

UNIVERSITY OF PENNSYLVANIA
Department of Economics
ECON-751 Public Economics II (Graduate Political Economy)
Spring, 2018

Professor: Camilo García-Jimeno

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Class Meetings: Mondays and Wednesdays 12:00-1:20pm starting on March 14, McNeil 582.

Office Hours: By appointment, McNeil 528.

Course Description:

This half-semester course provides an overview of the frontier research in Political Economy focused on the endogenous nature of political institutions, and in particular on non-democratic politics. Its main purpose is to give a comprehensive overview of both recent theoretical and empirical work, and to serve as a motivation and a starting point for graduate students' research in the field. The course relies heavily on dynamic games and dynamic programming on the theory side, and on both reduced-form and structural approaches on the empirical side. It covers topics related to social structure, political compromise, corruption, collective action, revolution, coups, and other forms of institutional change, state-building, autocracy, and coalition formation in non-democracies. The course is intended to be a *seminar*, and as such the class will have the format of a discussion of the material among all participants.

Course Evaluation:

This course will be evaluated based upon one problem set, six referee reports, class participation, and an optional research proposal. If you choose to write a research proposal, it will have a 50% weight. The problem set will have a 30% weight, referee reports will have a 50% weight, and class participation will have a 20% weight. The deadline for the research proposal is June 15, and students must decide whether they will submit a research proposal or not by April 30.

March 14: Introduction. DO POLITICS MATTER?

Acemoglu, Daron, Simon Johnson, and James A. Robinson (2001). "The Colonial Origins of Comparative Development: An Empirical Investigation", *American Economic Review*, Vol. 91, No. 5, pp. 1369-1401.

★Acemoglu, Daron, Simon Johnson, and James A. Robinson (2006). "Institutions as a Fundamental Cause of Long-Run Growth", in Philippe Aghion and Steven Durlauf (eds.), *Handbook of Economic Growth*, Vol. 1A, Ch. 6, pp. 385-472, North-Holland,

Amsterdam.

★Acemoglu, Daron, Simon Johnson, James Robinson, and Pierre Yared. (2008). "Income and Democracy", *American Economic Review*, Vol. 98, No. 3, pp. 808-842.

Acemoglu, Daron, Simon Johnson, and James Robinson (2002). "Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution", *The Quarterly Journal of Economics*, Vol. 107, pp. 1231-1294.

Aghion, Philippe, Alberto Alesina, and Francesco Trebbi (2004). "Endogenous Political Institutions", *Quarterly Journal of Economics*, Vol. 119, No. 2, pp. 565-611.

Allen, Robert (1982). "The Efficiency and Distributional Consequences of Eighteenth Century Enclosures", *The Economic Journal*, Vol. 92, pp. 937-953.

Banerjee, Abhijit and Lakshmi Iyer (2005). "History, Institutions and Economic Performance: The Legacy of Colonial Land Tenure Systems in India", *The American Economic Review*, Vol. 95, pp. 1190-1213.

Coase, Ronald (1960). "The Problem of Social Cost", *Journal of Law and Economics*, Vol. 3, No. 1, pp. 1-44.

Dell, Melissa (2010). "The Persistent Effects of Peru's Mining Mita", *Econometrica*, Vol. 78, No. 6, pp. 1863-1903.

Demsetz, Harold (1967) "Toward a Theory of Property Rights", *The American Economic Review*, Vol. 57, No. 1, pp. 61-70.

Jones, Benjamin and Benjamin Olken (2005). "Do Leaders Matter? National Leadership and Growth Since World War II", *The Quarterly Journal of Economics*, Vol. 120, pp. 835-864.

La Porta, Rafael, Florencio Lopez-de-Silanes, Andrei Shleifer, and Robert Vishny (1998). "Law and Finance", *Journal of Political Economy*, Vol. 106, pp. 1113-1155.

Pande, Rohini and Christopher Udry (2005). "Institutions and Development: A View from Below", Yale University.

