

Courses 2023-24

MSc in Institutions and Political Economy



Structure

First year			Second year		
1 st term	2 nd term	3 rd term	4 th term	5 th term	6 th term
Compulsory courses 60 ECTS			Elective courses 30 ECTS		Master Thesis 30 ECTS

Introductory courses

Course	Lecturer(s)	ECTS
Introduction to Economics	Concepció Patxot	3
Introduction to Maths and Statistics	Mikel Álvarez-Mozos Cristina López-Mayán	3

1st term. Compulsory courses

Course	Lecturer(s)	ECTS
Microeconomics	Caio Lourecchio	5
Introduction to Economic History	Alfonso Herranz-Loncán Julio Martínez-Galarraga	5
Introduction to Political Economy	Matteo Gamalerio Albert Solé	5
Comparative Politics: Political Behaviour	Aina Gallego	5
Research Design	Albert Falcó Enrique Jorge-Sotelo Pilar Sorribas	5

2nd term. Compulsory courses

Course	Lecturer(s)	ECTS
Game Theory	Oriol Tejada	5
Comparative Politics: Institutions	Jordi Muñoz	5
Data Science I: Fundamentals	Cristina López-Mayán Sergi Lozano	5
Institutions, State Capacity and Growth	Sergio Espuelas José A. Peres-Cajías	5

3rd term. Compulsory courses

Course	Lecturer(s)	ECTS
Advanced Topics in Comparative Politics	Francesc Amat Shanker Satyanath	5
Data Science II: Causal inference	Albert Falcó Matteo Gamalerio	5
Political Economy of Public Policies	Guillem Rimbau Jaakoo Meriläinen	5
Research Design	Albert Falcó Enrique Jorge-Sotelo Pilar Sorribas	5

4th & 5th terms. Elective courses

Course	Lecturer(s)	ECTS
Advanced analysis of institutions	Macarena Ares	5
Political Ecology	Federico Demaria	5
Topics in Political Economy	Caroline Coly Dimitrios Xefteris	5
Federalism and Decentralization	Dirk Foremny Jordi Jofre Monseny	5
Poverty and Inequality: Concepts, Measures and Policies	Elisabetta Aurino	5
The Causes of Global Inequality: Economic History of Developing Regions	Anna Carreras Marín	5
Topics in Economic History	Enrique Jorge-Sotelo	5
Welfare Economics I: Education and Social Policies	Jenifer Ruiz Valenzuela Javier Vázquez Grenno	5
Macroeconomics	Montserrat Vilalta	5
Advanced research methods	Oriol Sabaté Andreu Arenas	5

Compulsory courses

1. Comparative Politics: Political Behavior

Summary

In the first course of the Comparative Politics track, we focus on the microfoundations of democratic politics. We will study the core elements of comparative political behavior: from the formation of mass beliefs, to the models of participation and vote choice. We will study also the role of elections in democracy and the formation and evolution of party systems. We will also cover the role of clientelism, gender and politics and the basics of the analytical models of representation.

Content

1. The nature of mass beliefs systems
2. Cognitive and behavioral foundations of political behavior
3. Turnout and participation
4. Vote choice models
5. Origins and evolution of party systems
6. Elections and electoral systems
7. Democracy and accountability
8. Clientelism, vote buying, electoral violence and programmatic mobilization
9. Gender and politics
10. Analytical models of preference aggregation and representation

Main references

Textbook

Dalton, R. J., & Klingemann, H. D. (2007). *Oxford handbook of political behavior*. Oxford University Press.

Selected Readings

Boix, C. (2019). *Democratic Capitalism at the Crossroads: Technological Change and the Future of Politics*. Princeton University Press.

Verba, S., Scholzman, K. L., & Brady, H. E. (1995). *Voice and equality: Civic voluntarism in American politics*. Harvard University Press.

Gallego, A. (2015). *Unequal political participation worldwide*. Cambridge University Press.

Bowles, Samuel & Gintis, Herbert. (2006). "Social Preferences, Homo Economicus and Zoon Politikon." In Goodin, Robert E. & Tilly, Charles eds., *The Oxford Handbook of Contextual Analysis*, (pp. 172-186), Oxford University Press.

Gandhi, Jennifer & Lust-Okar, Ellen. (2009). "Elections under Authoritarianism." *Annual Review of Political Science*, 12, 403-422.

- Putnam, Robert with Leonardi, Robert & Nanetti, Raffaella. (1993). *Making Democracy Work: Civic Traditions in Modern Italy*. Princeton: Princeton University Press.
- Stokes, S. C., Dunning, T., Nazareno, M., & Brusco, V. (2013). *Brokers, voters, and clientelism: The puzzle of distributive politics*. Cambridge University Press.
- Calvo, Ernesto and Maria Murillo. (2004). 'Who Delivers? Partisan Clients in the Argentine Electoral Market', *American Journal of Political Science*, Vol. 48, No. 4, pp. 742-757.
- Cox, Gary. (1997). *Making Votes Count: Strategic Coordination in the World's Electoral Systems*. Cambridge University Press.
- Downs, Anthony. (1957). *An Economic Theory of Democracy*. Harper Collins, pp. 3-14, 21- 35, and 114-141.
- Lipset, Seymour Martin and Stein Rokkan. (1967). "Cleavage Structures, Party Systems, and Voter Alignments: An Introduction," in Lipset and Rokkan eds., *Party Systems and Voter Alignments*, pp. 1-56
- Magaloni, Beatriz. (2006). *Voting for Autocracy: Hegemonic Party Survival and its Demise in Mexico*. Cambridge University Press.
- Kalyvas, S. (1996). *The Rise of Christian Democracy in Europe*. Cornell University Press.

2. Comparative Politics: Institutions

Summary

The second course of the Comparative Politics track deals with the core issues of comparative politics. From state formation, to regimes and the performance of democracy.

Content

1. Theories of state formation: Order and conflict
2. Determinants of state capacity
3. Civil wars, terrorism and insurgence
4. Nations and nationalism
5. Ethnicity and democracy
6. Theories of democratization
7. Varieties of Authoritarianism
8. Constitutions and Institutions: Legislative-executive relations, Federalism
9. Outcomes of democracy: democracy and redistribution
10. Democracy, development and growth
11. Democracy and quality of government
12. Empirical applications of theoretical models in institutional analysis

Main references

Textbooks

- Clark, W. R., Golder, M., & Golder, S. N. (2017). *Principles of comparative politics*. CQ Press.
- Boix, C., & Stokes, S. C. (Eds.). (2007). *The Oxford handbook of comparative politics* (Vol. 4). Oxford University Press.

Selected readings

- Posner, D. N. (2005). *Institutions and ethnic politics in Africa*. Cambridge University Press.
- Boix, C. (2003). *Democracy and redistribution*. Cambridge University Press.
- Boix, C. (2015). *Political order and inequality*. Cambridge University Press.
- Boix, C., & Stokes, S. C. (2003). Endogenous democratization. *World politics*, 517-549.
- Chandra, K. (Ed.). (2012). *Constructivist theories of ethnic politics*. Oxford University Press.
- Kalyvas, S. N. (2006). *The logic of violence in civil war*. Cambridge University Press.
- Gandhi, J. (2004). *Political institutions under dictatorship*. Cambridge University Press.
- Anderson, Benedict. (1983). *Imagined Communities*. Verso.
- Gellner, Ernest. (1983). *Nations and Nationalism*. Cornell University Press.
- Skocpol, Theda, (1979). *States and Social Revolutions: A Comparative Analysis of France, Russia, and China*. Cambridge University Press.
- Wilkinson, Steven. (2004). *Votes and Violence: Electoral Competition and Ethnic Riots in India*. Cambridge University Press.
- Levi, Margaret. (1988). *Of Rule and Revenue*. University of California Press.
- Tilly, Charles. (1992). *Coercion, Capital and European States*. Blackwell Press.
- Acemoglu, Daron & Robinson, James. (2006). *Economic Origins of Dictatorship and Democracy*. Cambridge University Press.
- Ansell, B. and Samuels, D. (2014). *Inequality and Democratization: An Elite-Competition Approach*. Cambridge University Press.
- Dahl, Robert A. (1971). *Polyarchy: Participation and Opposition*. Yale University Press.
- Lijphart, Arend. (1977). *Democracy in Plural Societies: A Comparative Exploration*. Yale University Press.
- Moore, Barrington, Jr. (1966). *Social Origins of Dictatorship and Democracy: Lord and Peasant in the Making of the Modern World*. Beacon Press.
- Przeworski, Adam, Alvarez, Michael, Cheibub, Jose, & Limongi, Fernando. (2000). *Democracy and Development: Political Institutions and Well Being in the World, 1950- 1990*. Cambridge University Press.
- Svolik, Milan. (2012). *The Politics of Authoritarian Rule*. Cambridge University Press.

