



**WAR AND PEACE IN COLOMBIA: WHAT DOES SOCIAL
SCIENCE TELL US?
ECON 4551**

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ESCUELA DE VERANO 2017

Salón: PTE

Fechas: 20 de junio al 5 de julio (No incluye clases los sábados)

Horario: 2:00 a 5:00 pm

Preliminary Program: Additional Readings May be Added

COURSE DESCRIPTION

The main topic of this course is to discuss the nature of the Colombian conflict and what the relevant modern social science literature has to say about it. We focus on both the uniqueness of the Colombian case but also its profile as a quite normal conflict-prone society. We develop the relevant social science theory to propose some models of what causes civil war in equilibrium and we use these to derive some implications for the likelihood that conflict will vanish in Colombia after the signing of the peace deal with the Farc.

Prerequisites: Econometría 1 y Teoría de Juegos

COURSE SCHEDULE:

June 20. Robinson
June 21. Fergusson
June 22. Robinson
June 23, 27, 28. Querubín
June 29, 30: Fergusson
July 4, 5: Robinson

SYLLABUS

Lecture 1 (June 20 - Robinson) The Colombian conflict, what does the (Colombianist) literature say?

Colombian scholars and a few outsiders have been analyzing the Colombian conflict at least since the famous book of Fals Borda, Umaña and Guzmán Campo. In this lecture we provide an overview of some of the facts of the conflict, the most prominent explanations and the evidence for them.

Readings:

Orlando Fals Borda, Eduardo Umaña and Father Germán Guzmán (1962) *La Violencia en Colombia*, Ediciones Tercer Mundo.

Eduardo Pizarro eds. (2015) “A multiple and pluralist reading of history,” <https://www.mesadeconversaciones.com.co/informe/eduardo-pizarro-le%C3%B3ngomez>

Grupo de Memoria Histórica (2014) *Basta Ya! Colombia: Memorias de Guerra y Dignidad*. Bogot: Pro-Off Set.

Lecture 2 (June 21 – Fergusson) What does a civil war prone country look like?

This lecture provides an overview of the literature on the correlates of civil war and conflict, and also critically reviews some of the work on civil war in Colombia. We ask: what does a civil war prone society tend to look like and what factors tend to lead civil wars to persist? The answer is poor, unequal, with a weak state, and natural resource dependent. Colombia is all of these things which gives us pause in explaining the conflict of Colombia in terms of some unique historical juncture (*Bogotazo*, Cuban Revolution etc.)

Readings:

Christopher Blattman and Edward Miguel (2010) “Civil War,” *Journal of Economic Literature*, 48(1): 3-57.

Lars-Erik Cederman, Kristian Skrede Gleditsch and Halvard Buhaug (2013) *Inequality, Grievances, and Civil War*, New York: Cambridge University Press.

Walter, Barbara F. (2014) “Why Bad Governance Leads to Repeat Civil War,” *Journal of Conflict Resolution*, 59(7): 1242-1272.

Dube, Oendrila and Juan-Fernando Vargas (2014). “Commodity Price Shocks and Civil Conflict: Evidence from Colombia”, *Review of Economic Studies*, 80 (4): 1384-1421.

Leopoldo Fergusson & Juan F. Vargas & Mauricio A. Vela, 2013. “Sunlight Disinfects? Free Media in Weak Democracies,” *Documentos Cede 2013-14*, Universidad de los Andes-Cede.

Guidolin, Massimo and Eliana La Ferrara (2007). “Diamonds Are Forever, Wars Are Not: Is Conflict Bad for Private Firms?”, *American Economic Review*, 97(5): 1978-1993.

Lecture 3 (June 22-Robinson): Introduction to political economy. The state, the regime, power. Some basic empirical regularities.

We start to develop some analytical building blocks which can help us understand the sorts of societies which we showed to be conflict prone in the last lecture. How does the equilibrium work? What are the mechanisms and incentives that keep a country conflict prone?

Readings:

Ocampo, Gloria Isabel (2014) *Poderes Regionales, Clientelismo y Estado*. Etnografía del poder y la política en Córdoba, Colombia, Bogotá, Siglo del Hombre Editores.