Persson, Torsten and Guido Tabellini (2003). *The Economic Effects of Constitutions: What Do the Data Say?*, MIT Press, Cambridge.

Taylor, M. Scott (2011). Buffalo Hunt: International Trade and the Virtual Extinction of the North American Bison, *The American Economic Review*, Vol. 101, No. 7, pp. 3162-95.

★Udry, Christopher and Markus Goldstein (2008). "The Profits of Power: Land Rights and Agricultural Investment in Ghana", *Journal of Political Economy*, Vol. 116, No. 6, pp. 981-1022.

March 19 and March 21: DEMOCRATIC POLITICS AND THE MEDIAN VOTER

Bardhan, Pranab, and Dilip Mookherjee. (2010) "Determinants of Redistributive Politics: An Empirical Analysis of Land Reforms in West Bengal, India", *The American Economic Review*, Vol. 100, no. 4, pp. 1572-1600.

Besley, Timothy, Torsten Persson, and Daniel Strum (2010). "Political Competition, Policy and Growth: Theory and Evidence from the U.S.", *The Review of Economic Studies*, Vol. 77, no. 4, pp. 1329-1352.

Burgess, Robin, Remi Jedwab, Edward Miguel, Ameet Morjaria, and Gerard Padro-i-Miquel (2015). "The Value of Democracy: Evidence from Road Building in Kenya", *The American Economic Review*, Vol. 105, No. 6, pp. 1817-1851.

★Cascio, Elizabeth and Ebonya Washington (2014). "Valuing the Vote: the Redistribution of Voting Rights and State Funds Following the Voting Rights Act of 1965," *The Quarterly Journal of Economics*, Vol. 129, no. 1, pp. 379-433.

★García-Jimeno, Camilo (2016). "The Political Economy of Moral Conflict: An Empirical Study of Learning and Law Enforcement under Prohibition". *Econometrica*, Vol. 84, No. 2, pp. 511-570.

★Lott, John R., Jr. and Lawrence W. Kenny (1999) "Did Women's Suffrage Change the Size and Scope of Government?" *Journal of Political Economy* Vol. 107, no. 6, pp. 1163-1198.

Martinez-Bravo, Monica, Gerard Padro-i-Miquel, Nancy Qian, and Yang Yao (2014). "Political Reform in China: The Effect of Local Elections", NBER Working Paper no. 18101.

★Meyersson, Erik (2014). "Islamic Rule and the Empowerment of the Poor and Pious", *Econometrica*, Vol. 82, No. 1, pp. 229-269.

★Miller, Grant (2008) "Women's Suffrage, Political Responsiveness, and Child Survival in American History," *The Quarterly Journal of Economics* Vol. 123, no. 3, pp. 1287-1327.

Naidu, Suresh (2012), "Suffrage, Schooling, and Sorting in the Post-Bellum South," NBER Working Paper no. 18129.

March 26: CLIENTELISM AND DISFUNCTIONAL DEMOCRACY

Acemoglu, Daron, James A. Robinson and Ragnar Torvik (2013) "Why Do Voters Dismantle Checks and Balances?", *The Review of Economic Studies*, Vol. 80, No. 3, pp. 845-875.

Anderson, Siwan, Patrick Francois and Ashok Kotwal (2015). "Clientelism in Indian Villages", *The American Economic Review*, Vol. 105, No. 6, pp. 1780-1816.

★Baland, Jean-Marie and James Robinson (2008). "Land and Power: Theory and Evidence from Chile", *The American Economic Review*, Vol. 98, No. 5, pp. 1737-1765.

★Baland, Jean-Marie and James Robinson (2012). "The Political Value of Land" *American Journal of Political Science*, Vol. 56, No. 3, pp. 601-619.

★Finan, Frederico and Laura Schechter (2012). "Vote-Buying and Reciprocity", *Econometrica*, Vol. 80, No. 2, pp. 863-881.

