Vishny. "Corruption." *The Quarterly Journal of Economics*, Vol. 108, No. 3. (Aug., 1993), pp. 599-617.

Daniel Treisman, "What Have We Learned about Corruption?" *Annual Review of Political Science*. 2007. 10:211-244.

Session 6. Social Policy

Esping-Anderson, Gosta. 1990. *Three Worlds of Welfare Capitalism*. Princeton: Princeton University Press. Chaps 1- 2.

Estevez-Abe, Margarita, Soskice, David and Iversen, Torben. 2001. Social Protection and the formation of skills: a reinterpretation of the welfare state, in Hall, Peter and Soskice, David, eds., 2001, *Varieties of Capitalism*, Chapter 4.

Carnes, Mathew and Isabela Mares. 2007. "Social Policy in Developing Countries" *Annual Review of Political Science*. 2009: 12:93-113

Recommended:

Pierson, P. (2001). *Coping with Permanent Austerity: Welfare State Restructuring in Advanced Democracies*, in Pierson, P. (ed.), *The New Politics of the Welfare State*. Oxford: Oxford University Press. Cambridge, Mass.: MIT Press.

- Swenson, Peter 1991. "Bringing Capital Back In, or Social Democracy Reconsidered." *World Politics* 43: 7, 513-544.
- Mares, Isabela. (2005). *Social Protection Around the World: External Insecurity, State Capacity, and Domestic Political Cleavages*. *Comparative Political Studies*. 38(6), 623-651.
- Iverson, Torben and Frances Rosenbluth, 2010. *Women, Work, and Politics: The Political Economy of Gender Inequality*. New Haven: Yale University Press, chapters 1, 2, and 5.*
- Allan H. Meltzer and Scott F. Richard. 1981. "A Rational Theory of the Size of Government." *Journal of Political Economy*. 89, 914-27.
- Bartels, Larry. 2010. *Unequal Democracy: The Political Economy of the New Gilded Age*. Princeton University Press. 1-4.
- Lupu, Noam and Jonas Pontusson. 2011. "The Structure of Inequality and the Politics of Redistribution" *American Political Science Review*.
- Mares, Isabela. 2001. *The Politics of Social Risk*, New York: Cambridge University Press, Chapter 2. C.
- Shafer, Michael. 1994. *Winners and Losers: How Sectors Shape the Developmental Prospects of States* Cornell University Press, 1994 .
- Lake, David and Matthew Baum. 2001. "The Invisible Hand of Democracy: Political Control and the Provision of Public Services," *Comparative Political Studies* 34: 587-621.
- Iversen, Torben and Soskice, David. 2001. An Asset Theory of Social Policy Preferences, *American Political Science Review*, 95: 4, 875- 893.
- Mares, Isabela. 2003. *The Politics of Social Risk: Business and Welfare State Development*. New York: Cambridge University Press, Chapters 1 and 2.
- Alesina, A., and Giuliano, P. (2011). Preferences for Redistribution. In J. Benhabib, A. Bisin, and M. Jackson (Eds.), *The Handbook of Social Economics*. Elsevier Press.
- Recommended:
- Denisova I, Eller M, Frye T, Zhuravskaya E. 2009. Who wants to revise privatization: the complementarity of institutions and market skills. *American Political Science Review*. 103(2):284--304
- Alesina Alesina and Edward, Glaeser. 2004. *Fighting Poverty in the US and Europe: A World of Difference*. Oxford University Press. Chapters 4-6.
- Rehm, Philip. 2009. "Risks and Redistribution: An Individual-Level Analysis." *Comparative Political Studies*. 42:7, 855-881.
- Scheve, K. and Stasavage, D. 2009. Religion and the preferences for social insurance. *Quarterly Journal of Political Science* 1 (3) , 255-286
- Giuliano. And Spilimbergo. 2014. Growing up in bad times, macroeconomic volatility and the formation of beliefs. *Review of Economic Studies*. 81 (2): 787-817.
- Benabou and Ok. Social mobility and the demand for redistribution: the pout hypothesis. *Quarterly Journal of Economics*. 116:2, 447- 487.
- De la O, Ana and Rodden, Jonathan. 2008. Does Religion distract the poor? Income and issue voting around the world. *Comparative political studies*. 41
- Alesina, A. and Fuchs-Schundeln, N. (2007). "Good-Bye Lenin (or Not?): The Effect of Communism on People's Preferences." *The American Economic Review*. 97(4): 1507-1528.