Fergusson, Leopoldo, Carlos Molina and James A. Robinson (2016) “The Vicious Circle of Clientelism and State Weakness,”

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: 351-417.

Schoar, Antoinette, Marianne Bertrand, Francis Kramarz and David Thesmar, (2005), Politically Connected CEOs and Economics Outcomes: Evidence from France
http://aschoar.scripts.mit.edu/aschoar2016/wp-content/uploads/2016/07/politics_fulldraft4.pdf

Fujiwara, Thomas (2015) “Voting Technology, Political Responsiveness, and Infant Health: Evidence from Brazil,” *Econometrica*, 83(2): 423-464.

Finan, Frederico and Laura Schechter (2012) “Vote Buying and Reciprocity,” *Econometrica*, 80(2): 863-881.

Bruhn, Miriam, Francisco Gallego and Massimiliano Onorato (2011) “Legislative Malapportionment and institutional persistence,” <https://ideas.repec.org/p/ioe/doctra/381.html>

Dell, Melissa (2015), “Trafficking Networks and the Mexican Drug War”, *American Economic Review*, 105(6): 1738-79.

Lecture 4 (June 23-Querubín): Introduction to political economy theory: preference aggregation, the median voter theorem and probabilistic voting

The last lecture painted with a broad brush some of the syndromes which appear to be associated with conflict prone societies. In this lecture we develop some of the analytical foundations in a deeper way.

Readings:

Acemoglu, Daron and James A. Robinson (2006) *Economic Origins of Dictatorship and Democracy*, Chapter 4. Cambridge University Press, New York.

Persson, Torsten and Guido Tabellini (2004) “Constitutional Rules and Fiscal Policy Outcomes”, *American Economic Review*, 94(1): 25-45.

Persson, Torsten and Guido Tabellini (2000) *Political Economics: Explaining Economic Policy*, Cambridge: MIT Press. Chapter 3.

Lecture 5 (June 27-Querubín): The distribution of power in democracy

The basic models of democracy we saw in the last lecture develop a very simple notion of who exercised power in democracy or what forces mold equilibrium policies. In this lecture we examine a much richer set of ideas: we examine captured and dysfunctional democracy, lobbying and the use of violence to sway elections.

Readings:

Robinson, James A., and Daron Acemoglu (2006). “De Facto Political Power and Institutional Persistence.” *American Economic Review*, 96(2): 326-330.

Acemoglu, Daron, James A. Robinson and Rafael Santos (2013) “The Monopoly of Violence: Theory and Evidence from Colombia,” *Journal of the European Economic Association*, 11(1): 5-44.

Robinson, James A. and Ragnar Torvik (2009). “The Real Swing Voter’s Curse”, *American Economic Review*, 99(2): 310-315.

Fergusson, Leopoldo, Pablo Querubin, Nelson Ruiz and Juan F. Vargas (2017). “The Real Winner’s Curse”, Unpublished Manuscript, in https://sites.google.com/site/pabloquerubin/RWC_main.pdf

Cruz, Cesi, Julien Labonne and Pablo Querubin (2016) “Politician Family Networks and Electoral Outcomes”, Unpublished Manuscript, in https://sites.google.com/site/pabloquerubin/AER_Resubmission.pdf

Lecture 6 (June 28-Querubín): Corruption and Fraud and how to stop them

In a democracy politicians are supposed to be accountable to the electorate. Yet accountability often fails, one of the main signs of which is corruption. In this lecture we examine evidence on the nature of corruption and discuss some strategies for eliminating it.

Readings:

Ferraz, Claudio and Frederico Finan (2008). “Exposing Corrupt Politicians: The Effects of Brazil’s Publicly Released Audits and Electoral Outcomes”, *Quarterly Journal of Economics*, 123(2): 703-745.

Ferraz, Claudio and Frederico Finan (2011). “Electoral Accountability and Corruption: Evidence from the Audits of Local Governments”, *American Economic Review*, 101(4): 1274-1311.

Arias, Eric, Horacio Larreguy, John Marshall and Pablo Querubín (2016) “Priors Rule: When Do Malfeasance Revelations Help and Hurt Incumbent Parties?” Unpublished Manuscript.

