

## Course Outline

### EE 446: Economic Analysis of Corruption Semester 1/2021 (August 9 – November 27, 2021)

**Number of Credit:** 3(3-0-6)

**Prerequisites:** EE 311

#### Course Description:

A study of corruption using economic analytical frameworks employing both theoretical and empirical methodologies. The topics covered include the definition and coverage of corruption, the causes of corruption, the economic consequences of corruption - both at the micro and macro levels, together with the public policies and measures used in combating corruption. In addition, the roles the private sector, civic society, and international organizations play in tackling corruption will also be discussed with reference to relative case studies.

#### Class Time and Logistic

**Class day:** Tuesdays and Thursdays

**Class time:** 12.30 PM – 2.00 PM

**Teaching Materials Platform:** Google Classroom

Class Code: i222t3d

<https://classroom.google.com/c/MzcyNDQxNDk3ODM3?cjc=i222t3d>

**Meeting Platform:** Topic: EE446: Economic Analysis of Corruption

Link: <https://zoom.us/j/94381916996?pwd=RDBla2hCcmRNUlFzUERUeHpaUHNJZz09>

Meeting ID: 943 8191 6996

Passcode: 689990

**Instructor:**

- Name:** Loylom Prasertsri
- Office hours:** Virtual meeting via Zoom on Thursdays, 2.30 - 4.30 PM;  
or by email
- Email:** loylom@econ.tu.ac.th
- Phone:** -

**Course highlights:**

- Developing an understanding of the concepts and principles at play within the field of the economics of corruption
- Studying the economic framework through the experimental, behavioural and institutional tools developed to allow the critical analysis of corruption behaviour
- Providing a wide variety of games and activities that can help participants understand the topics and concepts behind corruption motivation and behaviour
- Analysing, evaluating and presenting the corruption research findings available from academic research papers
- Designing your own study project (employing theoretical and experimental methods) and applying some of the resulting findings and ideas to public policy

**Course objectives:**

- 1) To obtain an understanding of the key concepts and insights within the economics of corruption
- 2) To learn how to evaluate economic research on corruption
- 3) To further your ability to discuss and analyse policy and its impact on society
- 4) To debate and express the findings of your own study research with clarity and precision

**Grading Criteria:**

- Examinations 60% (Midterm: 25% and Final: 35%)
- Research project 15%
- Presentation 10%
- Assignments 10%
- Paper summary 5%

## Important Dates:

Add-Drop period	16 – 19 August 2021
Examination period (no classes)	26 Sep - 3 Oct 2021
Midterm	Thursday, 30 September 2021; noon-2.00 PM
Final	Tuesday, 30 November 2021; 09.00-11.30 AM
Last day for course withdrawal	15 November 2021

## Holidays:

Thursday, 12 August 2021                      The Queen's Birthday

## Teaching Sessions:

### Lecture 0: Introduction

### Lecture 1: Corruption: concepts, types, causes and consequences

- Why study Economics of Corruption?
- Economic tools in analysis of corruption
- What is corruption?
- Classifications of corruption
- Causes and consequences of corruption

### Lecture 2: Measuring corruption

- Official statistics
- Perceptual and attitudinal surveys
- Experiential and tracking surveys
- Other methods

### Lecture 3: A theoretical analysis of corruption

- The microeconomics of corruption: the classical approach
- The institutional economics of corruption

## **Lecture 4: Experimental and behavioural approaches to understanding immoral and corrupt behaviour**

- Laboratory, online and field experiments on dishonesty
- Bribery game and experiment

## **Lecture 5: Corruption in Thailand**

- Type of Corruption in Thailand
- Case studies

## **Lecture 6: Choice architecture for tackling corruption**

- Designing anti-corruption policies
- Behavioural interventions
- The costs of fighting corruption

## **Lecture 7: Legal and private enforcement of corruption**

- Legal enforcement and intermediaries
- Private enforcement of corrupt deals
- A comparative study of anti-corruption systems

## **Lecture 8: Designing research on corruption: the experimental economics approach**

- Designing research and brain-storming ideas
- Designing an experiment: treatments, samples, and payoffs
- Running the experiment and organising as sample
- Research presentation

## **Lecture 9: Lessons learned**

### **Resources and study materials:**

#### **Books/Book Chapter:**

Arnone, M., & Borlini, L. S. (2014). *Corruption: economic analysis and international law*. Cheltenham: Edward Elgar Pub. Ltd.

Holmes, L. (2015). *Corruption: A Very Short Introduction*. Oxford: Oxford University Press.

- Lambsdorff, J. (2007). *The institutional economics of corruption and reform: theory, evidence, and policy*. Cambridge, U.K.: Cambridge University Press.
- Menezes, F. M. (2001). Corruption & anti-corruption. In P. Larmour & N. Wolanin (Eds.), *The Microeconomics of corruption: The classical approach*. Canberra : Institute of Criminology: Asia Pacific Press.
- Rose-Ackerman, S. (2006). *International handbook on the economics of corruption*. Cheltenham, U.K.: Edward Elgar.
- Serra, D., & Wantchekon, L. (2012). Chapter 1 Experimental Research on Corruption: Introduction and Overview. In D. Serra & L. Wantchekon (Eds.), *New Advances in Experimental Research on Corruption* (Vol. 15, pp. 1-11): Emerald Group Publishing Limited.
- Sequeira, S. (2012). Chapter 6 Advances in Measuring Corruption in the Field. In D. Serra & L. Wantchekon (Eds.), *New Advances in Experimental Research on Corruption* (Vol. 15, pp. 145-175): Emerald Group Publishing Limited.

