Syllabus:
International Political Economy (MGMT 298D)

Topics in Political Economy: Voters, Special Interest Groups and Politicians

Structure:

Each 3 hour class is divided into about 1-1.5 hour lecture plus 2 half-hour presentations of one paper each plus active classroom discussion of the strengths and weaknesses of the papers.

Students may choose to present any paper listed on the syllabus marked with a (**). Each student should email me their 4 preferred papers (from at least 3 different weeks) in order of preference. Presentations should focus on a paper’s contribution relative to the pre-existing literature, strengths and weaknesses and why it was published where it was.

The presentation requirements includes a replication exercise: Student have to replicate all results in the published paper and write a 2-4 page (1.5-spaced) summary report (a) commenting on how easily replicable the paper was with the data and code provided, (b) outlining any noteworthy data exercises that the student did that teach us something new about the data that is not apparent from the published paper, (c) describing any robustness checks or other facts about the data that weaken the results in way that were not apparent from the published paper. The results from the replication exercise can be incorporated to some extent into the presentation.

All students are expected to have read all papers listed in the syllabus for a given week and are expected to be able to ask questions of the presenter and participate in class discussion.

10 days after the last class, students are required to hand in a piece of original work. For students who plan to do empirical research, this should consist of a 6-8 page (1.5-spaced excluding references, tables, figures) research proposal carefully outlining a research question, an identification strategy, a description of the data that would be used and a careful motivation for how this proposal will add to the current research frontier on that topic.

For students who either do not plan to do empirical research or otherwise have not yet found a suitable topic, this should consist of a thoughtful literature review on one of the five weeks, that highlights the key papers on the topic but more importantly also highlights important institutional details that have so far been disregarded or important stylized facts that are either inconsistent with or unexplained by the existing literature. In other words, it should be a literature review with an eye to future research.
Grading scheme for this half-quarter: 30% presentation, 10% paper replication, 20% class participation, 40% piece of original work

Administration:

Lectures: Mondays 4pm-7pm (from May 6th to June 3rd)
Office Hours: by appointment

Topics:

Week 1: Voters, Voting, Representation

To what extent do politicians listen to voters? Are voters strategic or sincere?

  - Data: from me by email.
  - Data: http://www.aeaweb.org/articles.php?doi=10.1257/aer.98.5.1737

Week 2: Which Voters Matter?

Do swing voters get more attention from politicians? Do voters vote as individuals or groups? Does ideological/ethnic (group-based) voting lead to worse politicians or policies? Why do voters turn out? What are politicians’ incentives in terms of maximizing turnout or vote share?

  ○ Data: http://www.aeaweb.org/articles.php?doi=10.1257/aer.98.3.769
  ○ Data: https://www.aeaweb.org/articles.php?doi=10.1257/app.3.2.196

Week 3: Voter Information/Knowledge and the Media

To what extent does knowledge/information influence politicians’ behavior or political outcomes?
To what extent can the media be relied upon to provide accurate or unbiased information?

  ○ Data: http://www.jstor.org/stable/10.1086/652903
  ○ Data: http://www.econometricsociety.org/issue.asp?ref=0012-9682&vid=78&iid=1&oc=&s=


  ○ available at [http://www.nber.org/books/glae06-1](http://www.nber.org/books/glae06-1)

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**Week 4: Lobbying, Contributions and Connections**


**Background Reading:** Introductory Chapter of Gene Grossman, Elhanan Helpman “Special Interest Politics”, 2001, MIT Press


**Background Reading:** Mara Faccio, (2006) "Politically Connected Firms," *American Economic Review* 96(1)
Week 5: Political Agency

What does the politicians’ objective function look like? Do re-election concerns discipline politicians? What is the effect of term limits on accountability? Do politicians extract rents? Do political dynasties perpetuate?

  - Data: [http://restud.oxfordjournals.org/content/77/4.toc](http://restud.oxfordjournals.org/content/77/4.toc)
- **Background Reading:** John Wallis (2006) "The Concept of Systematic Corruption in American History” in *Corruption and Reform: Lessons from America's Economic History*
  - available at [http://www.nber.org/books/glae06-1](http://www.nber.org/books/glae06-1)
  - Data: [http://restud.oxfordjournals.org/content/76/1.toc](http://restud.oxfordjournals.org/content/76/1.toc)
- Pablo Querubin (2012) "Political Reform and Elite Persistence: Term Limits and Political Dynasties in the Philippines," working paper NYU