Cruz, Cesi and Philip Keefer and Julien Labonne (2016) “Incumbent Advantage, Voter Information and Vote Buying” Unpublished Manuscript, in https://julienlabonne.files.wordpress.com/2017/01/ppcrv_jan_2017_web.pdf

McMillan, John and Pablo Zoido (2004). “How to Subvert Democracy: Montesinos in Peru”, *Journal of Economic Perspectives*, 18(4): 69-92.

Acemoglu, Daron, James A. Robinson and Ragnar Torvik (2013). “Why Do Voters Dismantle Checks and Balances?”, *Review of Economic Studies*, 80(3): 845-875.

Lecture 7 (June 29 – Fergusson) State Weakness and State Building

In lecture 2 we learned that conflict prone countries tend to have dysfunctional low quality democracies. The previous three lectures examined these issues. We also saw that conflict prone countries tend to have weak states. We examine the issue of state weakness now. Why are states weak and what can you do about it?

Readings:

Dal Bó, Ernesto, Frederico Finan, and Martín Rossi (2013) “Strengthening State Capabilities: The Role of Financial Incentives in the Call to Public Service,” *Quarterly Journal of Economics*, 128(3): 1169-1218.

Daron Acemoglu, Leopoldo Fergusson, James A. Robinson, Dario Romero, Juan F. Vargas (2016), The Perils of Top-down State Building: Evidence from Colombia's False Positives, NBER Working Paper No. 22617.

Dell, Melissa and Pablo Querubin (2017). "Nation Building Through Foreign Intervention: Evidence from Discontinuities in Military Strategies", Unpublished Manuscript, in https://sites.google.com/site/pabloquerubin/vietnam_war.pdf

Beath, Andrew and Christia, Fotini and Enikolopov, Ruben, (2011) Winning Hearts and Minds through Development: Evidence from a Field Experiment in Afghanistan. <https://ssrn.com/abstract=1809677orhttp://dx.doi.org/10.2139/ssrn.1809677>

Fergusson, Leopoldo, James A. Robinson, Ragnar Torvik and Juan F. Vargas (2016). "The Need for Enemies: Theory and Evidence from Colombia", *Economic Journal*, 126(593): 1018-1054

Lecture 8 (June 30-Fergusson) Social Norms

In this lecture we move beyond formal political institutions to understand the role of *social norms* and their potential impact on the organization of society, its economic and political development. What are social norms? How do they emerge and change? How do they influence key outcomes like economic prosperity and political conflict in a society?

Readings:

Acemoglu, Daron and Matthew Jackson (2016) "Social Norms and the Enforcement of Laws," *Journal of the European Economic Association*, forthcoming, <http://economics.mit.edu/files/11376>

Cristina Bicchieri (2016) *Norms in the Wild, How to Diagnose, Measure, and Change Social Norms*, Oxford University Press.

Bidner, Chris and Patrick Francois (2013) "The Emergence of Political Accountability," *Quarterly Journal of Economics*, 128 (3): 1397-1448.

Bidner, Chris and Patrick Francois (2012) "Cultivating Trust Norms, Institutions and the Implications of Scale," *Economic Journal*, 121(555):1097-1129.

Mackie, Gerry (1996) "Ending Footbinding and Infibulation: A Convention Account," *American Sociological Review*, 61(6):999-1017.

Lecture 9 (July 4 – Robinson) The Transition: Ideas and Critiques

We now return to the Colombian present. In the light of what we have learned we revisit the idea that Colombia is an intrinsically conflict prone country. What can we expect from the transition following the peace agreement with the FARC? What are the challenges? What can we learn from the past? What does social science say about the circumstances when a conflict prone equilibrium changes?

Readings:

Plutarch *Lives Solon*

León Valencia and Ariel Avila (2016) *Los Retos del Postconflicto: Justicia, Seguridad y Mercados Ilegales*, Ediciones B.

Claudia López (2016) *Adios a Las Farc! Y ahora qué?*, Debate.

Gonzalez, Fernan et al. (2015) *Estrategias para la construcción de la paz territorial en Colombia: Elementos para la Discusión*, Documentos Ocasionales No. 79, CINEP.

Friedman, Willa, Michael Kremer, Edward Miguel, Rebecca Thornton (2016) “Education as Liberation?”, *Economica*, 83: 1-30.