Fujiwara, Thomas and Leonard Wantchekon (2011). "Can Informed Public Deliberation Overcome Clientelism? Experimental Evidence from Benin", *American Economic Journal: Applied Economics*, Vol. 5, No. 4, pp. 241-255.

Hsieh, Chang-Tai, Edward Miguel, Daniel Ortega, and Francisco Rodriguez (2011). "The Price of Political Opposition: Evidence from Venezuela's Maisanta", *American Economic Journal: Applied Economics*, Vol. 3, No. 2, pp. 196-214.

Keefer, Paul and Razvan Vlaicu (2008). "Democracy, Credibility and Clientelism", *Journal of Law, Economics, and Organization*, Vol. 24, No. 2, pp. 371-406

Larreguy, Horacio (2012) "Monitoring Political Brokers: Evidence from Clientelistic Networks in Mexico", unpublished, Harvard University.

Lemarchand, René (1972). "Political Clientelism and Ethnicity in Tropical Africa: Competing Solidarities in Nation-Building", *American Political Science Review*, Vol. 66, No.1, pp. 68-90.

Lizzeri, Alessandro and Nicola Persico (2005) "A drawback of electoral competition", *Journal of the European Economic Association*, Vol. 3, No. 4, pp. 1318-1348.

Stokes, Susan (2007). "Political Clientelism", in Carles Boix and Susan Stokes (eds.), *Handbook of Comparative Politics*, Oxford University Press.

Vicente, Pedro (2017). "Is vote buying effective? Evidence from a Field Experiment in West Africa", *The Economic Journal*, forthcoming.

Vicente, Pedro and Leonard Wantchekon (2009). "Clientelism and Vote Buying: Lessons from Field Experiments in West Africa", *Oxford Review of Economic Policy*, Vol. 25, No. 2, pp. 292-305.

Wantchekon, Leonard (2003). "Clientelism and Voting Behavior Evidence from a Field Experiment in Benin", *World Politics*, Vol. 55, No. 3, pp. 399-422.

Wantchekon, Leonard (2012). "How Does Policy Deliberation Affect Voting Behavior? Evidence from a Campaign Experiment in Benin", unpublished, Princeton University.

March 28: POLITICAL AGENCY

★Acemoglu, Daron (2003). "Why Not a Political Coase Theorem? Social Conflict, Commitment, and Politics", *Journal of Comparative Economics*, Vol. 31, No. 4, pp. 620-652.

★Alesina, Alberto and Guido Tabellini (2007). "Bureaucrats or Politicians? Part I: a Single Policy Task", *The American Economic Review*, Vol. 97, No. 1, pp. 169-179.

Alesina, Alberto and Guido Tabellini (2008). "Bureaucrats or Politicians? Part II: Multiple Policy Tasks", *Journal of Public Economics*, Vol. 92, No. 3, pp. 426-447.

Barro, Robert (1973). "The Control of Politicians: an Economic Model", *Public Choice*, Vol. 14, No. 1, pp. 19-42.

Fearon, James (2011). "Self-enforcing Democracy", *The Quarterly Journal of Economics*, Vol. 126, No. 4, pp. 1661-1708.

Ferejohn, John (1986). "Incumbent Performance and Electoral Control", *Public Choice*, Vol. 50, No. 1, pp. 5-25.

★Maskin, Eric and Jean Tirole (2004). "The Politician and the Judge: Accountability in Government", *The American Economic Review*, Vol. 94, No. 4, pp. 1034-1054.

Rogoff, Kenneth S. (1990). "Equilibrium Political Budget Cycles", *The American Economic Review*, Vol. 80, No. 1, pp. 21-36.

April 2 and April 4: DYNAMIC POLITICAL AGENCY

★Acemoglu, Daron, Michael Golosov, and Aleh Tsyvinski (2008). "Political Economy of Mechanisms", *Econometrica*, Vol. 76, no. 3, pp. 619-641.

★Francois, Patrick, Ilia Rainer, and Francesco Trebbi (2015). "How is Power Shared in Africa?", *Econometrica*, Vol. 83, No. 2, pp. 465-503.