Tsebelis, George. (1995). Decision Making in Political Systems: Veto Players in Presidentialism, Parliamentarism, Multicameralism and Multipartyism. *British Journal of Political Science*, 25, 289-325.

Shugart, Matthew & Carey, John. (1992). *Presidents and Assemblies: Constitutional Design and Electoral Dynamics*. Cambridge University Press.

3. Advanced Topics in Comparative Politics

Summary

In the third course of the Comparative Politics track we will discuss current topics of research in comparative politics. We will become familiarized with cutting edge literature in the field in topics ranging from polarization and radical right politics to the role of geography and the political consequences of technological change.

Content

1. Failures of representation in modern democracies
2. Turnout, mobilization and disaffection
3. The role of geography and spatial politics
4. Political consequences of technological change and automation
5. The decline of social capital and political trust
6. A long-term view: economic history and authoritarianism
7. Perspectives on Brexit: exploring its trade and fiscal origins
8. Different perspectives on the radical right in Europe
9. Polarization and democratic backsliding in advanced democracies
10. Polarization and democratic backsliding in advanced democracies
11. Media and politics
12. Pandemics and democratic politics
13. Empirical implications of theoretical models: current topics

Main references

Gidron, N. and Hall, P. (2018). "Populism as a Problem of Social Integration" Manuscript, Woodrow Wilson School of Public and International Affairs.

Hall, P and Evans, G. (2019). "Representation Gaps: Changes in Popular Preferences and the Structure of Partisan Competition in the Developed Democracies" Manuscript, Harvard University.

Guiso, L. Herrera, H, Morelli, M., Sonno, T. (2020). "Economic Insecurity and the Demand of Populism in Europe", Manuscript, Bocconi University

Tavits, M. and Potter, J. (2015). "The Effect of Inequality and Social Identity on Party Strategies." *American Journal of Political Science*.

Lupu, N. and Pontusson, J. (2011). "The Structure of Inequality and the Politics of Redistribution." *American Political Science Review*.

Amat, F. and Galindo-Silva, H. (2019). "Inequality, Immigration and Party Strategies: Exploring the Rise of Authoritarianism", Manuscript, University of Barcelona

Boix, Carles. (2019). *Democratic Capitalism at the Crossroads. The Quest for Automation and its Past and Future Impact on Employment, Wages, and Politics*. Princeton University Press (pp. 141-177).

Rueda, David and Pontusson, J. (2010). "The Politics of Inequality: Voter Mobilization and Left Parties in Advanced Industrial States." *Comparative Political Studies*.

Beramendi, P. and Anderson, C.J. (2012). "Left Parties, Poor Voters and Electoral Participation in Advanced Industrial Societies" *Comparative Political Studies*.

Becher, M. and Stegmueller, D. (2019). "Labor Unions and Unequal Representation", Duke University, Manuscript.

Amat, F. and Beramendi, P. (Forthcoming). *Economic and Political Inequality: Competition, Spending, and Turnout*. Cambridge University Press [selected chapters]

Amat, F. and Beramendi, P. (2020). "Democracy under High Inequality: Political Participation and Public Goods", *Journal of Politics*.

Iversen, T. and Soskice, D. (2016). "Information, Inequality and Mass Polarization: Ideology in Advanced Democracies." *Comparative Political Studies*.

Gingrich, J. (2018). "Changing Labor Markets, Changing Voters?" Manuscript, University of Oxford.

Ballard-Rosa, C., A. Jensen and S. Scheve. (2019). "Economic Decline, Social identity, and Authoritarian Values in the United States." Manuscript, Stanford University.

Colantone, I. and Stanig, P. (2017). "The Trade Origins of Economic Nationalism: Import Competition and Voting Behavior in Western Europe". *American Journal of Political Science*.

Amat, F., Boix, C. Muñoz, J., Rodon, T. (2020) "From Political Mobilization to Electoral Participation: Turnout in Barcelona in the 1930s", *Journal of Politics*.

Rueda, D. and Thewissen, S. (2019). "Automation and the Welfare State: Technological Change as a Determinant of Redistribution Preferences." *Comparative Political Studies*.

Anelli, M., Colantone, I., Stanig, P. (2019) "We Were the Robots: Automation and Voting Behavior in Western Europe." Manuscript, Bocconi University.

Gallego, A., Kurer, T., Scholl, N. (2020). "Neither Left Behind nor Superstar: Ordinary Winners of Digitalization at the Ballot Box." Manuscript, IBEI.

Algan, Y., Beasley, E. Cohen, D., Foucault, M. (2018). "The Rise of Populism and the Collapse of the Left-Right Paradigm: Lessons from the 2017 French Presidential Election." Center for Economic Policy Research, CEPR.

Chase, Foster and Frieden, Jeffrey (2017). "Crisis of trust: Socio-economic determinants of Europeans' confidence in government." *European Union Politics*.

Acharya, Blackwell, and Sen. (2016). "The Political Legacy of American Slavery." *Journal of Politics*.

- Satyanath, S., Voigtländer, N. and Voth, HJ. (2017) “Bowling for Fascism: Social Capital and the Rise of the Nazi Party.” *Journal of Political Economy*.
- Dinas, E., Foucka, V. and Schlaepfer, A. (Forthcoming). “Family history and attitudes toward outgroups: evidence from the European refugee crisis.” *Journal of Politics*.
- Finkel, E. (2015). “The Phoenix Effect of State Repression: Jewish Resistance during the Holocaust.” *American Political Science Review*.
- Colantone, I. Stanig, P. (2018). “Global Competition and Brexit.” *American Political Science Review*.
- Fetzer, T. (2019). “Did Austerity Cause Brexit?” *American Economic Review*.
- Ford, R., Jennings, W. (2020). “*The Changing Cleavage Politics of Western Europe*.” Annual Review of Political Science.
- Margalit, Y. (2019). “Political Responses to Economic Shocks.” *Annual Review of Political Science*.
- Schwander, H. and Manow, P. (2020). “It’s Not the Economy, Stupid! Explaining the Electoral Success of the German Right-Wing Populist AfD.” CIS Working Paper No. 94
- Dal Bo, Finan, Folke, Persson, and Rickne. (2019). “Economic Losers and Political Winners: Sweden’s Radical Right.”
- Rodden, J. (2018) “Keeping Your Enemies Close: Electoral Rules and Partisan Polarization.” Manuscript, Stanford University
- Svolik, M. (2016). “When Polarization Trumps Civic Virtue: Partisan Conflict and the Subversion of Democracy by Incumbents.” Manuscript, Yale University
- Graham, M. Svulik, M. (2019). “Democracy in America? Partisanship, Polarization, and the Robustness of Support for Democracy in the United States.” Manuscript, Yale University.
- Luo, Z., Przeworski, A. (2019). “Democracy and Its Vulnerabilities: Dynamics of Democratic Backsliding.” Manuscript, University of Chicago.
- Bernhardt, Krasa and Shadmehr. (2019). “Demagogues and the Fragility of Democracy.” Manuscript, University of Illinois.
- Dinas, Valentim, and Martínez. (2019). “Issue Salience and Norm Change in New Democracies.” Manuscript, European University Institute.