Session 7-8. Student Presentations

Session 9. Institutions and Growth

- Albouy, David. 2012. "The Colonial Origins of Comparative Development: An Empirical Investigation: Comment." *American Economic Review* 102: 3059-3076.
- Acemoglu, Daron, Simon Johnson and James A. Robinson. 2011. "Hither Thou Shalt Come, But No Further: Reply to "The Colonial Origins of Comparative Development: An Empirical Investigation: Comment. Ms.
- North, Douglass C. and Barry R. Weingast. 1989. 'Constitutions and Commitment: The Evolution of Institutions Governing Public Choice in Seventeenth-Century England.' *Journal of Economic History*. 49(4): 803-832.
- Adam Przeworski, "Institutions Matter?," *Government and Opposition* 39(2) (2004): 527-540.
- Recommended:
- Daron Acemoglu, Simon Johnson, James A. Robinson. "Reversal Of Fortune: Geography and Institutions in The Making Of The Modern World Income Distribution." *The Quarterly Journal of Economics* 117 (4) 1231 -- 1294.
- Sachs, Jeffrey. 2003, "Institutions Don't Rule: Direct Effects of Geography on Per Capita Income." NBER Working Paper 9490 (Cambridge, Massachusetts: National Bureau of Economic Research). <http://www.nber.org/papers/9490>
- Rodrik, Dani, Arvind Subramanian, and Francesco Trebbi "Institutions Rule: The Primacy of Institutions over Geography and Integration in Economic Development" NBER WP 9305, October 2002. <http://ideas.repec.org/p/nbr/nberwo/9305.html>
- Robert H. Bates, John H. Coatsworth, Jeffrey G. Williamson. 2009. "Lost decades: Lessons from post independence Latin America for Today's Africa" <http://www.economics.harvard.edu/faculty/williamson/files/w12610.pdf>
- Stephen Haber et al. 2003. *The Politics of Property Rights: Political instability, Credible Commitments and Economic Growth in Mexico, 1876-1929*. Cambridge University Press.
- Philip Keefer and Steven C. Knack. 2002. Polarization, Politics and Property Rights: Links Between Inequality and Growth. *Public Choice* 111 April 1-2, 127-154.

Session 10. Natural Resources

- Michael L. Ross, "The Political Economy of the Resource Curse," *World Politics* 51(2) (1999): 297-322.
- Daniel Treisman, "Is Russia Cursed by Oil?" *Journal of International Affairs* 63(2) (2010): 85-102.
- Recommended:
- Michael L. Ross, "Does Oil Hinder Democracy?," *World Politics* 53(3) (2001): 325-361.
- Luong-Jones, Pauline and Erika Weinthal, 2010. *Oil Is Not a Curse: Ownership Structure and Institutions in Soviet Successor States* (Cambridge Studies in Comparative Politics. Cambridge University Press, ch. 1-2.
- Sachs, J. and A. M. Warner. 2001. "The Curse of Natural Resources." *European Economic Review* 45(4-6): 827-38.
- Ragnar, Torvik, 2009. "Why Do Some Resource-Abundant Countries Succeed While Others Do Not?" *Oxford Review of Economic Policy*, 25:2, 241-256

Session 11. Federalism

- Federalism as a Commitment Device. 1997. Yingyi Qian and Barry Weingast. <http://www-siepr.stanford.edu/workp/swp97042.pdf>
- Hamilton's Paradox*. Johnathan Rodden. 2006. Cambridge University Press. Selections.

Session 12. Institutional Legacy and Growth

Daron Acemoglu, Simon Johnson, James A. Robinson. "Reversal Of Fortune: Geography and Institutions in The Making Of The Modern World Income Distribution." *The Quarterly Journal of Economics* 117 (4) 1231 -- 1294.

Stanley L. Engerman and Kenneth L. Sokoloff. 2002. "Factor Endowments, Inequality, and Paths of Development among New World Economies *Economia*, Fall 2002. 41-109.

Abramson, Scott and Carles Boix. 2012. "The Roots of the Industrial Revolution: Institutions or Socially Embedded Know-How" Working Paper

Session 13. Informal Institutions

Knack, Stephen and Philipp Keefer. 1997. "Does Social Capital Have an Economic Payoff: A Cross-Country Investigation" *The Quarterly Journal of Economics*.

Helliwell, John and Robert Putnam. 1995. "Economic Growth and Social Capital in Italy. *Eastern Economic Journal*

Habyarimana, James, Macartan Humphreys, Daniel Posner, and Jeremy Weinstein. 2007. "Why Does Ethnic Diversity Undermine Public Goods Provision? An Experimental Approach", *American Political Science Review*,

Session 14. Political Machines

Susan Stokes, 2005. "Perverse Accountability." *American Political Science Review* 99:3, 315-325.

Simeon Nichter. 2008. "Vote Buying or Turnout Buying: Machine Politics and the Secret Ballot." *American Political Science Review* 102:1, 19-31.