★Bidner, Chris and Patrick Francois (2013). "The Emergence of Political Accountability", *The Quarterly Journal of Economics*, Vol. 128, No. 3, pp. 1397-1448.

Dixit, Avinash (2006). "Predatory States and Failing States: An Agency Perspective", unpublished, Princeton University.

★Dixit, Avinash, Gene M. Grossman, and Faruk Gul (2000) "The Dynamics of Political Compromise", *Journal of Political Economy*, Vol. 108, No. 3, pp. 531-568.

Jia, Ruixue and Masayuki Kudamatsu and David Seim (2015). "Political Selection in China: The Complementary Roles of Connections and Performance", *Journal of the European Economic Association*, Vol. 13, No. 4, pp. 631-668.

Egorov, Georgy, and Konstantin Sonin (2011). "Dictators and Their Viziers: Endogenizing the Loyalty-Competence Trade-off", *Journal of European Economic Association*, Vol. 9, No. 5, pp. 903-930.

★Myerson, Roger (2015). "Moral Hazard in High Office and the Dynamics of Aristocracy", *Econometrica*, Vol. 83, No. 6, pp. 2083-2126.

Padro-i-Miquel, Gerard and Pierre Yared (2012). "The Political Economy of Indirect Control", *The Quarterly Journal of Economics*, Vol. 127, no. 2, pp. 947-1015.

Querubin, Pablo and James Snyder (2013). "The Control of Politicians in Normal Times and Times of Crisis: Wealth Accumulation by U.S. Congressmen, 1850-1880". *The Quarterly Journal of Political Science*, Vol. 8, pp. 409-450.

April 9: CORRUPTION

★Acemoglu, Daron and Thierry Verdier (2000). "The Choice Between Corruption and Market Failures", *American Economic Review*, Vol. 90, No. 1, pp. 194-211.

Acemoglu, Daron and Thierry Verdier (1998). "Property Rights, Corruption, and the Allocation of Talent: A General Equilibrium Approach", *The Economic Journal*, Vol. 108, No. 450, pp. 1381-1403.

Avis, Eric, Claudio Ferraz, and Frederico Finan (2016). "Do Government Audits Reduce Corruption? Estimating the Impacts of Exposing Corrupt Politicians", NBER Working Paper No. 22443.

Acharya, Avidit, John E. Roemer, and Rohini Somanathan (2013). "Caste Bias in Indian Politics: The Effect of Voter Preferences on Corruption and Distribution Policies in Uttar Pradesh", unpublished.

★Banerjee, Abhijit (1997). "A Theory of Misgovernance", *Quarterly Journal of Economics*, Vol. 112, No. 4, pp. 1289-1332.

Bertrand, Marianne, Simeon Djankov, Rema Hanna, and Sendhil Mullainathan (2007). "Obtaining a Driver's License in India: An Experimental Approach to Studying Corruption", *The Quarterly Journal of Economics*, Vol. 122, No. 4, pp. 1639-1676.

Dal Bo, Ernesto, Frederico Finan, and Martin Rossi (2013). "Strengthening State Capabilities: The Role of Financial Incentives in the Call to Public Service", *The Quarterly Journal of Economics*, Vol. 128, No. 3, pp. 1169-1218.

★Ferraz, Claudio and Frederico Finan (2008). "The Effects of Brazil's Publicly Released Audits on Electoral Outcomes", *The Quarterly Journal of Economics*, Vol. 123, No. 2, pp. 703-745.

Ferraz, Claudio and Frederico Finan (2008). "Exposing Corrupt Politicians: The Effects of Brazil's Publicly Released Audits on Electoral Outcomes", *The Quarterly Journal of Economics*, Vol. 123, No. 2, pp. 703-745.

Ferraz, Claudio and Frederico Finan (2011). "Electoral Accountability and Corruption: Evidence from the Audits of Local Governments", *The American Economic Review*, Vol. 101, No. 4, pp. 1274-1311.

