

**UCLA**  
**INTERNATIONAL DEVELOPMENT STUDIES**

**IDS 191: ETHNICITY AND DEVELOPMENT**

Prof. Daniel Posner  
3248 Bunche  
dposner@polisci.ucla.edu

Spring 2023  
Mon, 10am-12:50pm  
Dodd 162  
Student Hours: Mon 2-4pm

Long neglected by development economists, ethnicity has emerged in the past several decades an important variable in accounts of why some people, communities, and countries are rich and some are poor. Yet the ways in which “ethnicity” enters analyses of development, and the approaches scholars employ to analyze these connections, vary considerably from study to study. The topic thus offers a useful lens for exploring the disparate research methods commonly deployed in research on international development. Drawing on work from across the social sciences, this advanced seminar seeks to highlight these different methodological approaches while providing a deeper and more nuanced substantive understanding of the ways in which ethnicity may affect people’s income and wellbeing.

**TEACHING OBJECTIVES**

By the end of the course, students are expected to have acquired a deeper understanding of the variety of methods that social scientists employ to study the sources of economic development, as well as familiarity with the complexity of ethnicity as a factor that shapes the economic fortunes of individuals, communities, and countries. In addition, the course assignments will expose students to cutting-edge social science research and provide them with the opportunity to refine their reading and writing skills.

**COURSE STRUCTURE**

The course is taught in a single seminar meeting each week, on Monday from 10am-12:50pm in Dodd 162. Attendance at seminar meetings is required. Students should come to seminar having read and thought about the assigned materials for the week, and be ready to participate actively in class discussions.

I will hold student hours (what are usually referred to as “office hours”) on Mondays from 2-4pm. I will also be available to meet by appointment.

**COURSE REQUIREMENTS AND GRADING**

As noted, students are required to attend and participate actively in weekly seminar meetings. To help achieve this goal, all students are required to prepare by 5pm on the Sunday before our weekly meeting two thoughtful, analytical questions relevant to the week’s readings. The questions should be emailed to me. I will grade each set of questions as “adequate” or “not adequate,” and the student’s performance on this assignment will be factored into their overall participation grade. As

a way of opening up discussion, students will be asked to volunteer to raise issues contained in their individual questions.

The second and third requirements are a pair of 5-6 page paper/exams that respond to a prompt that will be posted to the course website. The prompt for the first paper/exam will be posted on Monday, May 15 and will be due at 5pm on Thursday, May 18. The prompt for the second paper/exam will be posted at the end of the final week of the course, on Friday, June 9 and will be due at 5pm on Tuesday, June 13.

The weight accorded these three assignments will be as follows:

- participation in seminar discussions (including analytical questions): 40%
- short papers/exams: 30% each

The readings for each week are challenging. Students will not be responsible for understanding all of the economic modeling and econometrics. But they will be responsible for grasping the intuitions behind the arguments that are presented and the methodologies that are employed to test them. Doing the reading for each week's seminar will take time, and students should allocate plenty of time to completing them.

Copies of all seminar readings have been posted to the course website. Copyright rules permit you to download, print and use the materials that have been posted to the course website *for your own educational use only*.

## OTHER NOTES AND RESOURCES

*Academic integrity:* As a student and member of the UCLA community, you are expected to demonstrate integrity in all of your academic endeavors. Accordingly, all work you do will be held to the highest ethical and professional standards. Violations of academic integrity include, but are not limited to: cheating, fabrication, plagiarism (including the use of AI platforms such as ChatGPT), multiple submissions, or facilitating academic dishonesty. If you are unsure of what any of these entail, please consult the university guidelines below or ask me. *If you are even suspected of violating these standards, I am obliged to refer your case immediately to the Dean of Students, who will carry out an investigation.* Guidelines regarding academic dishonesty at UCLA are available at: [deanofstudents.ucla.edu/academic-integrity](https://deanofstudents.ucla.edu/academic-integrity).

*Students with disabilities:* If you need an academic accommodation based on a disability, please contact the Center for Accessible Education (CAE) at [cae.ucla.edu](https://cae.ucla.edu), if possible within the first two weeks of the term, as reasonable notice is needed to coordinate accommodations.

