

**Teachers:** (i) **James Robinson**  
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**ESCUELA DE VERANO 2016**

**Versión Preliminar**

**Salón:** ML 615

**Fechas:** 5 de julio al 19 de julio (no incluye clases los sábados)

**Horarios:** 14:00-17:00

**Idioma:** Inglés y español

The main topic of this course is to discuss the factors that have shaped the long-run economic and political development of Latin America with a special emphasis on Colombia. We focus on both cross-country and within-country differences. After discussing various types of hypotheses the main focus will be on the political economy of institutions.

**COURSE SCHEDULE:**

July 5, 6:	2pm-5pm (Robinson)
July 7, 8, 11:	2pm-5pm (Querubín)
July 13, 14, 15:	2pm-5pm (Fergusson)
July 18, 19:	2pm-5pm (Robinson)

**EVALUATION:** The grade for the course will be determined by a take-home examination at the end of the course. We will hand out some previous exam questions in advance to give an idea of the things you are supposed to understand. Students will have at least two days to solve the exam.

**Lecture 1 (Robinson): Facts and questions about economic and political development in Latin America in the long-run. Why Political economy?**

[Acemoglu, Daron \(2009\). \*Introduction to Modern Economic Growth\*, Chapter 1. Princeton University Press, Princeton, NJ.](#)

Acemoglu, Daron and James A. Robinson (2012). *Why Nations Fail*, Chapters 2 and 3. Crown Publishers, New York. [Biblioteca General Ramón de Zubiría, Sala de artes, Piso 4, 330. A125]

[Acemoglu, Daron, Davide Cantoni, Simon Johnson and James A. Robinson \(2011\). "Consequences of Radical Reform: The French Revolution," \*American Economic Review\*, 101, 3286-3307.](#)

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

[Malinowski, Bronislaw. 1921. "The Primitive Economics of the Trobriand Islanders," \*Economic Journal\*, 31: 1—16](#)

## **Lecture 2 (Robinson): Alternative Fundamental Explanations. The possible role of culture.**

[Tabellini, Guido \(2008\). "Culture and Institutions: Economic Development in the Regions of Europe", forthcoming in the \*Journal of the European Economic Association\*.](#)

[Grosjean, Pauline \(2011\). "A History of Violence: The Culture of Honor as a Determinant of Homicide in the US South", Unpublished, University of San Francisco.](#)

[Guiso, Luigi, Paola Sapienza and Luigi Zingales \(2008\). "Long-Term Persistence," NBER Working Paper #14278.](#)

Banfield, Edward (1958). *The Moral Basis of a Backward Society*. The Free Press, New York.

[Acemoglu, Daron, Simon Johnson and James A. Robinson \(2005\). "Institutions as the Fundamental Cause of Long-Run Growth", in Philippe Aghion and Steven Durlauf \(eds.\), \*Handbook of Economic Growth\*, Vol. 1A, Chapter 6. North-Holland, Amsterdam.](#)

## **Lecture 3 (Querubin): Introduction to political economy: preference aggregation, the median voter theorem and probabilistic voting**

Acemoglu, Daron and James A. Robinson (2006). *Economic Origins of Dictatorship and Democracy*, Chapter 4. Cambridge University Press, New York. [Biblioteca General Ramón de Zubiria, 321.8 A125]

[Persson, Torsten and Guido Tabellini \(2004\). "Constitutional Rules and Fiscal Policy Outcomes", in \*American Economic Review\*, Vol. 94, No. 1, pp. 25-45.](#)

Persson, Torsten and Guido Tabellini (2000). *Political Economics: Explaining Economic Policy*, Cambridge: MIT Press. Chapter 3. [Biblioteca de Economía, Colección abierta, 338.9 P267]

## **Lecture 4 (Querubin): Endogenous Political Institutions: Democracy**

Acemoglu, Daron and James A. Robinson (2006). *Economic Origins of Dictatorship and Democracy*, New York: Cambridge University Press, Chapters 5 and 6. [Biblioteca General Ramón de Zubiria, Sala de artes, Piso 4, 330. A125]

Robinson, James A., and Daron Acemoglu. "De Facto Political Power and Institutional Persistence." *American Economic Review* 96, no. 2 (2006): 326-330.

## Lecture 5 (Querubin): Corruption and Fraud

[Ferraz, Claudio and Frederico Finan \(2008\). "Exposing Corrupt Politicians: The Effects of Brazil's Publicly Released Audits and Electoral Outcomes", in \*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", in \*American Economic Review\*, Vol. 101, No. 4, pp. 1274-1311.](#)

Arias, Eric, Horacio Larreguy, John Marshall and Pablo Querubín (2016) "Priors Rule: When Do Malfeasance Revelations help and hurt Incumbent Parties?" Unpublished.