4. Introduction to Political Economy

Summary

The course will introduce students to the basic workhorse theoretical models used to analyze public sector decisions (on spending, taxes, regulation, etc.). The course will deal with models of Electoral politics (median voter, probabilistic voting), Special interest politics (campaign finance, policy for sale), Partisan politics (citizen candidates, legislative bargaining), Accountability (agency, selection), and will also study the effects of Political institutions. The course will make special emphasis on how these models can be used to guide empirical research and will also introduce students to the main empirical tools used in applied research.

Content

1. Electoral politics: median voter
2. Electoral politics: probabilistic voting
3. Special interest politics: theory
4. Special interest politics: empirics
5. Partisan politics: theory
6. Partisan politics: empirics
7. Accountability: theory
8. Accountability: empirics
9. Institutions: theory
10. Institutions: empirics

Main references

Persson, T. & Tabellini, G. (2000). *Political Economics. Explaining Economic Policy*. MIT Press.

Acemoglu, D. & Robinson, J. (2000). “Why did the West extend the franchise? Growth, inequality and democracy in historical perspective”, *Quarterly Journal of Economics* 65, 1167-1199.

Bertrand, M., Bombardini, M., Fisman, R. and Trebbi, F. (2020). “Tax exempt lobbying: corporate philanthropy as a tool for political influence”, *American Economic Review*, forthcoming.

Dalhberg, M. and Johansson, E. (2002). “On the vote purchasing behaviour of incumbent governments”, *American Political Science Review* 96(1), 27-40.

Finan, F., & Ferraz, C. (2008). “Exposing corrupt politicians: the effect of Brazil's publicly released audits on electoral outcomes”, *Quarterly Journal of Economics* 123(2).

Husted, T. & Kenny, L. (1997). “The effects of the expansion of the voting franchise on the size of government”, *Journal of Political Economy* 105, 54-81.

Kaplan, E. & Della Vigna, S. (2007). “The Fox News effect: media bias and voting,” *Quarterly Journal of Economics*, 122, 1187-1234.

Snyder, J. & Strömberg, D. (2008). “Press coverage and political accountability”, *Journal of Political Economy* 118(2), 355-408.

5. Political Economy of Public Policy

Summary

This course introduces students to the politics of the policymaking process. It will develop general principles for thinking about policymaking in order to apply them across a range of issue areas. The course examines public-policy making, its characteristics, determinants and consequences, both in liberal democracies and authoritarian regimes. It provides theoretical foundations from both economics and political science and then examines topics from both theoretical and applied areas of political economy, such as collective action, electoral competition, fiscal policy and redistribution, bureaucracy, rent-seeking, regulation, information and accountability, constitutional reforms. The course pays special attention to understanding how strategic interactions give rise to social dilemmas that may or may not create room for the government to improve social welfare. To that avail, it will focus on examining how technological, institutional, and strategic constraints get in the way of governments and policy-makers. Finally, the course will provide insights on how state-of-the-art research (like behavioural economics) may be used by policy-makers in order to achieve their goals, either as complements or as substitutes of more standard traditional tools.

Content

1. Normative foundations and collective goals
2. Political systems: Liberal democracies vs. Authoritarian regimes.
3. Political institutions
4. Mechanism design and commitment devices: checks and balances
5. The electoral cycle and dynamic inconsistencies
6. What lies ahead: the future of public policies

Main references

- Adolino, Jessica R., and Charles H. Blake. (2010). *Comparing public policies: Issues and choices in industrialized countries*. SAGE.
- de Mesquita, Ethan Bueno. (2016). *Political economy for public policy*. Princeton University Press.
- Dodds, A. (2018) *Comparative public policy*. Macmillan International Higher Education.
- Knill, C., and J. Tosun. (2020). *Public policy: A new introduction*. Red Globe Press.
- Kraft, Michael E., and Scott R. Furlong. (2019). *Public policy: Politics, analysis, and alternatives*. CQ Press.
- McNutt, P. A. (2002). *The economics of public choice*. Edward Elgar. (pp. 272-289).
- Persson, T., and G. Tabellini. (2002) *Political economics: explaining economic policy*. MIT Press.
- Shepsle, Kenneth A. (2010). *Analyzing Politics: Rationality, Behavior and Institutions*, 2nd Edition. W. W. Norton & Company.

6. Introduction to Economic History

Summary

The aim of this course is to analyze the characteristics and development of different world economies from Prehistory to the present. The course starts with a synthetic presentation of the evolution of economic growth and global inequality in the very long term. We will then approach the main features of preindustrial economies and the changes associated to the British Industrial Revolution. From then on, the course will follow a chronological order, analyzing the main stages of the evolution of the international economy and its different regions since the Industrial Revolution.

Content

1. Introduction: Economic growth and convergence in the very long term
2. The preindustrial economies
 - 2.1. The Neolithic Revolution
 - 2.2. The logic of the Malthusian economies
3. Antecedents of the British Industrial Revolution
 - 3.1. Europe vs. China: The medieval origins of the European miracle
 - 3.2. The little divergence of the Netherlands and England in Early Modern times
4. The Industrial Revolution: characteristics and consequences
5. Industrialization and first globalization in the 19th century
6. Causes and consequences of the Interwar period crisis
7. The world economy during the “Golden Age” (1945-73)
8. The world economy since the 1970s

Main references

Acemoglu, D, and Robinson, J. (2012). *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*. Crown Publishing Group.

Allen, Robert C. (2009). *The British Industrial Revolution in Global Perspective*. Cambridge University Press.

Baten, Joerg (ed.). (2016). *A History of the Global Economy. 1500 to the Present*. Cambridge University Press.

Broadberry, Stephen and Fukao, Kyoji (eds.). (2021, forthcoming), *The Cambridge Economic History of the Modern World*. Cambridge University Press.

Clark, Gregory. (2007). *A Farewell to Alms: A Brief Economic History of the World*. Princeton University Press.

Findlay, R. y O'Rourke, K.H. (2009), *Power and Plenty: Trade, War, and the World Economy in the Second Millennium*. Princeton University Press. (chs. 7-10).

Pomeranz, Kenneth. (2000). *The Great Divergence: Europe, China, and the Making of the Modern World Economy*. Princeton University Press.

Van Zanden, Jan Luiten. (2009). *The Long Road to the Industrial Revolution, The European Economy in a Global Perspective, 1000-1800*. Leiden, Brill.

7. Institutions, state capacity and Economic Growth

Summary

The objective of this course is to unravel the factors behind state expansion from the Modern era to the 20th century, in both developed and developing countries. One of the most relevant changes occurred since the late 19th century has been the rapid growth of the state as an economic agent. In the 19th century, government activities were largely limited to the administration of justice, the maintenance of public order, and military defense. Today, government activities in some developed countries represent more than 50% of GDP and are still growing rapidly in many developing countries. What explains this transformation? Economic growth, urbanization and technological change have increased the volume of information that states can handle and their taxation capacity. However, political factors, such as redistribution demands, the legitimization needs of governments, and democratization processes have been equally important.

Content

1. The role of institutions in economic development
2. State formation since classical antiquity: from the limited social order to the open social order
3. The development of the fiscal state: political conflict, centralization and parliaments
4. Colonialism and state formation: direct and indirect consequences of independence
5. The formation of the welfare state: models and explanatory factors
6. The rise of mass education
7. The welfare state in developing countries
8. Consequences and sustainability of the welfare state: the challenge of pensions and effects on economic growth

Main references

Cardoso, J. L. and Lains, P. (eds.). (2010). *Paying for the Liberal State. The Rise of Public Finance in Nineteenth-Century Europe*. Cambridge University Press.

Dincecco, M. (2011). *Political Transformations and Public Finances. Europe, 1650-1913*. Cambridge University Press.

Epstein, S.R. (2000). *Freedom and Growth: The Rise of States and Markets in Europe, 1300-1750*. Routledge.

Goldin, C. and Katz, L.F. (2008). *The race between education and technology*. Harvard University Press.

Haggard, S. and Kaufman R. R. (2008), *Development, Democracy and Welfare States. Latin America, East Asia and Eastern Europe*. Princeton University Press.

