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THE UNIVERSITY OF TEXAS AT DALLAS School of Economic, Political and Policy Sciences

Course syllabus

PPPE 6301: Political-Economic Theories

August 2024

Course overview

Course number:	PPPE 6301
Course title:	Political-Economic Theories
Professor:	Elías Cisneros
Term:	Fall 2024
Meetings:	Tuesdays 07:00 pm – 09:45 pm @ FO 3.616

Contact information

Instructor:	Dr. Elías Cisneros
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Office:	GR 3.230
Office hours:	Monday, 1–3 pm (appointments via email)

General course information

Course description: This course delves into the political economic theory through the lens of empirical research. Focusing on pivotal aspects of voting behavior, electoral processes, political returns, social networks, and more the course critically examines empirical papers that shape our understanding of these topics. Students will engage with cutting-edge research methodologies and data analysis techniques, enhancing their ability to conduct rigorous empirical studies.

Pre-requisites: Therea are no prerequisites but it is desirable to have had at least one undergraduate-level economics course and a general understanding of regression analysis.¹ Furthermore, students may need some mathematical and graphical skills to analyze economic problems, but the level of the analytical components of the course will be determined by the background of the enrolled students.

Learning outcomes and objectives The lecture has the goal to train the critical analysis of empirical papers in the context of political economy and to think about empirical research designs in a structured way.

- 1. Students will deepen their knowledge on political economic theories.
- 2. Students will be able to translate theoretical hypotheses into econometric strategies.
- 3. Students will develop analytical and research skills to critically evaluate empirical research in the context of political economy.

¹For example, any of the following courses would more than cover the basic needs: (a) EPPS 7313 Descriptive and Inferential Statistics, (b) EPPS 7316 Regression and Multivariate Analysis, (c) PPPE 6342 Research Design II.

- 4. Students will be able to think about empirical research designs in a structured way.
- 5. Students will learn to effectively communicate and present a research plan, strategy, and results in public.
- 6. Students will be able to demonstrate critical thinking by developing a research question and writing a research design paper.

Texts & materials This is a reading course on Political Economy for graduate students. Based on recently published empirical papers, it investigates various dimensions along which economics and politics interact. Besides discussing the policy implications of the analysed empirical results, the course will pay special attention to causal identification.

The lecture plan contains required readings marked with a "*" (one per lecture). Additional literature is further listed in the lecture plan or will be referred to in each lecture but does not constitute required readings. During the course, we will focus on the theoretical contributions and the details of empirical strategies and prioritize analytical depth over breadth.

To level the econometric skills, the lecture plan also includes tutorials that introduce and discuss the main econometric methods of causal identification (RCT, RDD, diff-in-diff, IV). In addition, we encourage you to consult the following online material and books that are well-suited for self-study:

- Introductory videos for beginners: Linear Regression (Correlation and Causation, How to interpret Regression Tables), Instrumental Variables (The Logic of Instrumental Variables, Instrumental Variables series), Regression Discontinuity (Regression Discontinuity series (at least videos 1–3), An intuitive introduction to Regression Discontinuity), Difference in Difference / Fixed effects (Difference in Difference)
- More advanced book (highly recommended): Cunningham, S. (2021): Causal Inference: The Mixtape. Yale University Press. ISBN 9780300251685, https://mixtape.scunning.com/.
- Book for beginners: Huntington-Klein, N. (2021): The Effect: An Introduction to Research Design and Causality, volume 1. New York: Chapman and Hall/CRC. ISBN 9781003226055, https:// theeffectbook.net/.
- A more standard book providing a very nice overview of general identification issues: Angrist, J. D. and J.-S. Pischke (2008): *Mostly Harmless Econometrics: An Empiricist's Companion*. Princeton University Press. ISBN 0691120358.
- From a policy evaluation perspective: Khandker, S. R., G. B. Koolwal, and H. A. Samad (2010): Handbook on impact evaluation: quantitative methods and practices. World Bank Publications, http: //documents.worldbank.org/curated/....

Course grading

1. **Participation (20%)**: Students are expected to actively participate in class each week. Students should come into class able to summarize the relevant arguments in the readings for the week, while also providing substantive critiques towards the theoretical and empirical strategies of the authors.

Missing an excessive number of classes will result in a reduction in your grade.