*Illness:* If you get sick or have to care for someone who is sick, let me know as soon as you are able to. I will work with you to make up the work.

*Religious observances:* In the event of a religious holiday or any other form of observance, please contact me regarding your absence as soon as possible so we can make accommodations for you.

*Your wellbeing:* We want you to succeed here at UCLA. The university has many resources available to help you, should you need them.

- UCLA Counseling and Psychological Services (CAPS) provides confidential counseling to support your mental health needs as you pursue your academic goals. Counselors available 24 hours a day by phone at (310) 825-0768. Further information is available at [www.counseling.ucla.edu](http://www.counseling.ucla.edu).
- UCLA CalFresh Initiative helps provide food security for students in need. Visit [basicneeds.ucla.edu/services/calfresh](http://basicneeds.ucla.edu/services/calfresh) for more information.
- Economic Crisis Response Team provides support to UCLA students facing financial hardship. Visit [basicneeds.ucla.edu/services/economic-crisis-response-team](http://basicneeds.ucla.edu/services/economic-crisis-response-team).
- UCLA Student Legal Services provides confidential legal counseling and assistance regarding a wide range of legal issues. Visit [studentlegal.ucla.edu](http://studentlegal.ucla.edu) for more information.
- UCLA Care Advocate provides confidential services for survivors of sexual or gender-based violence. Visit [careprogram.ucla.edu](http://careprogram.ucla.edu) for more information.
- UCLA Title IX Office: For reporting gender-based discrimination, including sexual harassment or sexual violence. Visit [sexualharassment.ucla.edu](http://sexualharassment.ucla.edu) for more information.

## COURSE SCHEDULE AND READING ASSIGNMENTS

### *April 3: Logistics and Overview of the Course; Introduction*

#### **Part I: Ethnic Diversity**

### *April 10: Ethnic Diversity at the Country Level*

Easterly, William. *The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics*. Cambridge: MIT Press. Ch. 13 ("Polarized Peoples").

Easterly, William and Ross Levine. 1997. "Africa's Growth Tragedy: Policies and Ethnic Divisions." *Quarterly Journal of Economics* 112(4): 1203-1250. [SKIM]

Alesina, Alberto, Arnaud Devleeschauwer, William Easterly, Sergio Kurlat, and Romain Wacziarg. 2003. "Fractionalization." *Journal of Economic Growth* 8: 155-194.

Posner, Daniel N. 2004. "Measuring Ethnic Fractionalization in Africa." *American Journal of Political Science* 48(4): 849-863.

### *April 17: Ethnic Diversity at the Community Level*

Miguel, Edward and Mary Kay Gugerty. 2005. "Ethnic Divisions, Social Sanctions, and Public Goods in Kenya," *Journal of Public Economics* 89 (December): 2325-2368.

Khwaja, Asim Ijaz. 2009. "Can Good Projects Succeed in Bad Communities?" *Journal of Public Economics* 93(7-8): 899-916.

Charnysh, Volha. 2019. "Diversity, Institutions and Economic Outcomes: Post-WWII Displacement in Poland." *American Political Science Review* 113(2): 423-441.

Abascal, Maria, Janet Xu and Delia Baldassarri. 2021. "People Use both Heterogeneity and Minority Representation to Evaluate Diversity." *Science Advances*, 12 March.

### *April 24: Ethnic Diversity at the Firm/Bureaucracy Level*

Hjort, Jonas. 2014. "Ethnic Divisions and Production in Firms." *Quarterly Journal of Economics* 129(4): 1899-1946.

Lyons, Elizabeth. 2017. "Team Production in International Labor Markets: Experimental Evidence from the Field." *American Economic Journal: Applied Economics* 9(3): 70-104.

Marx, Benjamin, Vincent Pons, and Tavneet Suri. 2021. "Diversity and Team Performance in a Kenyan Organization." *Journal of Public Economics* 197: 1-22.

Page, Scott. 2017. "Diversity Bonuses: The Idea." *The Diversity Bonus: How Great Teams Pay Off in the Knowledge Economy*. Princeton, NJ: Princeton University Press, ch. 1.