Lindert, P.H. (2004), *Growing public social spending and economic growth since the eighteenth century*. Cambridge University Press.

8. Research design

Summary

This course is designed as a “research in progress” seminar. Students are expected to complete a master thesis and this course is intended to provide students with the tools necessary to conduct high-quality research on their own. The purpose of the course is twofold. First, students will receive training on how to develop an empirically-oriented research project: pose a significant research question, connect it to the relevant scientific literature, develop a theory and hypotheses with observable consequences that can be tested with the research methods discussed in other courses of the master’s, and find the relevant data. Second, students will have the opportunity to present their research at different stages, receive feedback from fellow students and faculty, and also analyze and discuss other students’ projects. As a part of this course, students will also be required to attend a given number of research seminars during the semester, for which they will have to complete a brief task, summarizing the presentation and evaluating key points of how the research was presented and discussed.

Content

1. The scientific method
2. Elements of a scientific research project
 - 2.1. The research question: contribution, explanation vs description, and literature review
 - 2.2. Theory and hypotheses: arguments and mechanisms
 - 2.3. Data: case selection and biases
 - 2.4. Methods: choosing the right methodological strategy
3. Being a researcher
 - 3.1. Ethics in research
 - 3.2. How to write a proposal
 - 3.3. Communicating research
 - 3.4. Discussing research
 - 3.5. Attending research seminars

Main references

Bhattacharjee, A. (2012). Social science research: Principles, methods, and practices. Scholar Commons, University of South Florida. http://scholarcommons.usf.edu/oa_textbooks/3

Elster, J. (2015). *Explaining social behavior: More nuts and bolts for the social sciences*. Cambridge University Press.

Geddes, B. (1990). How the cases you choose affect the answers you get: Selection bias in comparative politics. *Political analysis*, 131-150.

Haverland, M. (2006). Does the EU cause domestic developments? Improving case selection in Europeanisation research. *West European Politics*, 29(1), 134-146.

Kellstedt, P. M., & Whitten, G. D. (2018). *The fundamentals of political science research*. Cambridge University Press.

King, G., Keohane, R. O., & Verba, S. (1994). *Designing social inquiry: Scientific inference in qualitative research*. Princeton University Press.

Powner, L. C. (2014). *Empirical research and writing: A political science student's practical guide*. CQ Press.

Przeworski, A., & Salomon, F. (2001). *The Art of Writing Proposals* (Social Science Research Council, New York). https://s3.amazonaws.com/ssrc-cdn1/crmuploads/new_publication_3/%7b7A9CB4F4-815F-DE11-BD80-001CC477EC70%7d.pdf

Shively, W. P. (2016). *The craft of political research*. Routledge.

9. Data science I: Fundamentals

Summary

This is the first class of a three-course sequence in data science using R. We will learn the basics of the R language for data management, analysis and visualization. We will also cover the basics of probability theory and statistical inference. Most of the course on regression analysis, from simple linear regression to multivariate and non-linear models. We will cover estimation, inference, model diagnostics, and post-estimation. The course will very applied, focused on modelling and interpretation and presentation of results. It will be hands-on, so students will be required to complete assignments on a weekly basis.

Content

1. Introduction to R
2. Basic probability for statistics
3. Univariate Statistical inference
4. From questions to models: Introduction to applied regression analysis
5. Least squares estimation, coefficients and interpretation
6. Inference and confidence intervals
7. Model fit
8. Multivariate regression
9. Interactions in a regression framework
10. Assumptions, diagnostics and solutions
11. Non-linear models: logit and probit

Main references

Wooldridge, J. M. (2016). *Introductory econometrics: A modern approach*. Nelson Education.

Gelman, A., & Hill, J. (2006). *Data analysis using regression and multilevel/hierarchical models*. Cambridge university press.

Wickham, H. and Grolemond, G. (2017). R for data science <https://r4ds.had.co.nz/>

10. Data science II: Causal Inference

Summary

This course will introduce students to modern empirical methods for answering causal research questions in Economics and Political Science. In the course introduction, we will study the difference between causality and correlation, analyzing the issues we need to overcome to obtain causal estimates. We will then study in detail the most used empirical methods in Economics and Political Science: randomized experiment, panel data, difference-in-differences, regression discontinuity design, and instrumental variables.

The course's goal is to teach the students how to form causal research questions and how to answer them using the most recent empirical methods used in Economics and Political Science. Besides, the course aims to make students critical consumers of empirical research papers that make use of causal empirical methods in Economics, Political Science, and (Social) Science in general.

Content

1. Introduction I: causality vs correlation, identification issues, omitted variables, and measurement error
2. Introduction II: causal inference, the selection problem
3. Randomized experiment
4. Panel data: random effects, fixed effects
5. Difference-in-differences
6. Regression discontinuity design
7. Instrumental variables
8. Mixed topics: matching methods, quantile regressions, standard errors

Main references

Angrist, J.D., and Pischke, J.S. (2009). *Mostly Harmless Econometrics*. Princeton University Press.

Angrist, J.D., and Pischke, J.S. (2014). *Mastering Metrics*. Princeton University Press.

Krueger, A.B. (1999). "Experimental Estimates of Education Production Functions." *The Quarterly Journal of Economics*, Volume 114, Issue 2.

Pons, V. (2018). "Will a Five-Minute Discussion Change Your Mind? A Countrywide Experiment on Voter Choice in France." *American Economic Review*, 108(6): 1322–1363.

Card, D. and Krueger, A.B. (1994). "Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania". *American Economic Review*, 84(4), pp. 772-93.

Miller, G. (2008). "Women's Suffrage, Political Responsiveness, and Child Survival in American History." *The Quarterly Journal of Economics*, Volume 123, Issue 3.

Lee, D.S. (2008). “Randomized experiments from non-random selection in U.S. House elections.” *Journal of Econometrics*, Volume 142, Issue 2.

Angrist, J.D., and Krueger, A.B. (1991). “Does Compulsory School Attendance Affect Schooling and Earnings?” *The Quarterly Journal of Economics*, Vol. 106, No. 4.

Hangartner, D., Dinas, E., Marbach, M., Matakos, K., and Xefteris, D. (2019). “Does Exposure to the Refugee Crisis Make Natives More Hostile?” *American Political Science Review*, Volume 113, Issue 2.

11. Microeconomics

Summary

This course will introduce the basic tools of microeconomic analysis to examine individual choices and the resulting market outcomes. The main aim will be to provide students with a basic understanding of models that can guide their research and which generally motivate applied research. We will study different types of market structures, from perfect competition to imperfect competition due to market power (i.e., monopoly or monopolistic competition). We will introduce how asymmetric information problems distort market outcomes and other market failures such as externalities and the provision of public goods.

Content

1. Introduction: prices and markets, allocation and scarcity, marginal utility, positive and normative economics
2. The demand and the supply curves: individual and market demand and supply, elasticities, risk and uncertainty
3. Competitive markets: partial and general equilibrium, efficiency
4. Market power: monopoly, oligopoly, monopolistic competition
5. Asymmetric information: adverse selection, moral hazard, signaling
6. Externalities and public goods

Main references

Jehle, G. A., and Reny, P. J. (2011). *Advanced Microeconomic Theory (Third edition)*. Pearson Education.

Macho-Stadler, Inés, and J. David Pérez-Castrillo. (2005). *An introduction to the economics of information: incentives and contracts*. Oxford University Press.

Myles, G. D., and J. Hindriks. (2013). *Intermediate Public Economics*. MIT Press.

Varian, Hal R. (2014). *Intermediate Microeconomics: A Modern Approach*. WW Norton & Company.

12. Game theory

Summary

Game theory studies situations in which the success of an individual's decision depends on the decisions made by others (strategic interdependence). The aim of the course is that students develop skills for the application of game theory to their corresponding fields within Social Sciences. This includes from the recognition of strategic situations to the selection of the best formal models to analyse them.

