

# INTA 642 – DC SPRING 2023: Institutions and Development

Gyu Sang ShimOffice Hours:Class Time & Location:gshim2@tamu.eduby appointmentW 6:30-9:10 PMLocation: 1620 L. St, Suite 700 NW, Washington DC in-person and electronic-to-group in College StationCredit Hours: 3.0

## **COURSE DESCRIPTION:**

Why do some countries enjoy a high standard of living than others? Why do some countries suffer from corruption, repression and violence? What is the role of domestic and international institutions in promoting economic development? This course is designed to familiarize students with a broad theoretical framework for thinking about the political and institutional causes of differences in economic development across countries. In addition, students will learn intro level data analysis techniques to use quantitative datasets to visualize and analyze the political economic outcomes in the real world. By the end of the semester, students write a research paper on a topic in the field of political economy of development.

**Course Learning Outcomes** 

By the end of the course, students will be able to:

• Understand the interaction between politics and economy at both domestic and international level

• Apply course concepts and analytical tools to explain the economic development process in several regions of the world

• Practice academic debate on complex economic issues

#### **COURSE PREREQUISITES:**

Graduate classification

#### COURSE TEXTS:

There is no textbook for the course. Other assigned readings are from recent academic work on the topic, and are available on the Canvas for this class.

#### **REQUIREMENTS AND GRADING:**

- 20% Midterm Exam
- 30% Final Exam
- 20% Research Paper
- 20% Talking Points Memo
- 10% Participation (Attendance and Classroom Exercise)

#### Late Work Policy

Late work policies in this class are defined by Student Rule 7 (<u>https://student-rules.tamu.edu/rule07/</u>). Students should consult with the instructor if they are unable to submit required written work by the deadline defined in the syllabus.

Work submitted by a student as makeup work for an excused absence is not considered late work and is exempted from the late work policy (<u>Student Rule 7</u>).



# **Research Project**

The paper is expected to formulate a hypothesis, ground it in appropriate literature, illustrate an argument or puzzle using qualitative evidence, and test the hypothesis using case studies (or quantitative evidence if possible). Please speak to me before the fourth class week so I can get you started. A draft of the research paper will be presented between week 10 and 13, and the final version is due by May 1.

## **Talking Points Memo**

This is a seminar with a heavy reading load, and it is essential to complete the required reading. Students are expected to write brief "talking points" memo (no more than 2-page) summarizing and responding to the assigned readings for each week from the week 3. The lowest two grades will not be reflected on the final grade. Please submit your memo on Canvas at least 6 hours in advance of our class meetings. Do keep in mind that you may be called upon to present them during the seminar.

*Grading Policy:* I will assign grades according to the scale below and without rounding.

| Letter | А   | В   | С   | D   | F   |
|--------|-----|-----|-----|-----|-----|
| %      | 90+ | 80+ | 70+ | 60+ | 59- |

*Incompletes* are rarely given, and then only if at least 75% of the work has been completed at a passing level, and extreme circumstances prevent completion of the remaining work.

*Laptops:* Students are highly encouraged to bring their personal laptop to practice basic data analysis skills during the class.

#### COURSE OUTLINE AND CLASS ASSIGNMENTS:

|     | Торіс        | Reading Assignment  |  |
|-----|--------------|---|--|
| 1   | Introduction | <ul> <li>Diamond, Jared M. 1999. <i>Guns, Germs, and Steel: The Fates of Human Societies</i>. New York: W. W. Norton &amp; Company</li> <li>STATA: installation, do file, display, use, edit, tab, list, hist</li> </ul>  |  |
| : 2 | Institutions | <ul> <li>North, Douglass. 1990. Institutions, Institutional Change and Economic<br/>Performance. Cambridge: Cambridge University Press. Pages 1-69.</li> <li>Gavison, Ruth. 2002. "What Belongs in a Constitution," Constitutional<br/>Political Economy 13: 89-105.</li> <li>Ordeshook, Peter. 2002. "Are 'Western' Constitutions Relevant to<br/>Anything Other than The Countries They Serve?" Constitutional Political<br/>Economy 13: 3-24.</li> <li>STATA: V-Dem Data, reshape, joinby, hist, sc, lowess</li> </ul> |  |



