

Week 6 – close-up

Guillem Rimbau. Political Economy (YSS3220).

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Today

- Social norms that will disappear
- Field Experiments
- Discrimination (SGP)
- Social Capital
- Media
- Remarks
- Evaluation

Boix vs. Acemoglu

- Focus is not exactly the same
 - Boix aims to explain origins of institutions
 - Acemoglu aims to explain consequences of institutions
- Of course, many related pieces
 - Monarchs \approx extractive institutions
 - Republics \approx inclusive institutions
 - How do the theories explain the development or lack thereof of particular states/societies?
- Clarity of exposition
- Ability to connect both pieces in a meaningful way

Boix vs. Acemoglu: who do you recommend?

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- Acemoglu: 6
- Boix: 11

Boix vs. Acemoglu: who do you recommend?

- Acemoglu: 6
- Boix: 11
- Both “[and I know] my decision is unpopular”
- Missing/unclear: 1

Social norms: which ones will make us ashamed?

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- Clarity or presentation and consistency of arguments
- Providing context to the case (e.g., some data on the prevalence of the social norm)
- Solid argument on rationale behind its disappearance (does not mean anyone needs to agree)
- Bonus: data supporting the argument

Hopefully useful tip(s)?

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- In three-page essays (in economics) you don't need to summarize what you will do
- Twitter threads excelled here
- One tweet: one idea
- For essays: one idea per paragraph
- Reading the first sentence of each paragraph should be enough
- Then paragraphs develop key initial idea

Social norms: which ones will make us ashamed? Your takes

Social norms: which ones will make us ashamed? Your takes

- Consumerism (3)
- Individual pursuit of more
- Restaurant tipping (2)
- 9-to-5 jobs
- Blaming women for low fertility rates
- Patrinames
- "Road rage" (driving to work)
- Nominal diversity (categorization by labels)
- Environmental racism
- Nationality by country of birth
- Binary, clear-cut "criminals" vs. "honest" and prison implications
- National interests at the core (as opposed to humankind interest)
- Phone use at meetings & social events
- Guest etiquette
- Soft-drugs consumption (e.g. weed) in Singapore
- Having humans drive cars

Learning with a focus on policy making

- Revealed preferences
- Surveys
- Lab experiments
- Field experiments
- Natural experiments

Field experiments

- Examples:

- Voting to Tell Others (DellaVigna et al., 2016) [▶ details](#)
- CSR: HHL Solutions, LLC (List et al. 2019) [▶ details](#)
- Education in India (Duflo et al. 2012) [▶ details](#)

Voting to Tell Others (DellaVigna et al., 2016)

- USA
- Key: actual voting is known
- Leaflets: announcing survey on past voting
- Leaflets: announcing survey
- Non-voters sort out
- For a small fee, they sort in again

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CSR: HHL Solutions, LLC (List et al. 2019)

- Corporate Social Responsibility
- HHL Solutions created (consulting)
- Vary emphasis on CSR on ads
- Vary emphasis on CSR once hired
- Better-qualified applications when CSR
- More effort when reminders on CSR

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Education in India (Duflo et al. 2012)

- Udaipur district, India.
- 40% missing rates teachers
- Control group (60 schools): usual reminder of fire threat, 1 random visit per month. 1K rupees.
- Treatment group (60 schools): one camera. Payment varies from 500 to 1.3K rupees
- On average, absence ↓ by 22%
- Imagine the number of school hours this represents for kids!

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Field experiments

- Ethics? See Melbourne case with buses
- Pre-treatment plans
- On the rise
- Economics shifted from “general equilibrium” to “policy outcomes” since the 1990s

Labor Market: Singapore

- See alternative set of slides

Labor Market: Malaysia

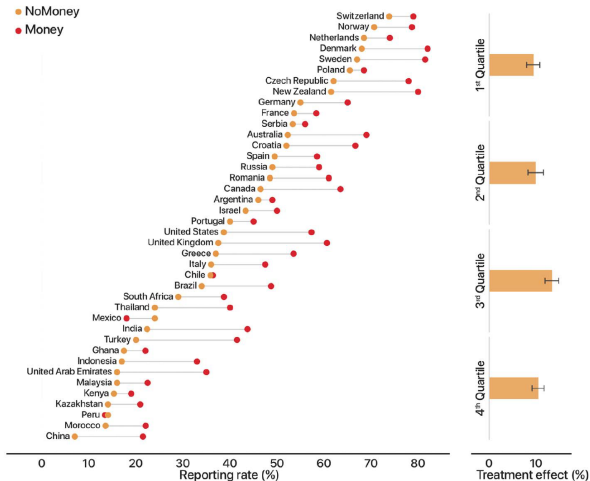
- Quotas in Malaysia: do they work?