Content

1. Introduction: Game theory and related concepts
2. Static games: Strategies and equilibria
3. Dynamic games: Sequences and strategic thinking
4. Repeated games: Limiting the number of repetitions, reputation and expectations
5. Limitations of classical game theory and evolutionary game theory
6. Social networks and strategic interactions: Games on networks, network formation as a game

Main references

Gintis, H. (2000). *Game theory evolving: A problem-centered introduction to modeling strategic behavior*. Princeton University Press.

Jackson, M. O., Rogers, B., & Zenou, Y. (2021). Networks: An economic perspective. In Light & Moody *Oxford Handbook of Social Network Analysis*. Oxford University Press.

Osborne, M. J. (2004). *An introduction to game theory* (Vol. 3, No. 3). Oxford University Press.

Elective courses

1. Advanced analysis of institutions: economic and political challenges in consolidated democracies

Summary

This course deals with some of the major contemporary challenges facing institutions in advanced democracies. The focus on challenges emphasizes the (frequently conflicting) demands placed on institutions by different actors – citizens, parties, states, governments, regions, supranational agencies (among others). The course is divided in two blocks. The first block addresses the economic challenges arising from recent socio-economic transformations. The second block focuses on political challenges, frequently intrinsically related to institutional performance. Over the course, the different sessions will expose how structural transformations and institutional dynamics are closely intertwined.

Content

1. Citizens' demands for redistribution and the Golden Age of the welfare state
2. The institutions of labor-market post-industrialization
3. The social investment paradigm: institutional variation
4. Inter-temporal trade-offs and policy-making for the long term
5. The politics of green industrial policy
6. From excessive collusion to excessive polarization
7. Institutional responses to democratic backsliding
8. Historical legacies of institutions
9. Institutions and political support: inputs and outputs
10. Countering unequal representation

Main references

Besley, T., Folke, O., Persson, T., & Rickne, J. (2017). Gender Quotas and the Crisis of the Mediocre Man: Theory and Evidence from Sweden. *American Economic Review*, 107(8), 2204-2242.

Boese, Vanessa A. et al. 2022. "State of the World 2021: Autocratization Changing Its Nature?" *Democratization* 29(6): 983–1013.

Bolet, D., Green, F., & González-Eguino, M. (2023). How to Get Coal Country to Vote for Climate Policy: The Effect of a "Just Transition Agreement" on Spanish Election Results. *American Political Science Review*, 1-16.

Esping-Andersen, G. (1990). *The three worlds of welfare capitalism*. Princeton University Press.

Gaikwad, N., Genovese, F., & Tingley, D. (2022). Creating Climate Coalitions: Mass Preferences for Compensating Vulnerability in the World's Two Largest Democracies. *American Political Science Review*, 116(4), 1165-1183.

Gidron, N., Adams, J., & Horne, W. (2020). *American Affective Polarization in Comparative Perspective*. Elements in American Politics.

Jacobs, A. M. (2011). *Governing for the Long Term: Democracy and the Politics of Investment*. Cambridge University Press.

Haffert, L. (2021). The Long-Term Effects of Oppression: Prussia, Political Catholicism, and the Alternative für Deutschland. *American Political Science Review*, 1-20.

Hall, P. A. (2021). How Growth Strategies Evolve in Developed Democracies. In A. Hassel & B. Palier (Eds.), *Growth & Welfare in Advanced Capitalist Economies* (pp. 57–97). Oxford University Press.

Häusermann, S., Garritzmann, J., & Palier, B. (2022). The Politics of Social Investment: A Global Theoretical Framework. In J. Garritzmann, S. Häusermann, & B. Palier (Eds.), *The World Politics of Social Investment: Volume 1: Welfare States in the Knowledge Economy*. Oxford University Press.

Huddy, L., & Yair, O. (2021). Reducing Affective Polarization: Warm Group Relations or Policy Compromise? *Political Psychology*, 42(2), 291-309.

Neundorf, Anja, and Grigore Pop-Eleches (2020) “Dictators and Their Subjects: Authoritarian Attitudinal Effects and Legacies.” *Comparative Political Studies* 53(12): 1839–60.

Oesch, D., & Rodríguez Menés, J. (2010). Upgrading or polarization? Occupational change in Britain, Germany, Spain and Switzerland, 1990–2008. *Socio-Economic Review*, 9(3), 503-531.

Pierson, P. (1996). The New Politics of the Welfare State. *World Politics*, 48(2), 143-179.

2. Political Ecology

Summary

In this course we will explore the interdisciplinary field of Political Ecology. Political Ecology is a theoretical and methodological approach for the study of socio-ecological systems that focuses on conflict, power and the uneven distribution of environmental costs and benefits. This course will familiarize students with the key concepts and tools used by political ecologists. At the end of the course students should be able to do political ecology research themselves. They will also be introduced to new, critical, ways of looking at and understanding environmental problems and policies.

Content

1. What is political ecology?
2. Historical perspectives to understand the present: Environmental and agrarian history
3. Construction and destruction of nature
4. Ecological distribution conflicts
5. Political ecology and feminism: from the macro to the everyday practices
6. Social movements and environmental justice
7. Political economy of the environment

8. Socio-ecological transitions

Main references

Kothari, A., Salleh, A., Escobar, A., Demaria, F. and Acosta, A. (eds.). (2019). *Pluriverse: A Post-Development Dictionary*. Delhi, India: Tulika Books.

Moragues-Faus, A., & Marsden, T. (2017). The political ecology of food: Carving ‘spaces of possibility’ in a new research agenda. *Journal of rural studies*, 55, 275-288.

Perreault, T.; Bridge, G.; McCarthy, J. (2015) *The Routledge Handbook of Political Ecology*. Routledge

Robbins, P. (2004) *Political Ecology*. Blackwell Publishers.

Rocheleau, D. (1996) *Feminist Political Ecology*. Routledge.

3. Topics in Political Economy

Summary

This course will use the skills acquired in previous blocs to provide an overview of concrete topics in political economy –such as corruption, gender and politics, conflict, immigration– aiming at presenting the frontier of recent research.

Content

1. Corruption. Governments intervene to prevent market failures, which involves political decisions on transferring resources from one party to another, creating room for corruption. This is an important topic because the public sector represents a very large share of the economy and corruption is one of the main government failures.
2. Gender and politics. In most theoretical frameworks, the identity of politicians does not matter (i.e., if they follow the median voter). Does the very unequal gender representation in politics have consequences? What are the factors behind this unequal representation, and is there a role for public policy?
3. Conflict. Conflict and violence are still present all over the world. What are their economic and political causes and consequences?
4. Immigration. Supply shocks to the economy create opportunities for economic growth, but not everyone benefits equally. This has important implications for the political process and the resulting policies.

Main references

Olken, B. A., & Pande, R. (2012). Corruption in developing countries. *Annual Review of Economics*, 4(1), 479-509.

Burguet, R., Ganuza, J. J., & Montalvo, J. G. (2018). The microeconomics of corruption. In *Handbook of Game Theory and Industrial Organization, Volume II*. Edward Elgar Publishing.

Doepke, M., Tertilt, M., & Voena, A. (2012). The economics and politics of women's rights. *Annual Review of Economics*, 4(1), 339-372.

Profeta, P. (2017). Gender Quotas and Efficiency. *ifo DICE Report*, 15(2), 26-30.

Blattman, C., & Miguel, E. (2010). Civil war. *Journal of Economic literature*, 48(1), 3-57.

Ray, D., & Esteban, J. (2017). Conflict and development. *Annual Review of Economics*, 9, 263-293.

Spolaore, E., & Wacziarg, R. (2017). *The political economy of heterogeneity and conflict* (No. w23278). National Bureau of Economic Research.

Margalit, Y. (2019). Economic insecurity and the causes of populism reconsidered. *Journal of Economic Perspectives*, 33(4), 152-70.

Colantone, I., & Stanig, P. (2019). The surge of economic nationalism in Western Europe. *Journal of Economic Perspectives*, 33(4), 128-51.

4. Federalism and Decentralization

Summary

This course covers some of the main topics in Fiscal Federalism, broadly defined as the research area dealing with public economics issues arising in settings where different layers of government coexist (i.e., federal, regional and local governments).