- 2. 1-on-1 meeting (5%): Discuss in a 1-on-1 office meeting your main deliverable. This meeting aims to mutually learn from each other and brainstorm on a potential topic. Students will sign up for a slot on an online document at the beginning of the semester.
- 3. Discussion posts (15%): Students will write three discussion posts regarding their selected week's readings on elearning of 250–500 words during the semester. Students will sign up for their weeks at the beginning of the semester on an online document form. These posts are not a summary of the readings, but rather a way to critically engage with the substance and theory of the papers.

- 4. Main deliverable (60%): For the main deliverable students have three options: (a) a research design proposal, (b) a replication study, (c) a final exam:
 - (a) Research design track:
 - i. Exposé (0%): A voluntary submission. A three-page document outlining motivation, research question, scientific contribution, potential data, potential empirical strategy, the outline of the paper, and a first list of relevant literature. This is the foundation for writing the full research design or bibliography essay paper.
 - ii. Research design paper (40%): Students will write a research design paper on a topic of their choice but subject to the instructor's approval. Each paper should select and motivate a research question related to the course topic. Each RQ should be genuinely new, i.e., not already be addressed in the literature. The research design paper should begin with a motivational introduction and provide a critical overview of the topic and relevant literature. The research design will identify potential data sources, outline in detail the empirical identification strategy, and the potential analysis of mechanisms. The research paper should be 10–12 pages in length, plus an appendix, and be submitted as a PDF. Generative AI tools may only used in this assignment with the written permission of the instructor (see course policies below).
 - iii. Research design presentations (20%): The last class of the semester, students will present their research designs. Each student will prepare a 10–15 minute presentation. Further details will be discussed at a later point.
 - (b) **Replication study track:**
 - i. **Pre-analysis plan** (0%): Students can submitt a 1-page pre-analysis plan. This should include a summary of the paper, a report on data availability, an assessment of the code replication, and a plan what to test.
 - ii. Replication study report (40%): Students will write a replication study report based on a top-ranked published paper where replication data is available. The report should (a) summarize the research paper, replicate the main result, and replicate one additional result. (b) The paper should also provide a new results table based on additional analyses using the available data. This can focus on alternative empirical strategies or heterogeneous results. (c) the replication report should propose a potential extension of the analysis (e.g., on robustness or heterogeneity) that could be conducted with additional data. The report must carefully document the data processing, availability, and replication feasibility and critically assess the robustness of the empirical paper. A good guideline for replication studies is:
 - Ankel-Peters, J., A. Brodeur, A. Dreber, M. Johannesson, F. Neubauer, and J. Rose (2024): A protocol for structured robustness reproductions and replicability assessments. I4R Discussion Paper Series 143, s.l, link.

Generative AI tools may only be used in this assignment with the written permission of the instructor (see course policies below).

iii. **Replication study presentations (20%)**: By the end of the semester, students will present their research designs. Each student will prepare a 10–15 minute presentation. Further details will be discussed at a later point.

(c) Bibliography essay track (Fast track / Master's students only)

- i. Literature proposal (20%): A three-page proposal on an additional topic that could be covered in the course. This should propose *one* main *top-ranked* empirical paper on a political economy topic that has been published recently. The report should defend why the chosen paper pushes the boundary of our knowledge and set it into context with at least 3 additional empirical papers.
- ii. Bibliography essay paper (40%): Write a bibliographic review on a topic of political economy. Such an essay aims to compare and contrast various perspectives and assess the readings critically. The goal is to address the state of current knowledge, provide a new perspective, and highlight a knowledge gap. The best approach is to integrate your reading

of the literature into a cohesive narrative that reflects knowledge of previous research but is simultaneously aware of its strengths and weaknesses. All bibliographic essays should contain a clearly stated thesis, which summarizes your assessment of the themes, issues, and problems of the research. The paper should be 8–10 pages long, plus an appendix, and be submitted as a PDF. Generative AI tools may only used in this assignment with the written permission of the instructor (see course policies below).

(d) Final exam track:

- i. Literature proposal (20%): A three-page proposal on an additional topic that could be covered in the course. This should propose one main *top-ranked* empirical paper on a political economy topic that has been published recently. The report should defend why the chosen paper pushes the boundary of our knowledge and set it into context with at least 3 additional empirical papers.
- ii. Final exam (40%): The final exam will consist of paper analyses. The exam will take place foreseeably online via eLearning (all texts and notes are allowed).
- 5. Late submission penalty A late submission penalty is applied to all assignments. Each additional day in a late submission day will reduce the potential point grade by 5%.