|   | Торіс                              | Reading Assignment  |
|---|------------------------------------|---|
| 3 | Economic<br>Development            | <ul> <li>Easterly, W 2001. The Elusive Quest for Growth. Chapters 1-3.</li> <li>Acemoglu, D., Robinson, J. 2012. Why Nations Fail: The Origins of Power, Prosperity, And Poverty. Chapters 1-3.</li> <li>Acemoglu, D., Johnson, S., Robinson, J. 2005. "Institutions As A Fundamental Cause of Long-Run Growth." In Handbook of Economic Growth, Vol. 1A, Ed. Philippe Aghion and Steve Durlauf, 385-472.</li> <li>STATA: World Bank WDI, V-Dem Data, reshape, joinby, hist, sc, lowess</li> </ul>  |
| 4 | Colonial Legacy                    | <ul> <li>Acemoglu, D., Johnson, S., &amp; Robinson, J. A. 2001. "The Colonial Origins of Comparative Development: An Empirical Investigation." <i>American Economic Review</i> 91(5): 1369-1401.</li> <li>Iyer, L., Banerjee, A. 2005. "History, Institutions, and Economic Performance: The Legacy of Colonial Land Tenure Systems in India." <i>American Economic Review</i> 95(3): 1190-1213.</li> <li>Dell, M. 2010. "The Persistent Effects of Peru's Mining Mita." <i>Econometrica</i> 78(6): 1863-1903.</li> <li>Nunn, N. and L. Wantchekon 2011. "The Slave Trade and the Origins of Mistrust in Africa." <i>American Economic Review</i> 7:3221-52.</li> <li>STATA: Acemoglu&amp;Johnson&amp;Robinson (2001) replication data</li> </ul>   |
| 5 | Geography and<br>Natural Resources | <ul> <li>Engerman, S., Sokoloff K. 2000. "Institutions, Factor Endowments, and<br/>Paths of Development in the New World." <i>Journal of Economic</i><br/><i>Perspectives</i> 14(3): 217-232.</li> <li>Easterly, W. 2007. "Inequality Does Cause Underdevelopment." <i>Journal</i><br/><i>of Development Economics</i> 84 (2): 755-776.</li> <li>Sachs, J. 2012. "Government, Geography, and Growth: The True Drivers<br/>of Economic Development." <i>Foreign Affairs</i> 91(5): 142–150.</li> <li>Robinson, J.A., Torvik, R., Verdier, T. 2006. "Political Foundations of the<br/>Resource Curse." <i>Journal of Development Economics</i> 79:447-468</li> <li>Hong, J.Y. and Yang, W., 2020. "Oilfields, Mosques and Violence: Is There<br/>a Resource Curse in Xinjiang?". <i>British Journal of Political Science</i> 50(1):<br/>45-78.</li> <li>STATA: Hong&amp;Yang (2020) replication data</li> </ul> |



|   | Торіс                         | Reading Assignment   |
|---|-------------------------------|--|
| 6 | Democracy and<br>Corruption 1 | <ul> <li>Acemoglu, D., Robinson, J. 2006. <i>Economic Origins of Dictatorship and Democracy</i>. Cambridge University Press. (Chapter 1, 2, 8, 9)</li> <li>Martinez-Bravo, M., Mukherjee, P., Stegmann, A. 2017. "The Non-Democratic Roots of Elite Capture: Evidence from Soeharto Mayors in Indonesia." <i>Econometrica</i> 85(6): 1991-2010</li> <li>Campello, D., Zucco Jr., C. 2016) "Presidential Success and the World Economy." <i>Journal of Politics</i>, 78(2): 589-602</li> <li>STATA: Campello&amp;Zucco (2016) replication data</li> </ul>   |
| 7 | Democracy and<br>Corruption 2 | <ul> <li>Frey, A. 2019. "Cash Transfers, Clientelism, and Political<br/>Enfranchisement: Evidence from Brazil." <i>Journal of Public Economics</i> 176:<br/>1-17. (read 1-5)</li> <li>Olken, B. 2007. "Monitoring Corruption: Evidence from a Field<br/>Experiment in Indonesia." <i>Journal of Political Economy</i> 115: 200-249</li> <li>Fujiwara, T. 2015. "Voting Technology, Political Responsiveness, and<br/>Infant Health: Evidence From Brazil." <i>Econometrica</i> 83(2): 423–464</li> <li>Anderson, S., Francois P., Kotwal A. 2015. Clientelism in Indian Villages.<br/><i>American Economic Review</i> 105(6): 1780-1816</li> <li>STATA: Olken (2007) replication data</li> </ul> |
| 8 | Culture                       | <ul> <li>Nunn N. 2012. "Culture and the Historical Process." <i>Economic History of Developing Regions</i> 27: 108-126.</li> <li>Tabellini, G. 2010. "Culture and Institutions: Economic Development in the Regions of Europe." <i>Journal of the European Economics Association</i> 8(4): 677-716.</li> <li>Greif, A. 1991. "Cultural Beliefs and the Organization of Society: A Historical and Theoretical Reflection on Collectivist and Individualist Societies." <i>Journal of Political Economy</i> 102(5): 912-950</li> <li>STATA: Tabellini (2020) replication data</li> </ul>   |
| 9 |                               | Take-home Midterm Exam   |