The course introduces the student to the advantages and disadvantages of fiscal decentralization. The course covers (i) normative analyses that allocate government spending and taxing responsibilities efficiently across layers of government assuming benevolent governments, and (ii) political economy models and considerations that affect the benefits and costs of decentralization.

Some of the analyzed topics include the optimal size of jurisdictions to provide public goods and services, the determinants and effects of intergovernmental grants, tax base mobility and tax competition among governments, the effects of bailout expectations in public deficits and debt accumulation or how income and preference differences in public goods and services create segregation and shape the geography of cities

Content

1. Public finance in a federal system
 - 1.1. Assignment of spending responsibilities to different layers of government
 - 1.2. Revenue assignment to the different layers of government
2. Intergovernmental grants
 - 2.1. The role of intergovernmental grants
 - 2.2. Unconditional grants
 - 2.3. Conditional grants
 - 2.4. Equalization grants

3. Fiscal decentralization and public debt
 - 3.1. Bailout expectations and subcentral public debt
 - 3.2. Empirics
 - 3.2.1. The effects of bailout expectations on fiscal discipline
 - 3.2.2. Bailout expectations and the relative size of jurisdictions
4. Demand for local public goods and services and residential sorting
 - 4.1. The demand for local public goods and services
 - 4.2. Public goods, social interactions and residential sorting
5. Tax competition
 - 5.1. Theories of tax competition
 - 5.2. Empirics of tax competition

Main references

- Albouy, D. (2012). “Evaluating the efficiency and equity of federal fiscal equalization” *Journal of Public Economics* 96, 824-839.
- Alesina, A., Glaeser, E. (2004). *Fighting poverty in the US and Europe: A world of difference*, Oxford University Press.
- Ambrosiano, M. F. and Bordignon, M. (2006). “Normative versus positive theories of revenue assignments in federations” in Ahmad, E. and Brosio, G. (Eds), *Handbook of fiscal federalism*, Edward Elgar (pp. 306-338).
- Baretti, Ch., Huber, B. and Lichtblau, K. (2002). “A tax on tax revenue. The incentive effects of equalizing transfers: evidence from Germany”, *International Tax and Public Finance* 9, 631-649.
- Bayer, P., Ferreira, F. and McMillan, R. (2007). “A Unified Framework for Measuring Preferences for Schools and Neighborhoods”, *Journal of Political Economy* 115, 588-638.
- Black, S. (1999). “Do Better Schools Matter? Parental Valuation of Elementary Education”, *The Quarterly Journal of Economics*, 114, 577-599.
- Boadway, R. and Shah, A. (2009). *Fiscal Federalism. Principles and Practice of Multiorder Governance*, Cambridge University Press.
- Dahlberg, M., Mörk, E., Rattsø, J., Ågren, H. (2008). “Using a discontinuous grant rule to identify the effect of grants on local taxes and spending, *Journal of Public Economics* 92, 2320-2335
- Devereux, M., Lockwood, B. y Redoano, M. (2008). “Do countries compete over corporate tax rates?”, *Journal of Public Economics* 92, 1210-35.
- Hoxby, C. (2001). “All school finance equalizations are not created equal”, *Quarterly Journal of Economics* 116, 1189-1231.
- Kleven, H. J., Landais C., Saez E. (2013). Taxation and International Migration of Superstars: Evidence from the European Football Market, *American Economic Review* 103, 1892-1924.

Kuminoff, N., Smith, V.K. and C. Timmins (2010). “The New Economics of Equilibrium Sorting and its Transformational Role for Policy Evaluation”, NBER WP No. 16349.

Luttmer, E. (2001). “Group loyalty and the taste for redistribution”, *Journal of Political Economy* 109, 500–528.

Lyytikäinen, T., (2012). “Tax competition among local governments: Evidence from a property tax reform in Finland”, *Journal of Public Economics* 96, 584-595.

Oates, W.E. (2005). “Toward A Second-Generation Theory of Fiscal Federalism”, *International Tax and Public Finance* 12, 349-373.

Panizza, U. (1999). “On the determinants of fiscal centralization: theory and evidence”, *Journal of Public Economics* 74, 97-140.

Petterson-Lidbom, P. (2010). “Dynamic Commitment and the Soft Budget Constraint: An Empirical Test”, *American Economic Journal: Economic Policy* 2, 154-179.

Schmidheiny, Kurt (2006). Income segregation and local progressive taxation: Empirical evidence from Switzerland, *Journal of Public Economics* 90, 429-458.

Speciale, B. (2012). “Does immigration affect public education expenditures? Quasi-experimental evidence”, *Journal of Public Economics* 96, 773–783.

Tyrefors Hinnerich, B. (2009). “Do merging local governments free ride on their counterparts when facing boundary reform?”, *Journal of Public Economics* 93, 721-728.

Weingast, B.R. (2009). Second Generation Fiscal Federalism: Implications of fiscal incentives, *Journal of Urban Economics* 65, 279-293.

Wilson, J. (1999). “Theories of tax competition”, *National Tax Journal* 52, 269-304.

Zodrow, G. y Mieszkowski, P. (1986). “Pigou, Tiebout, property taxation, and the underprovision of local public goods”, *Journal of Urban Economics* 19, 356-70.

5. Poverty and Inequality: Concepts, Measures and Policies

This course is intended for students interested in global economic development, with a specific focus on poverty and inequality (understood as complex, multifaceted concepts), and what can be done to address these pressing global challenges. The course is multidisciplinary in nature, drawing upon research in development economics, global health, and the broader social sciences, and focuses on low- and middle income countries (LMICs), also known as ‘majority settings’.

In the first part of the course, we will introduce core concepts and measures of poverty and inequality, and their evolution across countries and over time. We will discuss how economists and other social scientists have made sense of such differences, including a brief overview of different hypotheses explaining current variation in well-being outcomes across countries (macro-development) – such as differences in growth rates (the Solow model), and long-term drivers such the role of geography, institutions, and culture. We will discuss how different thinkers have proposed to tackle the persistent problem of poverty. To critically assess these approaches, we will briefly review core concepts around causal inference. In the second part of the course, we will take a deep dive at the micro-economics of development literature. We will only cover on a limited set of topics focusing related to household wellbeing (and lack of it).

Content

1. Poverty and inequality: concepts and measures
2. What does explain the differences in development we observe? The role of geography, institutions, social norms, and culture
3. Key debates on what to do about global poverty. Intro to empirical patterns related to household behaviours in LMICs
4. Poverty traps and transfers
5. Intro to development behavioural economics and the psychology of poverty
6. Returns to education
7. Global learning crisis
8. Nutrition and food security
9. Health
10. Gender and social norms

Main references

Acemoglu, Johnson and Robinson (2002), “The Reversal of Fortune”. *Quarterly Journal of Economics*

Alesina, Giuliano, Nunn (2013). On the origins of gender roles: women and the plough. *Quarterly Journal of Economics* 128(1).

Araujo and Macours (2021). Education, Income and Mobility: Experimental Impacts of Childhood Exposure to Progresa after 20 Years. You can find it on Karen’s website: <https://www.parisschoolofeconomics.eu/en/macours-karen/working-papers/>

Ashraf, Nava, James Berry and Jesse Shapiro (2010). “Can Higher Prices Stimulate Product Use?”

Aurino, E. (2020). Food for thought? Experimental evidence on the learning impacts of a large-scale school feeding program. *Journal of human resources*.

Baird, S., McIntosh, C., Ozler, B. (2011). Cash or condition? Evidence from a cash transfer experiment. *Quarterly Journal of Economics*

Baird, S., McIntosh, C., Ozler, B. (2016). When the money runs out. *Journal of Development Economics*

Baird, Sara, Joan Hicks, Michael Kremer and Edward Miguel (2016). “Worms at Work: Long-run Impacts of Child Health Gains”, *Quarterly Journal of Economics*, 131(4), 1637-1680.

Banerjee, A., Duflo, E. (2007). “The Economic Lives of the Poor” *Journal of Economic Perspectives*.