## Lecture 6 (Fergusson): The political economy of bad institutions.

[Acemoglu, Daron and James A. Robinson \(2000\). "Political Losers as Barrier to Economic Development," in \*American Economic Review\*, Vol. 90, No. 2, pp. 126-130.](#)

[Baland, Jean Marie and James A. Robinson \(2008\). "Land and Power: Theory and Evidence from Chile", in \*American Economic Review\*, Vol. 98, No. 5, pp. 1737-1765.](#)

[Bubb, Ryan, \(2013\), The Evolution of Property Rights: State Law or Informal Norms?, \*Journal of Law and Economics\*, 56, issue 3, p. 555 – 594.](#)

## Lecture 7 (Fergusson): Empirical determinants and consequences of conflict and civil war

[Dube, Oendrilla and Juan-Fernando Vargas \(2014\). "Commodity Price Shocks and Civil Conflict: Evidence from Colombia", \*Review of Economic Studies\*.](#)

[Fergusson, L., Robinson, J. A., Torvik, R. and Vargas, J. F. \(2016\), The Need for Enemies. \*The Economic Journal\*, 126: 1018-1054.](#)

[Galiani, Sebastian, Martín A. Rossi and Ernesto Schargrotsky. 2011. "Conscription and Crime: Evidence from the Argentine Draft Lottery." \*American Economic Journal: Applied Economics\*, 3\(2\): 119-36.](#)

[Guidolin, Massimo and Eliana La Ferrara \(2007\). "Diamonds Are Forever, Wars Are Not: Is Conflict Bad for Private Firms?", in \*American Economic Review\*, Vol. 97, No. 5, pp. 1978-1993.](#)

Acemoglu, Daron, Leopoldo Fergusson, James A. Robinson, Dario A. Romero, and Juan F. Vargas (2016), "The Perils of Top-down State Building: Evidence from Colombia's False Positives," Unpublished.

## Lecture 8 (Fergusson): Dysfunctional Democracy.

[Acemoglu, Daron, Simon Johnson, Pablo Querubín and James A. Robinson \(2008\). "When Does Policy Reform Work? The Case of Central Bank Independence", in \*Brookings Papers on Economic Activity\*, Spring, pp. 351-417.](#)

[Hsieh, Chang-Tai, Edward Miguel, Daniel Ortega, and Francisco Rodriguez \(2008\). "The Price of Political Opposition: Evidence from Venezuela's Maisanta", in \*American Economic Journal: Applied Economics\*, Vol. 3, No. 2, pp. 196-214.](#)

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

[Robinson, James A. and Ragnar Torvik \(2009\). "The Real Swing Voter's Curse", in \*American Economic Review\*, Vol. 99, No. 2, pp. 310-315.](#)

Fergusson, Leopoldo, Pablo Querubín, Alejandro Ruíz, and Juan F. Vargas (2016), "The Real Winner's Curse", Unpublished.

## **Lecture 9 (Robinson) The Latin American Equilibrium**

[Coatsworth, John \(2008\). "Inequality, Institutions and Economic Growth in Latin America", in \*Journal of Latin American Studies\*, Vol. 40, No. 3, pp. 545-569.](#)

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

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

[García-Jimeno, Camilo and James A. Robinson \(2011\) "The Myth of the Frontier" in Dora L. Costa and Naomi R. Lamoreaux, eds. \*Understanding Long-Run Economic Growth\*. Chicago: University of Chicago Press.](#)

[Acemoglu, Daron, Camilo García-Jimeno, and James A. Robinson \(2012\). "Finding Eldorado: Slavery and Long-Run Development in Colombia", \*Journal of Comparative Economics\*, 40\(4\), 534-564.](#)

[La Acemoglu, Daron, Camilo García-Jimeno, and James A. Robinson \(2015\) "State Capacity and Development: A Network Approach", \*American Economic Review\*, 105\(8\), 2364-2409.](#)

## **Lecture 10 (Robinson) The Colombian Equilibrium**

[Robinson, James \(2016\), "La miseria en Colombia," \*Revista Desarrollo y Sociedad\*, 76, February.](#)

[Acemoglu, Daron, James A. Robinson and Rafael Santos \(2013\) "The Monopoly of Violence: Theory and Evidence from Colombia," \*Journal of the European Economics Association\*, 11\(1\), 5-44.](#)

[Acemoglu, Daron, James A. Robinson and Ragnar Torvik, 2016. "The Political Agenda Effect and State Centralization," NBER Working Papers 22250, National Bureau of Economic Research, Inc.](#)

Robinson, James A. (2007) "Un Típico País Latinoamericano? Una Perspectiva sobre el Desarrollo," in *Economía Colombiana del Siglo XX: Un Análisis Cuantitativo* edited by James A. Robinson and Miguel Urrutia, Bogotá; Fondo de Cultura Económica.

[Tabellini, Guido. 2008. "The Scope of Cooperation: Values and Incentives," Quarterly Journal of Economics, 123 \(3\): 905--950.](#)

[Waldmann, Peter \(2007\). "Is there a Culture of Violence in Colombia?", in International Journal of Conflict and Violence, Vol. 1, No. 1, pp. 61-75.](#)

**FECHA DE RETIRO:** El estudiante podrá retirar el curso, sin devolución, hasta un día hábil antes de la fecha del examen final estipulado por el Profesor. La Universidad no devolverá el dinero cancelado por concepto de matrículas de estos cursos de la Escuela de Verano.