Mares, Isabela and Boilang Zhu. "The structural determinants of electoral fraud in semi-competitive electoral systems: revisiting the case of Imperial Germany," ms. 2011.

Frye, Timothy, "Political Machines at Work: Workplace Mobilization and Electoral Subversion in Russia." Ms. HSE. Moscow. *World Politics*, April. 2014.

Session 15. Autocracies

Geddes, Barbara. 2007. "What Causes Democratization?" In Carles Boix and Susan C. Stokes, eds. *The Oxford Handbook of Comparative Politics*. New York: Oxford University Press: ch. 14.

Gehlbach, Scott and Philipp Keefer. 2012. "Private Investment and the Institutionalization of Collective Action in Autocracies: Ruling Parties and Legislatures" *Journal of Politics*.

Beatriz Magaloni. 2006. *Voting for Autocracy: Hegemonic Party Survival and Its Demise in Mexico*. Introduction and Ch. 1.

Recommended:

Jennifer Gandhi and Adam Przeworski. 2006. "Cooperation, Cooptation and Rebellion Under Dictatorships," *Economics and Politics*. 18,1, 1-25.

Przeworski, Adam, M Alvarez, Jose Antonio Cheibub, and F Limongi. 2000. *Democracy and Development: Political Institutions and Well-Being in the World, 1950-1990*. Ch. 1 and 2.

Jennifer Gandhi. 2008. *Political Institutions Under Dictatorship*. Cambridge University Press, Ch. 1 and 3 13

Jason Brownlee. 2007. *Authoritarianism in an Age of Democracy*. Cambridge University Press.

Desai, R. M., Ologsgard, A., & Yousef, T. 2009. "The Logic of Authoritarian Bargains." *Economics and Politics* , 21 (1), 93-125.

Magaloni, Beatriz. 2008. "Credible Power-Sharing and the Longevity of Authoritarian Rule." *Comparative Political Studies* 41(4): 715-741.

Bruce Buena de Mesquita and Alistair Smith. 2009. "Political Survival and Endogenous Institutional Change." *Comparative Political Studies*. 42:2, 167-197.

Ronald. Wintrobe. 1990, "The Tinpot and the Totalitarian: An Economic Theory of Dictatorship." *American Political Science Review* 3, 849–872. J

Milan Svoblik. 2008. "Authoritarian Reversals and Democratic Consolidation." *The American Political Science Review*. 102:2, 153-165. J

Levitsky, Steven and Lucan Way (2010). *Competitive Authoritarianism: Hybrid Regimes after the Cold War*, Cambridge University Press. Ch.1-2

Jorge I. Domínguez (Spring 1993), "The Secrets of Castro's Staying Power", *Foreign Affairs* 72:2

Timothy Besley and Masayuki Kudamatsu. 2008. Making Autocracy Work. In *Institutions and Economic Performance*, edited by Elhanan Helpman (Harvard University Press), 452-510 (available online at: http://people.su.se/~mkuda/HOME_files/BesleyKudamatsu2008.pdf)

Carles Boix and Milan Svoblik. 2013. The Foundations of Limited Authoritarian Government: Institutions, Commitment and Power-Sharing in Dictatorships. *Journal of Politics* 75:300-316

Johannes Gerschewski. 2013. The Three Pillars of Stability: Legitimation, Repression and Co-optation in Autocratic Regimes. *Democratization* 20:13-38

Egorov, Georgy and Konstantin Sonin. 2011. 'Dictators and their Viziers: Endogenizing the Loyalty-Competence Trade-off.' *Journal of the European Economic Association* 9:903-930

Wintrobe, Ronald. 1990. The Tinpot and the Totalitarian: An Economic Theory of Dictatorship. *American Political Science Review* 84: 849-872

Gandhi, Jennifer, and Adam Przeworski. 2006. Cooperation, Cooptation and Rebellion under Dictatorships. *Economics and Politics* 18:1-26 14

Sessions 16-17. Student Presentations

DISTRIBUTION OF HOURS

Topic	Total hours	Lecture hours	Seminar Hours	Self-study hours	Suggested Lecturers
Social Choice	6	4		2	Timothy Frye
Causal Inference and Identification	6	4		2	
Research Design	6	4		2	

Interest Groups and Lobbying	6	4		2	Israel Marques
Corruption	6	4		2	
Social Policy	6	4		2	
Presentations	8		4	4	Alexander Libman
Presentations	8		4	4	
Institutions and Growth	6	4		2	Tom Remington
Natural Resources	6	4		2	
Federalism	6	4		2	
Legacies and Growth	6	4		2	John Reuter
Informal Institutions	6	4		2	
Political Machines	6	4		2	
Autocracies	6	4		2	
Presentations	10		4	6	Alexander Libman
Presentations	10		4	6	
Total hours	114	52	16	46	
Total credits	3				