Robinson, James A. (2016) “La Miseria en Colombia,”

<http://scholar.harris.uchicago.edu/jamesrobinson/publications/la-miseria-en-colombia>

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.

Lecture 10 (July 5 – Robinson) Some Policy Conclusions and Priorities

The conclusion of the course so far is that the Colombian conflict, rather than being the outcome of specific historical events, is an unsurprising outcome in a society like Colombia which suffers from most of the structural factors that are associated with conflict. The peace treaty with the FARC does not change that. Therefore, most likely Colombia will experience more conflicts in the future unless some effort is made to change the equilibrium. How can this be done? The basic answer is that Colombian politics needs to change. Traditionally political scientists have looked at this through the lens of changing political institutions (e.g. change the Colombian electoral system to make it less ‘personalistic’). But this has been tried and failed in Colombia because the existing system so powerfully reproduces itself. One of the messages of the course is that one can hardly expect those who benefit from the pre-existing distribution of power in society to radically reconfigure it (unless the situation becomes intolerable, e.g. 1989/1990 in Colombia). Nevertheless real change happens. We study some examples of how this can take place, through new organizations and forms of collective action and through changes in individual behavior and social norms which may lead to tipping points and large macro changes.

Readings:

Wright, Gavin (2013) *Sharing the Prize*, Cambridge: Harvard University Press.

Shefter, Michael (1977) “Parties and Patronage: England, Germany, and Italy,” *Politics and Society*, 7(4): 403-451.

Zamosc, Leon (1986) *The Agrarian Question and the Peasant Movement in Colombia*, New York: Cambridge University Press.

José Rafael Espinosa Restrepo and Mauricio García Villegas (2014) *The Right to Government: The Legal Effects of Institutional Apartheid in Colombia*, de Justicia, Bogotá.

Albert Hirschman (2014) *Getting Ahead Collectively: Grassroots Experiences in Latin America*, Pergamon.

Blair, Rob, Christopher Blattman and Alexandra Hartman (2014) “How to Promote Order and Property Rights under Weak Rule of Law? An Experiment in Changing Dispute Resolution Behavior through Community Education,” *American Political Science Review* 108(1): 100-120.

Casey, Katherine, Rachel Glennerster, Edward Miguel (2012) “Reshaping Institutions: Evidence on Aid Impacts Using a Pre-Analysis Plan,” *Quarterly Journal of Economics*, 127(4): 1755-1812.

Camerer, Colin and Ernst Fehr (2006) “When does ‘Economic Man’ dominate Social Behavior?” *Science*, 311, 47-52.

Kim, David A., Alison R Hwang, Derek Stafford, D. Alex Hughes, A James O’Malley, James H. Fowler, Nicholas A Christakis (2015) “Social network targeting to maximise population behaviour change: a cluster randomised controlled trial,” *The Lancet*, 386, 145-153.

Fowler, James H. and Nicholas A. Christakis (2010) “Cooperative behavior cascades in human social networks,” *Proceedings of the National Academy of Sciences*, 107(12): 5334–5338,

Paluck, Elizabeth L. and Donald P. Green (2009) “Deference, Dissent, and Dispute Resolution: An Experimental Intervention Using Mass Media to Change Norms and Behavior in Rwanda,” *American Political Science Review*, 103(4): 622-644.

Paluck, Elizabeth L., Hana Shepherd and Peter M. Aronow (2016) “Changing climates of conflict: A social network driven experiment in 56 schools,” *Proceedings of the National Academy of Sciences*,

<http://static1.squarespace.com/static/5186d08fe4b065e39b45b91e/t/568bf5af1c121066511d0792/1452012975057/PaluckShepherdAronow+2016.pdf>

EVALUATION

The grade for the course will be determined by a take-home examination to be handed in after the final class. The exam will consist of a combination of problems where students need to show their understanding of the models covered in class as well as questions related to the literature and broader themes of the course. We will hand out some previous exam questions in advance to give an idea of the exam style. Students will have at least two days to solve the exam.

FECHA DE RETIRO

The student may withdraw the course, without refund, up to one business day before the date of the final test stipulated by the teacher. The University will not return the money for tuition payed for these summer courses.