Causes and Consequences of Corruption
Dr. Bonnie J. Palifka
Yale Summer Session 2020
Syllabus

My e-mail: bonnie@tec.mx or bonnie.palifka@gmail.com

Live sessions Tuesdays and Thursdays, 10:00am-11:30pm via Zoom

Course intentions: Corruption undermines economic policy, weakens society, exacerbates inequalities, enables crime, and delegitimizes government. Thus, the United Nations has declared that “corruption is the greatest obstacle to economic and social development” and has included anti-corruption among the inter-locking Sustainable Development Goals. This multidisciplinary course introduces students to the causes and consequences of corruption, ways to define and measure corruption, various economic and political models of corruption, and possible solutions.

General objectives:
By the end of this course, the student will be able to:

• Define corruption.
• Compare the level of corruption among countries.
• Identify and explain the causes of corruption.
• Identify and explain the costs and consequences of corruption.
• Model corruption using basic utility-maximization and game theory.
• Evaluate alternative policies aimed at reducing corruption.
• Complete a documented research project.

Grades:

<table>
<thead>
<tr>
<th>Component</th>
<th>Points</th>
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<tbody>
<tr>
<td>Research paper</td>
<td>40</td>
</tr>
<tr>
<td>Annotated bibliography (individual)</td>
<td>10</td>
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<tr>
<td>Video blogs</td>
<td>10</td>
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<tr>
<td>Participation in Discussion Threads</td>
<td>10</td>
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<tr>
<td>Coevaluations</td>
<td>5</td>
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<tr>
<td>Final exam</td>
<td>25</td>
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<td><strong>Total</strong></td>
<td><strong>100</strong></td>
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The professor will form teams with an eye toward international and multidisciplinary composition. Each team will develop a research paper in three phases:

- research proposal 5 points
- rough draft 10 points
- final draft 20 points
- presentation 5 points

The research paper may be a study of corruption in a given country, including efforts to combat corruption and progress achieved (or not); an empirical study of corruption within a country or across countries (the determinants of corruption or the consequences of corruption); or a literature review of a particular aspect of corruption. If your team would
like to apply a survey and use your own results, your professor can provide you with a Google Forms survey.

Each student may present and critique one of the assigned journal articles during a live session, for extra points (five points each). Contact your professor to make arrangements.

The reading list combines seminal and classic texts in the corruption studies literature with outstanding more recent studies.

**Main text:**


Note: This syllabus is provided for informational purposes only. It includes only a general outline and the assigned readings; video lectures and optional materials (readings, videos, and websites) are listed on the course platform (Canvas), as are the detailed assignments due. The assigned readings should be completed before each corresponding live session. While it is not necessary to understand all the details of the journal articles, the student should be able to identify the following components of each: purpose, contribution, methodology, data sources, and results.

**Program of activities**

**Week 1**
**May 25 - 29**

**BASIC CONCEPTS**

**Introduction: What is corruption?**

Readings:
Rose-Ackerman and Palifka, chapter 1

**How is corruption measured?**

Assignments:
2. Participate in on-line discussions
3. Decide on a topic and draft team research proposal
4. Submit self- and peer-evaluation

Readings:

Week 2
June 1-5
Research proposal due on Monday
CORRUPTION AS AN ECONOMIC PROBLEM
Assignments:
1. Participate in on-line discussions
2. Conduct research and build annotated bibliography
3. Begin work on first draft
4. Submit self- and peer-evaluation

Readings:
Rose-Ackerman and Palifka, chapters 2-6

The economic impact of corruption: development

The economic impact of corruption: other effects
You, Jong-Sung and Sanjeev Khagram. (2005). A Comparative Study of

**Who pays bribes?**  

**Why pay bribes?**  

**Grand Corruption and Corruption in Hierarchies**  

**Week 3 June 8-12**  
**CORRUPTION AS A CULTURAL PROBLEM**  
Assignments:  
1. Continue building annotated bibliography  
2. Finish first draft  
3. Participate in on-line discussions  
4. Submit self- and peer-evaluation

Readings:  
Rose-Ackerman and Palifka, Chapter 7

**Corruption and culture**  
Basu, Kaushik. (2011). Why, for a Class of Bribes, the Act of Giving a Bribe should be Treated as Legal. *MPRA Paper No. 50335*, available at http://mpra.ub.uni-muenchen.de/50335/  


**Corruption in business**


**Week 4**

**June 15-19**

**Rough draft due on Monday**

**CORRUPTION AS A POLITICAL PROBLEM**

Assignments:
1. Submit first draft
2. Make corrections to first draft based on feedback
3. Participate in on-line discussions
4. Submit self- and peer-evaluation

Readings:
Rose-Ackerman and Palifka, Chapters 8-12

**Corruption and politics**


**Week 5**

**June 22-26**

**Final draft due on Friday**

**ANTI-CORRUPTION REFORM**

Assignments:
1. Participate in on-line discussions
2. Submit self- and peer-evaluation
3. Present research results
4. Final exam
Readings:
Rose-Ackerman and Palifka, chapters 13-16


The final exam will be Thursday, June 25, 10:00am-12:00pm EST.
A note on academic honesty

Students are expected to act in accordance with Yale policy regarding plagiarism and other types of academic dishonesty. All written work will be checked for plagiarism. Those found guilty will be penalized accordingly.

Attendance

Attendance at the live sessions (Tuesdays and Thursdays, 10:00-11:30, Yale time) is mandatory. Any student who misses a session will be reported to the Dean of Summer Session.

Deadlines

All work must be turned in electronically, as specified, by the due date and time. According to Yale policy, technical difficulties are not an acceptable excuse for late submission. Any work turned in late will be penalized one-half grade for each day late. Claims of technical difficulties must be documented with screenshots sent by e-mail to the professor.