Civic Honesty

Alain Cohn, Michel Andr Marchal, David Tannenbaum, Christian Lukas Zünd. “Civic honesty around the globe” *Science*, (2019).

- 17,303 dropped wallets (\approx 400 per country)
- Money vs. no money

Civic Honesty



Civic Honesty

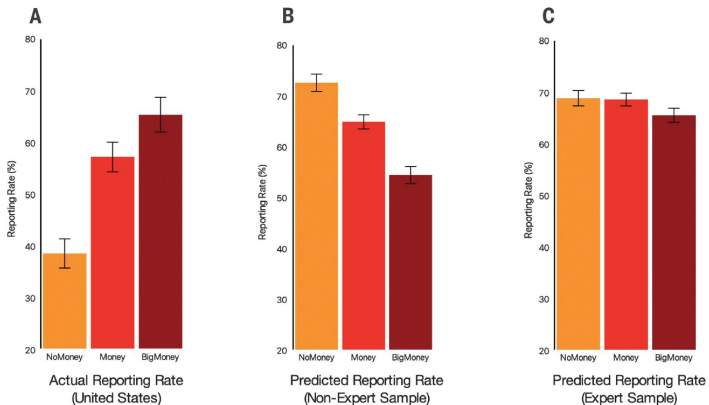


Fig. 3. Actual versus predicted reporting rates. (A) Actual reporting rates in the United States for each condition ($n = 800$ observations). Error bars represent robust standard errors. (B) Average predicted reporting rates for the United States by our nonexpert sample ($n = 299$ individuals). Error bars represent robust standard errors clustered by participants. (C) Average predicted reporting rates

Social capital can go wrong

Satyanath, Shanker, Nico Voigtlander, and Hans-Joachim Voth.
“Bowling for fascism: Social capital and the rise of the Nazi Party.” *Journal of Political Economy* 125, no. 2 (2017): 478-526.

Remarks

- Origins of institutions and social norms
- Why institutions matter. Why norms matter.
- Constitutional design: systems have consequences, no matter how fair
- Policy-making: how policy preferences translate into policy outcomes

Still uncovered :(

- Lobbying
- Discrimination
- Traditional media and social media
- Climate change
- etc.

Take-home

- Posted shortly, 1 week to do it
- Question on Teo You Yenn's work
- IV on Bowling for Fascism (check slides from past weeks on exact structure)
- Presentation question
 - Key question(s)
 - 1/2 takeaways
 - Suggestions for improvement (content, structure, framing, delivery, topics, papers,...)
 - Praise (content, structure, framing, delivery, topics, papers,...)
- One more question

Presentations

Who	Comment_on
1 Alfano Vincenzo	Simone Genetin
2 Arakelyan Valeriy Pavlovich	Dominic Chan Wai Kin
3 Chua Scott Lee	Alfano Vincenzo
4 Dominic Chan Wai Kin	Arakelyan Valeriy Pavlovich
5 Dragan Kantar	Lim Tian Jiao
6 Dylan Leong Jun Jie	Nguyen Huu Bao Chau
7 El Alami Amina-Aya	Sakshyat Khadka
8 Hsu Jun Cheng, Lucas	Chua Scott Lee
9 Jonathan Roy Lara Tellez	Jonathan Roy Lara Tellez
10 Khang Huynh Le Nguyen	Matthew Benedict Austriaco Aviso
11 Leong Kit Ling	Rossini Alice
12 Lim Tian Jiao	Leong Kit Ling
13 Louwagie Charlotte	Dylan Leong Jun Jie
14 Matthew Benedict Austriaco Aviso	Hsu Jun Cheng, Lucas
15 Ng Yi Ming	Willy Wibamanto
16 Nguyen Huu Bao Chau	Louwagie Charlotte
17 Rossini Alice	Ng Yi Ming
18 Sakshyat Khadka	Dragan Kantar
19 Simone Genetin	Khang Huynh Le Nguyen
20 Willy Wibamanto	El Alami Amina-Aya

Please notify all necessary changes.

Thanks!

References

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More references

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