Fisman, Ray (2001). "Estimating the Value of Political Connections", *The American Economic Review*, Vol. 91, No. 4, pp. 1095-1102.

Fisman, Raymond, Florian Schulz, and Vikrant Vig (2013). "Private Returns to Public Office", *Journal of Political Economy*, Vol. 122, No. 4, pp. 806-862.

Fisman, Ray and Yongxiang Wang (2015). "The Mortality Cost of Political Connections", *The Review of Economic Studies*, Vol. 84, No. 2, pp. 1346-1382.

Khwaja, Asim and Atif Mian (2005). "Do Lenders Favor Politically Connected Firms? Rent Provision in an Emerging Financial Market", *The Quarterly Journal of Economics*, Vol. 120, No. 4, pp. 1371-1411.

Kreuger, Anne (1974). "The Political Economy of the Rent-Seeking Society", *The American Economic Review*, Vol. 64, No. 3, pp. 291-303.

McMillan, John and Pablo Zoido (2004). "How to Subvert Democracy: Montesinos in Peru", *Journal of Economic Perspectives*, Vol. 18, No. 4, pp. 69-92.

Mironov, Maxim and Ekaterina Zhuravskaya (2015). "Corruption in Procurement and the Political Cycle in Tunneling: Evidence from Financial Transactions Data", *American Economic Journal: Economic Policy*, Vol. 8, No. 2, pp. 287-321.

Murphy, Kevin, Andrei Sheilfer, and Robert Vishny (1993). "Why Is Rent-Seeking so Costly to Growth?", *The American Economic Review Papers and Proceedings*, Vol. 83, No. 2, pp. 409-414.

Myerson, Roger (1993). "Effectiveness of Electoral Systems for Reducing Government Corruption: A Game Theoretic Analysis". *Games and Economic Behavior*, Vol. 5, No. 1, pp. 118-132.

Olken, Benjamin and Patrick Barron (2009). "The Simple Economics of Extortion: Evidence from Trucking in Aceh", *Journal of Political Economy*, Vol. 117, No. 3, pp. 417-452.

Rasul, Imran and Daniel Rogger (2014). "Management of Bureaucrats and Public Service Delivery: Evidence from the Nigerian Civil Service", *The Economic Journal*, forthcoming.

Reinikka, Ritva and Jacob Svensson (2004). "Local Capture: Evidence from a Central Government Transfer Program in Uganda", *The Quarterly Journal of Economics*, Vol. 119, No. 2, pp. 679-705.

Shleifer, Andrei and Robert Vishny (1993) "Corruption", *The Quarterly Journal of Economics*, Vol. 108, No. 3, pp. 599-618.

Shleifer, Andrei and Robert Vishny (1994). "Politicians and Firms", *The Quarterly Journal of Economics*, Vol. 109, No. 4, pp. 995-1025.

Shleifer, Andrei, Simeon Djankov, Rafael La Porta, and Florencio Lopez-de-Silanes (2002). "The Regulation of Entry", *The Quarterly Journal of Economics*, Vol. 117, No. 1, pp. 1-37.

Svensson, Jacob (2003). "Who Must Pay Bribes and How Much? Evidence from a Cross-section of Firms", *The Quarterly Journal of Economics*, Vol. 118, No. 1, pp. 207-30.

April 11 and April 16: COLLECTIVE ACTION

Acemoglu, Daron, Tarek Hassan, and Ahmed Tahoun (2014). "The Power of the Street: Evidence from Egypt's Arab Spring", NBER Working Paper No. 20665.

Alesina, Alberto, Reza Baqir, and William Easterly (1999). "Public Goods and Ethnic Divisions", *The Quarterly Journal of Economics*, Vol. 114, No. 4, pp. 1243-1284.