Tentative schedule

\mathbf{W}	Date	Topics	Assessment/activity
1	08/20	Introduction & Syllabus	Subscribe to meetings & pres., 23:59 pm
2	08/27	Empirical Intro I	
3	09/03	Empirical Intro II	
4	09/10	Voting in democracies	
5	09/17	Voting in democracies & autocracies	
6	09/24	Electoral process I	
7	10/01	Electoral process II	
8	10/08	Returns to politics I	1-on-1 meetings $10/07$, 8-15 pm
9	10/15	Social Networks I	
10	10/22	Social Networks II	Submit exposé (volun.)
11	10/29	Pol econ of LUC	
12	11/05	Pol econ of pollution	
13	11/12	Natural disasters'	Submit literature proposal, 23:59 pm
14	11/19	Presentations	Submit slides, 8:00 am
_	11/26	Fall break	
15	12/03	Final-exam	Submit final assignment, 23:59 pm

Course outline

Successful course participation requires reading all listed material marked with a "*" — before class.

1. Introduction & Syllabus

*Guideline on writing term papers (pet00_guidline-writing.pdf)

2. Empirical Intro I: RCT & RDD

*Vicente, P. C. (2014): Is vote buying effective? evidence from a field experiment in west africa. *Economic Journal* 124 (574): F356–F387

*Brollo, F. and U. Troiano (2016): What happens when a woman wins an election? evidence from close races in brazil. *Journal of Development Economics* 122: 28–45

Duflo, E., R. Glennerster, and M. Kremer (2007): Chapter 61 Using Randomization in Development Economics Research: A Toolkit, pp. 3895–3962. Elsevier

Imbens, G. and K. Kalyanaraman (2011): Optimal bandwidth choice for the regression discontinuity estimator. *The Review of Economic Studies* 79 (3): 933–959

Lee, D. S. and T. Lemieux (2010): Regression discontinuity designs in economics. *Journal of Economic Literature* 48 (2): 281–355

Imbens, G. W. and T. Lemieux (2008): Regression discontinuity designs: A guide to practice. *Journal of Econometrics* 142 (2): 615–635

3. Empirical Intro II: FE/DiD & IV

*Brückner, M. and A. Ciccone (2011): Rain and the democratic window of opportunity. *Econo*metrica 79 (3): 923–947

*Dal Bó, E., P. Dal Bó, and J. Snyder (2009): Political dynasties. *Review of Economic Studies* 76 (1): 115–142

Bertrand, M., E. Duflo, and S. Mullainathan (2002): How much should we trust differences-indifferences estimates? Working Paper 8841, National Bureau of Economic Research

4. Voting in democracies: Why do people vote?

*Gerber, A., M. Hoffman, J. Morgan, and C. Raymond (2020): One in a million: Field experiments on perceived closeness of the election and voter turnout. *American Economic Journal: Applied Economics* 12 (3): 287–325

*Cantoni, E. (2020): A precinct too far: Turnout and voting costs. American Economic Journal: Applied Economics 12 (1): 61–85

5. Voting outcomes in democracies & autocracies

*Bagues, M. and B. Esteve-Volart (2016): Politicians' luck of the draw: Evidence from the Spanish Christmas Lottery. *Journal of Political Economy* 124 (5): 1269–1294

*Martinez-Bravo, M., G. Padró i Miquel, N. Qian, and Y. Yao (2022): The rise and fall of local elections in China. *American Economic Review* 112 (9): 2921–2958

6. Electoral process I: Quotas and candidate quality

*Besley, T., O. Folke, T. Persson, and J. Rickne (2017): Gender quotas and the crisis of the mediocre man: Theory and evidence from Sweden. *American Economic Review* 107 (8): 2204–2242

*Casas-Arce, P. and A. Saiz (2015): Women and power: Unpopular, unwilling, or held back? *Journal of Political Economy* 123 (3): 641–669

7. Electoral process II - Accountability

*Gonzalez, R. M. (2021): Cell phone access and election fraud: Evidence from a spatial regression discontinuity design in afghanistan. *American Economic Journal: Applied Economics* 13 (2): 1–51

*Artiles, M., L. Kleine-Rueschkamp, and G. León-Ciliotta (2021): Accountability, political capture and selection into politics: Evidence from Peruvian municipalities. *Review of Economics and Statistics* 103 (2): 397–411