Banerjee, Cole, Duflo and Linden. 2007. “Remedying Education: Evidence from Two Randomized Experiments in India”. *Quarterly Journal of Economics* 122(3):1235-1264.

Blattman, C, Faye, M, Karlan, D, Niehaus, P and Udry, C (2017), "Cash as Capital",

Deaton, A. Measuring Poverty. Published in *Understanding Poverty*, Abhijit Banerjee, Roland Benabou, and Dilip Mookherjee eds. (on campus virtual)

- Diamond, Jared (2002), “Evolution, consequences and the future of plant and Animal domestication”, *Nature*, Vol 418
- Duflo (2001). Schooling and labor market consequences of school construction in Indonesia: Evidence from an unusual policy experiment. *American Economic Review* 91(4)
- Jayachandran, S., and Pande, R. (2017). Why are Indian children so short? *American Economic Review*
- Douglas Bernheim, Stefano DellaVigna, and David Laibson, 2:345–458. *Handbook of Behavioral Economics - Foundations and Applications 2*. North-Holland, 2019. **(Section 10 only)** <https://doi.org/10.1016/bs.hesbe.2018.12.002>.
- Maluccio, J. et al (2009). The Impact of Improving Nutrition During Early Childhood on Education among Guatemalan Adults. *Economic Journal*
- Mani, Anandi, Sendhil Mullainathan, Eldar Shafir, and Jiaying Zhao. “Poverty Impedes Cognitive Function.” *Science* 341, no. 6149 (August 30, 2013): 976–80.
- Milanovic, B. (2013). Global Income Inequality in Numbers: in History and Now" by Branko Milanovic, published in *Global Policy* <https://gabriel-zucman.eu/files/teaching/Milanovic13.pdf>
- Nunn (2008). The long-term effects of Africa’s slave trade. *Quarterly Journal of Economics*
- Ridley, M. et al (2020). Poverty, depression and anxiety. Causal evidence and mechanisms.
- World Bank (2015). *Mind Society and Behaviour*. World Development Report. Skim through Chapters 1 and 4.

6. Topics in Economic History

Summary

The aim of the course is to provide students with an overview of the main themes in the history of financial and labour markets. The course takes a long run approach, from the 19th century until today, and a wide focus that includes case studies from a range of different countries and regions. The underlying common theme of the course is the evolution of financial and labour markets and their interactions with the different waves of globalization, emphasizing the role of political economy.

Content

Part I: Financial markets

1. Debt and default: sovereign debt markets in the long run
2. Currency politics: the international monetary system and the political economy of exchange rates in history
3. Reserve currencies: from Sterling to Dollar dominance
4. Financial crises, from 1866 to Covid-19: causes, mechanisms, consequences
5. The politics of central banking: independence and neutrality
6. The political economy of financial regulation

Part II: Labour markets

1. Characteristics of pre-industrial labour markets

2. Changes in the labour market during the Industrial Revolution
3. The impact of the first globalization on global labour markets
4. Labour regulation and expansion of human capital during the twentieth century
5. Labour markets during the second globalization
6. Labour market and inequality in the long term (1800-2020)

Main references

Financial markets

Admati, A. and Hellwig, M. (2014). *The bankers' new clothes: what is wrong with banking and what to do about it*. Princeton University Press.

Adolph, C. (2016). *Bankers, Bureaucrats, and Central Bank Politics: The Myth of Neutrality*. Cambridge University Press.

Brunnermeier, M. et al. (2014). *The Fundamental Principles of Financial Regulation*. Geneva Reports on the World Economy, CEPR.

Eichengreen, B. (2008). *Globalizing capital, a history of the international monetary system*. Princeton University Press.

Eichengreen, Mehl and Chitu. (2017). *How global currencies work. Past, present and future*. Princeton University Press.

Frieden, Jeffrey. (2015). *Currency politics: the political economy of exchange rate policy*. Princeton University Press.

Grossman, R. (2010). *Unsettled account. The evolution of banking in the industrialized world since 1800*. Princeton University Press.

Reinhart, C. and Rogoff, K. (2011). *This time is different. Eight centuries of financial folly*. Princeton University Press.

Tomz, M. (2007). *Reputation and International Cooperation: Sovereign Debt across three centuries*. Princeton University Press.

Turner, J. and Quinn, W. (2020). *Boom and bust: a global history of financial bubbles*. Cambridge University Press.

Labour markets

Crafts, N. and Mills, T. C. (2020). *The race between population and technology: real wages in the first Industrial Revolution*. CAGE Working Paper 502.

Engerman, S. L. (1992). *Coerced and Free Labor: Property Rights and the Development of the Labor Force*. *Explorations in Economic History*, 29, pp. 1-29.

Fishback, P. V. (2020). *Rule of Law in Labor Relations, 1898-1940*. NBER Working Paper 27614.

Goldin, C. (1994). *Labor Markets in the Twentieth Century*. NBER Historical Paper 58.

Goldin, C., and Katz, L. F. (1998). *The Origins of Technology-Skill Complementarity*. *Quarterly Journal of Economics* 113, 3, pp. 693-732.

- Hatton, T. J. and Williamson, J. G. (2005). *Global Migration and the World Economy*. MIT Press.
- Hofmeester, K. and Van der Linden, M. (2018). *Handbook of the Global History of Work*. Berlin, De Gruyter.
- Naidu, S. and Yuchtman, N. (2019). Labor Market Institutions in the Gilded Age of American Economic History. NBER Working Paper 22117.
- Van Waijenburg, Marlous. (2018). Financing the African Colonial State: The Revenue Imperative and Forced Labor. *Journal of Economic History*, 78, 1, pp. 40-80.
- Wright, G. (2020). Slavery and Anglo-American Capitalism Revisited. *Economic History Review*, 73, 2, pp. 353-383.

7. The Causes of Global Inequality: Economic History of Developing Regions

Summary

The aim of this subject is to analyze the causes and conditions of economic backwardness of peripheral regions, the mechanisms that generate economic backwardness and the diversity of cases to which it gives rise, the evolution personal and regional inequality throughout the process of economic development, as well as to critically analyze historical-economic sources on developing countries during the nineteenth and twentieth centuries.

Content

1. Theoretical framework
 - 1.1. Extractive Institutions in the Periphery
 - 1.2. Natural Resources: curse or blessing?
 - 1.3. Trade and Growth of the Periphery
2. Latin American Economic History
 - 2.1. Colonial Heritage and the lost decades of the Independence
 - 2.2. The First Globalization Era
 - 2.3. The ISI Growth model and the Washington Consensus
3. African Economic History
 - 3.1. Paths of Development: Resources, Technologies, State Formation, and Property Rights
 - 3.2. Pre-Colonial Africa, The Slave Trade, Colonial Rule and Post-Independence
 - 3.3. The New Economic History of Africa

Main references

- Bulmer-Thomas, V. (2014). *The Economic History of Latin America since Independence*. Cambridge University Press.
- Bértola, Luis y Ocampo, José Antonio. (2013). *The economic development of Latin America since independence*. Oxford University Press.

Iliffe, J. (2007). *Africans: The History of a Continent*. Cambridge University Press.

Hopkins, A.G. (2019). *An Economic History of West Africa*. Routledge.

Acemoglu, D. and J. Robinson. (2012). *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*. Crown Publishing Group.

Van Der Ploeg, F. (2011). Natural resources: Curse or blessing? *Journal of Economic Literature* (Vol. 49, Issue 2, pp. 366–420).

Williamson, J. G. (2013). *Trade and poverty: when the Third World fell behind*. MIT Press.

8. Welfare Economics I: Education and Social Policies

Summary

The subject focuses on the economics of education and the effects of different public policies on education, the labour market and healthcare. The first part of the course is devoted to the economics of education touching upon elements of the labour market and health. The second part of the course focuses on a number of social policies and analyses the extent to which reforms of the social protection system affect different social and economic outcomes. Some examples of the type of reforms that will be studied are: policies towards the integration of immigrants in the host society and their impacts on the educational achievement of native students, reforms of the healthcare system and their impact on population health, etc.