|    | Торіс            | Reading Assignment   |
|----|------------------|--|
| 10 | Ethnicity        | <ul> <li>Alesina, A., La Ferrara, E. 2005. "Ethnic Diversity and Economic<br/>Performance." <i>Journal of Economic Literature</i> 43: 762-800</li> <li>Habyarimana, J., Humphreys M., Posner D., Weinstein, J. 2007. "Why<br/>Does Ethnic Diversity Undermine Public Goods Provision?" <i>American</i><br/><i>Political Science Review</i> 101 (4): 709-725. (read 709-711)</li> <li>Cantoni, Davide, Jeremiah Dittmar, Noam Yuchtman, 2018. "Religious<br/>Competition and Reallocation: The Political Economy of Secularization in<br/>the Protestant Reformation." <i>Quarterly Journal of Economics</i> 133(4):<br/>2037-2096</li> <li>Student Presentation 1</li> </ul> |
| 11 | Economic Reforms | <ul> <li>Blanchard, O., &amp; Shleifer, A. 2001. "Federalism with and without Political Centralization: China versus Russia." <i>IMF Staff Papers</i>, 171-179.</li> <li>Sachs, Jeffrey D. (1992) "Privatization in Russia: Some Lessons from Eastern Europe." <i>American Economic Review</i> 82(2): 43-48.</li> <li>Shleifer, Andrei. (1997) "Government in Transition." <i>European Economic Review</i> 41(3): 385-410.</li> <li>Xu, Chenggang. 2011. "The Fundamental Institutions of China's Reforms and Development." <i>Journal of Economic Literature</i> 49(4): 1076-1151.</li> <li>Student Presentation 2</li> </ul>   |
| 12 | Foreign Aid      | <ul> <li>Moyo , Dambisa. 2009. <i>Dead Aid</i>. Chapters 1 – 4.</li> <li>Simeon Djankov, Jose G. Montalvo and Marta Reynal-Querol. 2008. "The Curse of Aid." <i>Journal of Economic Growth</i>. 13(3): 169-194</li> <li>William Easterly and Tobias Pfutze. 2008. "Where Does the Money Go? Best and Worst Practices in Foreign Aid" <i>Journal of Economic Perspectives</i> 22(2): 29-52</li> <li>James Vreeland and Adam Przeworski. 2000. "The Effect of IMF Programs on Economic Growth." <i>Journal of Development Economics</i> 62(2): 385-421.</li> <li>Student Presentation 3</li> </ul>   |



|    | Торіс  | Reading Assignment  |
|----|--|---|
| 13 | Interest Groups  | <ul> <li>Maxfield, Sylvia and Ben Schneider. 1997. Business and the State in<br/>Developing Countries Chapter 1-2</li> <li>Naoi, M., and E. Krauss. 2009. "Who Lobbies Whom? Special Interest<br/>Politics under Alternative Electoral Systems." American Journal of<br/>Political Science 53: 874–892.</li> <li>Harstad and Svensson. 2011. "Bribes, Lobbying and Development"<br/>American Political Science Review 105(1): 46-63.</li> <li>Campos and Giovannoni. 2007. "Lobbying, Corruption and Political<br/>Influence" Public Choice 131:1-21</li> <li>Student Presentation 4</li> </ul> |
| 14 | Review for final exam  |   |
|    | Take-home Final exam during the official time determined by the University |   |

# **UNIVERSITY POLICIES**

**Attendance** is required. Failure to attend and participate will negatively affect your final grade. The university views class attendance and participation as an individual student responsibility. Students are expected to attend class and to complete all assignments. Advanced notice of your absence is always welcome as a professional courtesy. Please refer to Student Rule 7 in its entirety for information about excused absences, including definitions, and related documentation and timelines.

#### MAKEUP WORK POLICY

Students will be excused from attending class on the day of a graded activity or when attendance contributes to a student's grade, for the reasons stated in Student Rule 7, or other reason deemed appropriate by the instructor.

Please refer to <u>STUDENT RULE 7</u> in its entirety for information about makeup work, including definitions, and related documentation and timelines.

Absences related to Title IX of the Education Amendments of 1972 may necessitate a period of more than 30 days for make-up work, and the timeframe for make-up work should be agreed upon by the student and instructor" (<u>STUDENT RULE 7, SECTION 7.4.1</u>).

"The instructor is under no obligation to provide an opportunity for the student to make up work missed because of an unexcused absence" (<u>STUDENT RULE 7, SECTION 7.4.2</u>).