8. Returns to politics I - Individual returns, nepotism, and regional favoritism

*Gagliarducci, S. and M. Manacorda (2020): Politics in the family: Nepotism and the hiring decisions of Italian firms. *American Economic Journal: Applied Economics* 12 (2): 67–95

*Asher, S. and P. Novosad (2017): Politics and local economic growth: Evidence from India. American Economic Journal: Applied Economics 9 (1): 229–273 Ajzenman, N. (2021): The power of example: Corruption spurs corruption. American Economic Journal: Applied Economics 13 (2): 230–257

Hodler, R. and P. A. Raschky (2014): Regional favoritism. *The Quarterly Journal of Economics* 129 (2): 995–1033

9. Social Networks I - Trust in government

Guriev, S., N. Melnikov, and E. Zhuravskaya (2020): 3G Internet and Confidence in Government. The Quarterly Journal of Economics 136 (4): 2533–2613

*Miner, L. (2015): The unintended consequences of internet diffusion: Evidence from Malaysia. Journal of Public Economics 132: 66–78

10. Social Networks II - Protests

*Enikolopov, R., A. Makarin, and M. Petrova (2020): Social media and protest participation: Evidence from Russia. *Econometrica* 88 (4): 1479–1514

*Bursztyn, L., D. Cantoni, D. Y. Yang, N. Yuchtman, and Y. J. Zhang (2021): Persistent political engagement: Social interactions and the dynamics of protest movements. *American Economic Review: Insights* 3 (2): 233–250

11. The political economy of land-use change I: Political incentives

*Burgess, R., M. Hansen, B. A. Olken, P. Potapov, and S. Sieber (2012): The political economy of deforestation in the tropics. *The Quarterly Journal of Economics* 127 (4): 1707–1754

*Cisneros, E., K. Kis-Katos, and N. Nuryartono (2021): Palm oil and the politics of deforestation in Indonesia. *Journal of Environmental Economics and Management* 108: 102,453

12. The political economy of pollution:

Lipscomb, M. and A. M. Mobarak (2017): Decentralization and pollution spillovers: Evidence from the re-drawing of county borders in brazil. *Review of Economic Studies* 84 (1): 464–502

*Raff, Z., A. Meyer, and J. M. Walter (2022): Political differences in air pollution abatement under the clean air act. *Journal of Public Economics* 212: 104,688

Kahn, M. E., P. Li, and D. Zhao (2015): Water pollution progress at borders: The role of changes in China's political promotion incentives. *American Economic Journal: Economic Policy* 7 (4): 223–42

He, G., S. Wang, and B. Zhang (2020): Watering Down Environmental Regulation in China^{*}. *The Quarterly Journal of Economics* 135 (4): 2135–2185

Innes, R. and A. Mitra (2015): Parties, politics, and regulation: Evidence from clean air act enforcement. *Economic Inquiry* 53 (1): 522–539

13. Natural Disasters' impact on politics

*Elliott, R. J. R., V. Nguyen-Tien, E. A. Strobl, and T. Tveit (2023): Natural disasters and voting behavior: Evidence from environmental legislation in the US senate. *Journal of the Association of Environmental and Resource Economists* 10 (3): 753–786

*Gagliarducci, S., M. D. Paserman, and E. Patacchini (2019): Hurricanes, climate change policies and electoral accountability. Working Paper 25835, National Bureau of Economic Research

Hazlett, C. and M. Mildenberger (2020): Wildfire exposure increases pro-environment voting within democratic but not republican areas. *American Political Science Review* 114 (4): 1359–1365

14. Presentations

- Fall break
- 15. Final-exam

Further papers and topics left aside

— Political economy of energy production

Hausman, C. (2024): Power flows: Transmission lines, allocative efficiency, and corporate profits. Working Paper 32091, National Bureau of Economic Research

Course Policies

Class Materials The instructor may provide class materials that will be made available to all students registered for this class as they are intended to supplement the classroom experience. These materials may be downloaded during the course, however, these materials are for registered students' use only. Classroom materials may not be reproduced or shared with those not in class, or uploaded to other online environments except to implement an approved Office of Student AccessAbility accommodation. Failure to comply with these University requirements is a violation of the Student Code of Conduct.

Class Attendance The University's attendance policy requirement is that individual faculty set their course attendance requirements. Regular and punctual class attendance is expected regardless of modality. Students who fail to attend class regularly are inviting scholastic difficulty.