Alesina, Alberto, Reza Baqir and Caroline Hoxby (2004). "Political Jurisdictions in Heterogeneous Communities", *Journal of Political Economy*, Vol. 112, No. 2, pp. 348-396

★Alesina, Alberto and Eliana La Ferrara (2000). "Participation in Heterogeneous Communities", *Quarterly Journal of Economics*, Vol. 115, No. 3, pp. 847-904.

★Banerjee, Abhijit, Kaivan Munshi, Dilip Mookherjee, and Debraj Ray (2001). "Inequality, Control Rights, and Rent Seeking: Sugar Cooperatives in Maharashtra", *Journal of Political Economy*, Vol. 109, No. 1, pp. 138-190.

★Banerjee, Abhijit, Lakshmi Iyer, and Rohini Somanathan (2008). "Public Action for Public Goods", in Paul Schultz and John Strauss (eds.), *Handbook of Development Economics*. Vol. 4, Ch. 49, pp. 3117-3154.

Bardhan Pranab, Maitreesh Ghatak, and Alexander Karaivanov (2006). "Wealth Inequality and Collective Action", Working paper.

Casey, Katherine, Rachel Glennerster, and Edward Miguel (2012). "Reshaping Institutions: Evidence on Aid Impacts Using a Pre-Analysis Plan", *The Quarterly Journal of Economics*, Vol. 127, No. 4, pp. 1755-1812.

★Dippel, Christian (2014). "Forced Coexistence and Economic Development: Evidence from Native American Reservations", *Econometrica*, Vol. 82, No. 6, pp. 2131-2165.

★Esteban, Joan Maria and Debraj Ray (2001). "Collective Action and the Group Size Paradox", *The American Political Science Review*, Vol. 95, No. 3, pp. 663-672.

Fearon, James, Macartan Humphreys, and Jeremy Weinstein (2011). "Democratic Institutions and Collective Action Capacity", unpublished, Columbia University.

★Garcia-Jimeno, Camilo, Angel Iglesias, and Pinar Yildirim (2018). "Women, Rails, and Telegraphs: An Empirical Study of Information Diffusion, Social Interactions, and Collective Action", unpublished, University of Pennsylvania.

Humphreys, Macartan, Raul Sanchez de la Sierra, and P. van der Windt (2014). "Social Engineering in the Tropics: A Grassroots Democratization Experiment in Eastern Congo", unpublished, Columbia University.

Jha, Saumitra and Steven Wilkinson (2012). "Veterans, Organizational Skill and Ethnic Cleansing: Evidence from the Partition of South Asia", Unpublished, Stanford University.

Olson, Mancur (1965). *The Logic of Collective Action*, Harvard Economic Studies.

Putnam, Robert D. (1993). *Making Democracy Work: Civic Traditions in Modern Italy*, Princeton University Press.

April 18: REVOLUTION

★Acemoglu, Daron, Davide Cantoni, Simon Johnson, James Robinson (2011). "The Consequences of Radical Reform: The French Revolution", *American Economic Review*, Vol. 101, No. 7, pp. 3286-3307.

Bueno de Mesquita, Bruce (2010). "Regime Change and Revolutionary Entrepreneurs", in *American Political Science Review*, Vol. 104, No. 3, pp. 446-466.

★Chaney, Eric (2013). "Revolt on the Nile: Economic Shocks, Religion, and Political Power", *Econometrica*, Vol. 81, No. 5, pp. 2033-2053.

Chen, Heng, Yang Lu, and Wing Suen (2012). "The Power of Whispers: A Theory of Rumor, Communication, and Revolution". Unpublished.

Dagaev, Dmitry, Natalia Lamberova, Anton Sobolev, and Konstantin Sonin (2013). "Technological Foundations of Political Instability", CEPR Working paper No. 9787.

★Edmond, Chris (2011). "Information Manipulation, Coordination, and Regime Change", *Review of Economic Studies*, Vol. 80, No. 4, pp. 1422-1458.

Lohmann, Susanne (1994). "The Dynamics of Informational Cascades: The Monday Demonstrations in Leipzig, East Germany, 1989-1991", *World Politics*, Vol. 47, No. 1, pp. 42-101.