Students who request an excused absence are expected to uphold the Aggie Honor Code and Student Conduct Code. (SEE <u>STUDENT RULE 24</u>.)



#### ACADEMIC INTEGRITY STATEMENT AND POLICY:

"An Aggie does not lie, cheat or steal or tolerate those who do."

"Texas A&M University students are responsible for authenticating all work submitted to an instructor. If asked, students must be able to produce proof that the item submitted is indeed the work of that student. Students must always keep appropriate records. The inability to authenticate one's work, should the instructor request it, may be sufficient grounds to initiate an academic misconduct case" (Section 20.1.2.3, Student Rule 20). You can learn more about the Aggie Honor System Office Rules and Procedures, academic integrity, and your rights and responsibilities at <a href="http://aggiehonor.tamu.edu">http://aggiehonor.tamu.edu</a>

## AMERICANS WITH DISABILITIES ACT (ADA) POLICY:

Texas A&M University is committed to providing equitable access to learning opportunities for all students. If you experience barriers to your education due to a disability or think you may have a disability, please contact the Disability Resources office (<u>http://disability.tamu.edu/</u>). Disabilities may include, but are not limited to attentional, learning, mental health, sensory, physical, or chronic health conditions. All students are encouraged to discuss their disability related needs with Disability Resources and their instructors as soon as possible.

Disability Resources is located in the Student Services Building or at (979) 845-1637 or visit

# TITLE IX AND STATEMENT ON LIMITS TO CONFIDENTIALITY:

Texas A&M University is committed to fostering a learning environment that is safe and productive for all. University policies and federal and state laws prohibit gender based discrimination and sexual harassment, including sexual assault, sexual exploitation, domestic violence, dating violence, and stalking.

With the exception of some medical and mental health providers, all university employees (including full and part-time faculty, staff, paid graduate assistants, student workers, etc.) are Mandatory Reporters and must report to the Title IX Office if the employee experiences, observes, or becomes aware of an incident that meets the following conditions (see University Rule 08.01.01.M1):

- The incident is reasonably believed to be discrimination or harassment.
- The incident is alleged to have been committed by or against a person who, at the time of the incident, was (1) a student enrolled at the University or (2) an employee of the University.

Mandatory Reporters must file a report regardless of how the information comes to their attention – including but not limited to face-to-face conversations, a written class assignment or paper, class discussion, email, text, or social media post. Although Mandatory Reporters must file a report, in most instances, you will be able to control how the report is handled, including whether or not to pursue a formal investigation. The University's goal is to make sure you are aware of the range of options available to you and to ensure access to the resources you need.

Students wishing to discuss concerns in a confidential setting are encouraged to make an appointment with <u>Counseling and Psychological Services</u> (CAPS).

#### STATEMENT ON MENTAL HEALTH AND WELLNESS:



Texas A&M University recognizes that mental health and wellness are critical factors that influence a student's academic success and overall wellbeing. Students are encouraged to engage in proper self-care by utilizing the resources and services available from Counseling & Psychological Services (CAPS). Students who need someone to talk to can call the TAMU Helpline (979-845-2700) from 4:00 p.m. to 8:00 a.m. weekdays and 24 hours on weekends. 24-hour emergency help is also available through the National Suicide Prevention Hotline (800-273-8255) or at <a href="http://suicidepreventionlifeline.org">http://suicidepreventionlifeline.org</a>

**College and Department Policies** 

The Bush School of Government and Public Service supports the Texas A&M University commitment to diversity, and welcomes individuals of all ages, backgrounds, citizenships, disabilities, ethnicities, family statuses, genders, gender identities, geographical locations, languages, military experiences, political views, races, religions, sexual orientations, socioeconomic statuses, and/or work experiences (see <a href="http://diversity.tamu.edu/">http://diversity.tamu.edu/</a>). Accordingly, all of us in this class are expected to respect the different experiences, beliefs, and values expressed by others, and to engage in reasoned discussions that refrain from derogatory comments or dehumanizing language about other people, cultures, groups, or viewpoints.

Intellectual argument and disagreement are a fundamental element of both the academic world and the policy process. Disagreement does not, in and of itself, mean disrespect. However, the way that disagreement is expressed can be disrespectful. Unprofessional, insensitive, or disrespectful behaviors (such as using dehumanizing, derogatory, or coarse language; dismissing ideas based on the characteristics of the speaker/writer; or expressing threat or intent to harm, even if framed "as a joke") are inconsistent with the Bush School's commitment to diversity, and will not be tolerated by faculty or students participating in this class. This applies both inside and outside of the classroom and includes electronic venues such as GroupMe.