Regular class participation is expected regardless of course modality. Participation includes in-person attendance, and engaging in group or other activities during class that solicit your feedback on homework assignments, readings, or materials covered in the lectures. Successful participation is defined as consistently adhering to University requirements, as presented in this syllabus. Failure to comply with these University requirements is a violation of the Student Code of Conduct.

Class Participation Regular class participation is expected regardless of course modality. Students who fail to participate in class regularly are inviting scholastic difficulty. Successful participation is defined as consistently adhering to University requirements, as presented in this syllabus. Failure to comply with these University requirements is a violation of the Student Code of Conduct.

Class Recordings The instructor may record meetings of this course. Any recordings will be available to all students registered for this class as they are intended to supplement the classroom experience. Students are expected to follow appropriate University policies and maintain the security of passwords used to access recorded lectures. Unless the Office of Student AccessAbility has approved the student to record the instruction, students are expressly prohibited from recording any part of this course. Recordings may not be published, reproduced, or shared with those, not in the class, or uploaded to other online environments except to implement an approved Office of Student AccessAbility accommodation. If the instructor or a UTD school/department/office plans any other uses for the recordings, consent of the students identifiable in the recordings is required prior to such use unless an exception is allowed by law. Failure to comply with these University requirements is a violation of the Student Code of Conduct.

Academic Dishonesty Policy Cheating and plagiarism will not be tolerated. I strongly encourage you to review the University's policies regarding academic honesty: UT Dallas Syllabus Policies and Procedures, Academic Dishonesty.

The emergence of generative AI tools² (such as ChatGPT and DALL-E) has sparked large interest among many students and researchers. The use of these tools for brainstorming ideas, exploring possible responses to questions or problems, and creative engagement with the materials may be useful for you as you craft responses to class assignments. While there is no substitute for working directly with your instructor, the potential for generative AI tools to provide automatic feedback, assistive technology and language assistance is clearly developing. Course assignments may use Generative AI tools if indicated in the syllabus. AIgenerated content can only be presented as *your own work* with the instructor's *written permission*. Include an acknowledgment of how generative AI has been used after your reference or Works Cited page. TurnItIn or other methods may be used to detect the use of AI. Under UTD rules about due process, referrals may be made to the Office of Community Standards and Conduct (OCSC). Inappropriate use of AI may result in penalties, including a 0 on an assignment.

² "Generative AI is a broad term that refers to a type of artificial intelligence (AI) application that is designed to use a variety of machine learning algorithms to create new content (text, images, video, music, artwork, synthetic data, etc.) based on user input that was not explicitly programmed into the AI application. Generative AI systems are "trained" by using complex algorithms to learn from an existing large corpus of datasets (often consisting of millions of examples) and to analyze patterns, rules and statistical structures from the sample data to be used in generating new content that is similar in style and characteristics to the original training datasets." (ASU, 2023, https://provost.asu.edu/generative-ai)

Disabilities Policy Please find the disability policy here: https://go.utdallas.edu/syllabus-policies. It is the policy and practice of The University of Texas at Dallas to make reasonable accommodations for students with properly documented disabilities. However, written notification from the AccessAbility Resource Center (ARC) is required. If you are eligible to receive an accommodation and would like to request it for this course, please discuss it with me and allow one-week advance notice. Students who have questions about receiving accommodations, or those who have, or think they may have, a disability (mobility, sensory, health, psychological, learning, etc.) are invited to contact ARC for a confidential discussion. ARC is located in the Administration Building, AD 2.224. They can be reached by phone at 972-883-2098, or by email at studentaccess@utdallas.edu.

Resources for student success UTD has a constellation of resources aimed at helping students. Please find them here: https://go.utdallas.edu/academic-support-resources or see the UTD Student Resource Guide 2023 on eLearning. One example is the Graduation Help Desk which supports undergraduate students, faculty and staff to develop solutions to complex academic *and* non-academic issues (online appointments or write to graduationhelpdesk@utdallas.edu). Have a look at the Comet Cupboard which is a UT Dallas food pantry initiative dedicated to helping students in need. Also, take notice of the Student Counselling Center (972-883-2575).

Further UT Dallas Syllabus Policies and Procedures The information contained in the following link constitutes the University's policies and procedures segment of the course syllabus. Please go to http://go.utdallas.edu/syllabus-policies for these policies.

The descriptions and timelines contained in this syllabus are subject to change at the discretion of the Professor.