Morris, Stephen and Mehdi Shadmehr (2017). "Reward and Punishment in a Regime-Change Game", unpublished, Princeton University.

★Roemer, John E. (1985). "Rationalizing Revolutionary Ideology", *Econometrica*, Vol. 53, No. 1, pp. 85-108.

April 23, 25 and 30: INSTITUTIONAL CHANGE

Barbera, Salvador, and Matthew O. Jackson (2004). "Choosing how to choose: Self-stable majority rules and constitutions", *The Quarterly Journal of Economics*, Vol. 119, no. 3, pp. 1011-1048.

Galor, Oded and Omer Moav (2006). "Das Human-Kapital: A Theory of the Demise of the Class Structure", *Review of Economic Studies*, Vol. 73, No. 1, pp. 85-117.

Grief, Avner (1994). "Cultural Beliefs and the Organization of Society: A Historical and Theoretical Reflection on Collectivist and Individualistic Societies", *Journal of Political Economy*, Vol. 102, No. 5, pp. 912-950.

★Hassler Jon, Jose Rodriguez Mora, Kjandetil Storlesseten, and Fabrizio Zilibotti (2003). "The Survival of the Welfare State", *American Economic Review*, Vol. 93, No. 1, pp. 87-112.

★Piketty, Thomas (1995). "Social Mobility and Redistributive Politics", *Quarterly Journal of Economics*, Vol. 110, No. 3, pp. 551-584.

Democratization and Coups

★Acemoglu, Daron and James A. Robinson (2000). "Why Did the West Extend the Franchise? Growth, Inequality and Democracy in Historical Perspective", *Quarterly Journal of Economics*, Vol. 115, No. 4, pp. 1167-1199.

★Acemoglu, Daron and James A. Robinson (2001) "A Theory of Political Transitions", *American Economic Review*, Vol. 91, No. 4, pp. 938-963.

Acemoglu, Daron and James A. Robinson (2006). *Economic Origins of Dictatorship and Democracy*, Ch. 5-7, Cambridge University Press.

★Aidt, Toke and Raphael Frank (2015). "Democratization Under the Threat of Revolution: Evidence from the Great Reform Act of 1832", *Econometrica*, Vol. 83, No. 2, pp. 505-547.

Bourguignon, François, and Thierry Verdier (2000). "Oligarchy, Democracy, Inequality and Growth." *Journal of Development Economics*, Vol. 62, No. 2, pp. 285-313.

Brückner, Markus and Antonio Ciccone (2011), "Rain and the Democratic Window of Opportunity", *Econometrica*, Vol. 79, No. 3, pp. 923-947.

Jha, Saumitra (2010). "Financial Asset Holdings and Political Attitudes: Evidence from Revolutionary England", *Quarterly Journal of Economics*, Vol. 103, No. 3, pp. 1485-1545.

Lizzeri, Alessandro and Nicola Persico (2004). "Why Did the Elites Extend the Suffrage? Democracy and the Scope of Government, With an Application to Britain's 'Age of Reform'", *Quarterly Journal of Economics*, Vol. 119, No. 2, pp. 707-765.

Autocracy and Political Entrenchment

★Acemoglu, Daron, James A. Robinson and Thierry Verdier (2004) "Kleptocracy and

Divide-and-Rule: A Model of Personal Rule," The Alfred Marshall Lecture, *Journal of the European Economic Association*, Vol. 2, No. 2, pp. 162-192.

Bates, Robert (1981). *Markets and States in Tropical Africa*. Berkeley: University of California Press.

Burgess, Robin, Remi Jedwab, Edward Miguel, Ameet Morjaria, and Gerard Padro-i-Miquel (2015). "The Value of Democracy: Evidence from Road Building in Kenya", *American Economic Review*, Vol. 105, No. 6, pp. 1817-1851.

Egorov, Georgy, and Konstantin Sonin (2011). "Dictators and Their Viziers: Endogenizing the Loyalty-Competence Trade-off", *Journal of European Economic Association*, Vol. 9, No. 5, pp. 903-930.