## Part II: Beyond Diversity

### ***May 1: Ethnicity and Trade***

- Rauch, James E. 2001. "Business and Social Networks in International Trade." *Journal of Economic Literature* 39(December): 1177-1203.
- Greif, Avner. 1989. "Reputation and Coalitions in Medieval Trade: Evidence on the Maghribi Traders." *Journal of Economic History* 49(4): 857-822.
- Robinson, Amanda. 2016. "Internal Borders: Ethnic-Based Market Segmentation in Malawi." *World Development* 87: 371-384.
- Anderson, Siwan. 2011. "Caste as an Impediment to Trade." *American Economic Journal: Applied Economics* 3(January): 239-263.

### ***May 8: Ethnicity, Credit, Investment, and Insurance***

- Richman, Barak D. 2006. "How Community Institutions Create Economic Advantage: Jewish Diamond Merchants in New York." *Law & Social Inquiry* 31(2): 383-420.
- Fisman, Raymond, Daniel Paravisini and Vikrant Vig. 2017. "Cultural Proximity and Loan Outcomes." *American Economic Review* 107(2): 457-492.
- Biggs, Tyler, Mayank Raturi, and Pradeep Srivastava. 2002. "Ethnic Networks and Access to Credit: Evidence from the Manufacturing Sector in Kenya." *Journal of Economic Behavior & Organization* 49: 473-486.
- Jakiela, Pamela and Owen Ozier. 2016. "Does Africa Need a Rotten Kin Theorem? Experimental Evidence from Village Economies." *Review of Economic Studies* 83: 231-268.

### ***May 15: Ethnicity and Conflict***

- Horowitz, Donald L. 1985. *Ethnic Groups in Conflict*. Berkeley and Los Angeles: University of California Press. Ch. 4 ("Group Comparison and the Sources of Conflict").
- Esteban, Joan, Laura Mayoral and Debraj Ray. 2012. "Ethnicity and Conflict: Theory and Facts." *Science* 336: 858-865.
- Fearon, James D. and David D. Laitin. 1996. "Explaining Interethnic Cooperation." *American Political Science Review* 90(4): 715-735.

**May 22: *The Content of Ethnicity: Beliefs, Practices and Cultural Prohibitions***

- Fukuyama, Francis. 2001. "Culture and Economic Development: Cultural Concerns." *International Encyclopedia of the Social and Behavioral Sciences*: 3130-3134.
- Falk, Armin, Anke Becker, Thomas Dohmen, Benjamin Enke, David Huffman, and Uwe Sunde. 2018. "Global Evidence on Economic Preferences." *Quarterly Journal of Economics* 133(4): 1645-1692.
- Schultz, Jonathan F., Duman Bahrami-Rad, Jonathan P. Beauchamp and Joseph Henrich. 2019. "The Church, Intensive Kinship, and Global Psychological Variation." *Science* 366: .
- Cassidy, John. 2011. "Prophet Motive." *The New Yorker*. February 28.
- Costa-Font, Joan, Paola Giuliano, and Berkay Ozcan. 2018. "The Cultural Origin of Savings Behavior." *PLOS One* 13(9).

**May 29: NO CLASS: MEMORIAL DAY**

**Part III: Diversity Revisited**

**June 5: *Diversity and Development Revisited***

- Alesina, Alberto and Ekaterina Zhuravskaya. 2008. "Segregation and the Quality of Government." *Vox*.
- Alesina, Alberto, Stelios Michalopoulos and Elias Papaioannou. 2013. "Ethnic Inequality." *Vox*.
- Desmet, Klaus, Ignacio Ortuño-Ortín, and Romain Wacziarg. 2016. "Breakdowns of Social Consensus: The Political Economy of Culture and Identity." *Vox*.
- Schaub, Max. 2017. "Second-Order Ethnic Diversity: The Spatial Pattern of Diversity, Competition and Cooperation in Africa." *Political Geography* 59: 103-116.
- Laitin, David D. and Rajesh Ramachandran. 2016. "Language Policy and Human Development." *American Political Science Review* 110(3): 457-480.