### **Papers/ Reports:**

- Abbink, K., Irlenbusch, B., & Renner, E. (2002). An Experimental Bribery Game. *The Journal of Law, Economics, and Organization*, 18(2), 428-454. doi:10.1093/jleo/18.2.428
- Barr, A., & Serra, D. (2010). Corruption and culture: An experimental analysis. *Journal of Public Economics*, 94(11), 862-869. doi:https://doi.org/10.1016/j.jpubeco.2010.07.006
- Cohn, A., Fehr, E., & Maréchal, M. A. (2014). Business culture and dishonesty in the banking industry. *Nature*, 516(7529), 86-89. doi:10.1038/nature13977
- Cohn, A., Maréchal, M. A., Tannenbaum, D., & Zünd, C. L. (2019). Civic honesty around the globe. *Science*, 365(6448), 70-73. doi:10.1126/science.aau8712
- Dai, Z., Galeotti, F., & Villeval, M. C. (2018). Cheating in the Lab Predicts Fraud in the Field: An Experiment in Public Transportation. *Management Science*, 64(3), 1081-1100. doi:10.1287/mnsc.2016.2616
- Jain, A. K. (2001). Corruption: A Review. *Journal of Economic Surveys*, 15(1), 71-121. doi:https://doi.org/10.1111/1467-6419.00133
- Pruckner, G. J., & Sausgruber, R. (2013). Honesty on the Streets: A Field Study on Newspaper Purchasing. *Journal of the European Economic Association*, 11(3), 661-679. doi:10.1111/jeea.12016
- Shleifer, A., & Vishny, R. W. (1993). Corruption\*. *The Quarterly Journal of Economics*, 108(3), 599-617. doi:10.2307/2118402
- Svensson, J. (2005). Eight Questions about Corruption. *Journal of Economic Perspectives*, 19(3), 19-42. doi:10.1257/089533005774357860
- Khoman, S., Tantivasadakarn, C., Wrasai, P., & Prasertsri, L. (2009). *Comparative Study of Anti-corruption Measures and Procedures in Selected APEC Countries*. Retrieved from Thailand:

**Teaching Plan:**

<b>No.</b>		<b>Date</b>	<b>Topics</b>
1	Tue	10 August 2021	Lecture 0 Lecture 1
	Thu	12 August 2021	***No class*** The Queen's Birthday
2	Tue	17 August 2021	Lecture 1
3	Thu	19 August 2021	Lecture 2
4	Tue	24 August 2021	Lecture 2
5	Thu	26 August 2021	Lecture 2
6	Tue	31 August 2021	Lecture 3
7	Thu	2 September 2021	Lecture 3
8	Tue	7 September 2021	Lecture 3
9	Thu	9 September 2021	Lecture 4
10	Tue	14 September 2021	Lecture 4
11	Thu	16 September 2021	Lecture 4
12	Tue	21 September 2021	Lecture 4
13	Thu	23 September 2021	Lecture 4
<b>Midterm Exam: Thursday, 30 September 2021; noon-2.00 PM</b>			
14	Tue	5 October 2021	Lecture 5
15	Thu	7 October 2021	Lecture 5
16	Tue	12 October 2021	Lecture 6
17	Thu	14 October 2021	Lecture 6
18	Tue	19 October 2021	Lecture 6
19	Tue	26 October 2021	Lecture 6
20	Thu	28 October 2021	Lecture 7
21	Tue	2 November 2021	Lecture 7
22	Thu	4 November 2021	Lecture 7
23	Tue	9 November 2021	Lecture 8
24	Thu	11 November 2021	Lecture 8

<b>No.</b>		<b>Date</b>	<b>Topics</b>
25	Tue	16 November 2021	Lecture 8
26	Thu	18 November 2021	Lecture 8
27	Tue	23 November 2021	Lecture 8
28	Thu	25 November 2021	Lecture 9
<b>Final Exam: Tuesday, 30 November 2021; 09.00-11.30 AM</b>			

## ACADEMIC CALENDAR & HOLIDAY SEMESTER 1/2021

Semester 1/2021 (August 9 - November 27, 2021)	
Classes Begin	August 9, 2021
Add-drop period	August 6 - 15, 2021
Tuition Fee Installment Plan For ID.61-63 only <i>(9 AM - 10.30 PM)</i>	#Round 1 (July 16 – 18, 2021) #Round 2 (August 30 – September 3, 2021) #Round 3 (September 20 – 22, 2021)
<i>H.M. Queen Sirikit The Queen Mother's Birthday*</i>	<i>August 12, 2021</i>
<i>Prince Mahidol Day*</i>	<i>September 24, 2021</i>
Mid-term Examination Period	September 27 - October 3, 2021
Withdrawal period with "W" on record	October 11 - November 15, 2021
<i>H.M. King Bhumibol Adulyadej The Great Memorial Day*</i>	<i>October 13, 2021</i>
<i>Substitution for King Chulalongkorn's Day*</i>	<i>October 22, 2021</i>
<i>King Chulalongkorn's Day*</i>	<i>October 23, 2021</i>
Last day of class for Semester 1/2021	November 27, 2021
Final exam period	November 29-30, December 1-3, 7-9, 11-17, 2021
<i>H.M. King Bhumibol Adulyadej The Great's Birthday*</i>	<i>December 5, 2021</i>
<i>Substitution for H.M. King Bhumibol Adulyadej The Great's Birthday*</i>	<i>December 6, 2021</i>
<i>Constitution Day*</i>	<i>December 10, 2021</i>

Remark \* Holiday, No classes during this period