Francois, Patrick, Ilia Rainer, and Francesco Trebbi (2015). "How is Power Shared in Africa?", *Econometrica*, Vol. 83, No. 2, pp. 465-503.

Hsieh, Chang-Tai, Edward Miguel, Daniel Ortega, and Francisco Rodriguez (2011). "The Price of Political Opposition: Evidence from Venezuela's Maisanta", *American Economic Journal: Applied Economics*, Vol. 3, No. 2, pp. 196-214.

Men, Xin, Nancy Qian, and Pierre Yared (2015). "The Institutional Causes of China's Great Famine, 1959-1961", *Review of Economic Studies*, Vol. 82, No. 4, pp. 1568-1611.

★Padro-i-Miquel, Gerard (2007). "The Control of Politicians in Divided Societies: The Politics of Fear", *Review of Economic Studies*, Vol. 74, No. 4, pp. 1259-1274.

Puga, Diego and Daniel Trefler (2014). "International Trade and Institutional Change: Medieval Venice's Response to Globalization", *Quarterly Journal of Economics*, Vol. 129, No. 2, pp. 753-821.

Svolik, Milan (2009). "Power-Sharing and Leadership Dynamics in Authoritarian Regimes", *American Journal of Political Science*, Vol. 53, No. 2, pp. 477-494.

Institutional Evolution

★Acemoglu, Daron and James Robinson (2008). "Persistence of Power, Elites and Institutions", *American Economic Review*, Vol. 98, No. 1, pp. 267-93.

Acemoglu, Daron and James Robinson (2008b). "The Persistence and Change of Institutions in the Americas", *Southern Economic Journal*, Vol. 75, No. 2, pp. 282-99.

Coate, Stephen and Morris, Stephen (1999). "Policy Persistence", *American Economic Review*, Vol. 89, No. 5, pp. 1327-1336.

★Diermeier, Daniel, Georgy Egorov and Konstantin Sonin (2013). "Endogenous Property Rights", *Econometrica*, Vol. , No. , pp. .

Dippel, Christian, Avner Grief, and Daniel Treffler (2015). "The Rents from Trade and Coercive Institutions: Removing the Sugar Coating", NBER Working Paper No. 20958.

Engerman, Stanley L. and Kenneth Sokoloff (1997). "Factor Endowments, Institutions, and Differential Growth Paths among New World Economies", in Stephen Haber (ed.), *How Latin America Fell Behind*. Stanford University Press, 1997.

Krussel, Per and Jose-Victor Rios-Rull (1996). "Vested Interests in a Positive Theory of Stagnation and Growth", *Review of Economic Studies*, Vol. 63, No. 2, pp. 301-329.

Lagerlof, Nils-Petter (2009). "Slavery and Other Property Rights", *Review of Economic Studies*, Vol. 76, No. 1, pp. 319-342.

★ Naidu, Suresh and Noam Yuchtman (2013). "Coercive Contract Enforcement: Law and the Labor Market in Nineteenth Century Industrial Britain", *American Economic Review*, Vol. 103, No. 1, pp. 107-144.

Platteau, Jean-Philippe (2011). "Political Instrumentalization of Islam and the Risk of Obscurantist Deadlock", *World Politics*, Vol. 39, No. 2, pp. 243-260.

May 2: STATE CAPACITY AND STATE BUILDING

Acemoglu, Daron (2005). "Politics and Economics in Weak and Strong States", *Journal of Monetary Economics*, Vol. 52, pp. 1199-1226.

Acemoglu, Daron and James A. Robinson (2017). "The Emergence of Weak, Despotic and Inclusive States", unpublished, MIT.

★ Acemoglu, Daron, Camilo Garcia-Jimeno, and James A. Robinson (2015). "State Capacity and Economic Development: A Network Approach". *American Economic Review*, Vol. 105, No. 8, pp. 2364-2409.

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