Content

1. Education
 - 1.1. Monetary and non-monetary benefits of education
 - 1.2. Education, mobility and the economy
 - 1.3. The effect of teachers
 - 1.4. Peer effects in education
 - 1.5. Education and COVID-19

2. Social policies
 - 2.1. Does immigration induce “native flight” from public schools?
 - 2.2. Migrant integration policies and economic outcomes
 - 2.3. Gender gaps in education
 - 2.4. Maternity and paternity leave policies

Main references

Economics of Education

Najy Benhassine, Florencia Devoto, Esther Duflo, Pascaline Dupas and Victor Poulouen. (2015). "Turning a Shove into a Nudge? A "Labeled Cash Transfer" for Education." *AEJ: Economic Policy* Vol. 7 Issue 3

David Card and Thomas Lemieux. (2001). "Can Falling Supply Explain the Rising Return to College for Younger Men? A Cohort-Based Analysis." *The Quarterly Journal of Economics*, vol. 116, no. 2

Matt Dickson and Sarah Smith. (2011). "What determines the return to education: An extra year or a hurdle cleared?" *Economics of Education Review*, Volume 30 Issue 6

Eric Hanushek and Ludger Woessmann. (2012). "Do better schools lead to more growth? Cognitive skills, economic outcomes, and causation." *Journal of Economic Growth*, 17:267–321.

Johnes, G.; Johnes, J. edit. (2007) International handbook on the economics of education. Cheltenham; Northampton, MA: Edward Elgar.

Alan Krueger and Mikael Lindhal. (2001). "Education for Growth: Why and for whom?" *Journal of Economic Literature*, Vol 39 No.4

Victor Lavy, Olmo Silva and Felix Weinhardt. (2012). "The Good, the Bad, and the Average: Evidence on Ability Peer Effects in Schools." *Journal of Labor Economics* Vol 30 No. 2

Andrew Leigh and Chris Ryan. (2008). "Estimating returns to education using different natural experiment techniques." *Economics of Education Review*, Volume 27 Issue 2

Bruce Sacerdote. (2001). "Peer effects with random assignment: Results for Dartmouth roommates." *The Quarterly Journal of Economics* Vol 116, Issue 2

Handbook of the Economics of Education. Edited by Eric A. Hanushek, Stephen Machin, Ludger Woessmann. Volume 5, Pages 1-765 (2016)

Handbook of the Economics of Education. Edited by Eric A. Hanushek, Stephen Machin, Ludger Woessmann. Volume 3 & 4, (2011)

9. Macroeconomics

Summary

This course will introduce the basic tools of macroeconomic analysis, with a specific focus on economic growth and income distribution. The course will focus on the Solow and Ramsey/Cass-Koopmans models of economic growth and will provide the basic tools for the macroeconomic analysis of technological change, the role of human capital or taxation. It will also introduce students to the use of Matlab as a tool for numerical simulations.

Content

1. The Solow model
 - 1.1. Main stylized facts about economic growth and income distribution
 - 1.2. The Solow model
 - 1.3. Extension of the Solow model: technological progress

- 1.4. Further extensions of the Solow model
- 2. The Ramsey/Cass-Koopmans model
 - 2.1. Foundations of neoclassical growth
 - 2.2. The Ramsey/Cass-Koopmans model
 - 2.3. Analysis of the Ramsey/Cass-Koopmans model
 - 2.3.1. Steady-state and transition dynamics
 - 2.3.2. Simulation of the Ramsey/Cass-Koopmans model in Matlab
 - 2.4. Extensions of the Ramsey/Cass-Koopmans model (technology change, human capital, taxation)

Main references

- Acemoglu, D. (2009). *Introduction to modern economic growth*. Princeton University Press.
- Barro, R.J.; Sala-i-Martin, X. (2004). *Economic Growth*, 2nd ed. MIT Press.
- Novales, A.; Fernández, E.; Ruiz, J. (2009). *Economic growth: theory and numerical solution methods*. Springer.
- Eltis, Walter. (1966). *Economic Growth. Analysis and Policy*. Hutchinson.
- George et al. (2004). *Surveys in Economic Growth. Theory and Empirics*. Wiley.
- Romer, David. (2012). *Advanced Macroeconomics*. McGraw-Hill/Irwin.

10. Advanced research methods

Summary

This course offers an introduction to advanced research methods in social sciences. The topics covered include some of the prominent techniques in machine learning and computational social science research, such as Network Analysis, Natural Language Processing (NLP) and Geographic Information Systems (GIS). The course also provides a practical introduction to Field Experiments and Questionnaire Design, as well as an overview of the possibilities that case studies and process-tracing offer for exploratory qualitative research. The sessions related to computational research will be mostly based on the software environment R. The course starts with an introduction to some of the basic elements of this widely used programming language, so no prior knowledge is required.

Content

1. Introduction to machine learning in social science research
2. Network Analysis
3. Natural Language Processing (NLP)
4. Geographic Information Systems (GIS)
5. Randomized Experimental Design

6. Questionnaire Design
7. Case selection and causal inference in case studies

Main references

Alvarez, R. M. (ed.) (2016). *Computational Social Science: Discovery and Prediction*, Cambridge University Press.

Burrough, P.A., McDonnell, R.A., Lloyd, C.D. (2015). *Principles of Geographical Information Systems*, 3rd edition, Oxford University Press.

Edlund, J., and Nichols, A. (Eds.). (2019). *Advanced Research Methods for the Social and Behavioral Sciences*, Cambridge University Press.

George, A. L., and Bennett, A. (2005). *Case Studies and Theory Development in the Social Sciences*, MIT Press

Krippendorff, K. (2013). *Content Analysis. An Introduction to Its Methodology*, SAGE Publications.

Wickham, H. and Grolemund, G. (2017). *R for Data Science*, O'Reilly.

Research dissertation

Summary

The Master Dissertation is a research project that culminates the training offered at MIPE. Students are expected to apply the skills developed throughout the program to conduct an original investigation, which will provide them with a first-hand attempt at designing their own research and pushing the boundaries of Social Science knowledge. By doing so, students will complement their analytical and theoretical skills with capabilities more specifically related to the research process, such as inserting their work in the relevant literature, selecting the appropriate data sources and methodology, writing clearly and concisely, and, finally, presenting their work effectively to an academic audience.

Content

Students will have freedom to choose a topic inside the fields covered in the Master (Political Science, Political Economy, Economic History) across all its courses. By the end of the first year, the student must make a preliminary Research proposal, broadly defining a research question and the approach to address it.

The Dissertation must be an original work of research: it must provide novel results, insights and/or perspectives in the study of a Social Science topic, and students must strictly follow [guidelines to avoid plagiarism](#). In any case, the originality of the contribution will be judged commensurately with the stage of their training the students are in.

An original contribution can be, for instance:

- An empirical analysis of a new research question;
- reconsidering a debate with new data or methodological tools;
- finding and describing new (historical) data;
- a critical review of the literature that opens new interpretations.

For those interested in pursuing an academic career, the Dissertation could be the foundation of their PhD project or a first peer-review article, putting them in an advantageous position to apply to their preferred program. For those looking for jobs outside academia, the Dissertation will be proof of their capacity to conduct autonomous research and of their expertise in their chosen field.

Supervision

Along with the Research proposal, the student must suggest the name of an academic Supervisor. The Supervisor must be among the Faculty of the program, or, otherwise, a professor that belongs to one of the research groups linked to the Master. The student will be assigned a Supervisor early in the process so she can receive advice about the project sufficiently in advance.

The Supervisor will guide the student towards the completion of the Dissertation throughout the second year of the program, by helping her define the research question and appropriate methodology, suggesting relevant sources, setting deadlines and reviewing drafts. Additionally, the Supervisor must give her approval before the Dissertation is sent for evaluation.

Requirements

The Dissertation must conform to the citation guidelines, structure and length (10,000 words) of a scientific peer-reviewed article. More specific details will be provided throughout the Master.

Master in
**Institutions and
Political Economy**



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