Topics in Applied Economics IV: Long Term Persistence

2017-2018 Academic Year
Master of Research in Economics, Finance and Management

1. Description of the subject

- Topics in Applied Economics IV
- Code: 32089
- Total credits: 3 ECTS
- Workload: 75 hours
- Type of subject: Optative
- Department of Economics and Business
- Term: 2nd
- Teaching team: Luigi Pascali
2. Teaching guide

Introduction

In recent years an exciting economic literature has emerged that seeks to understand disparities in economic development across countries by going far back in history. A series of historical events, have been considered responsible of long-lasting effects on institutions, culture, human capital and technology and, through those channels, on current domestic living conditions.

The purpose of this course is to debate about the most recent and innovative developments in this literature.

Contents

Note: The reading list is deliberately long, with the intention of those of you who are interested, something more to read up and chew over. While there are no required texts, I do recommend that you read/acquire these two classics. The first is Jared Diamond’s “Guns, Germs and Steel” and the second is Daron Acemoglu and James Robinson “Why Nations Fail: The Origins of Power, Prosperity and Poverty”.

Every single paper denoted by * will be discussed by the instructor during the class.
Every single paper denoted by # will be discussed by a student or a group of students during the class.
Every paper denoted by * or # will be covered by the final exam.

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A. GEOGRAPHY AND GROWTH

The origin of differences in economic development across regions


*Hibbs and Olsson (2004). Geography, biogeography, and why some countries are rich and others are poor. Proceedings of the National Academy of Sciences, 101


From stagnation to growth


Geography and Development


B. INSTITUTIONS AND CULTURE

Institutions and long-run development


Acemoglu Cantoni Johnson and Robinson 2011 The Consequences of Radical Reform: The French Revolution American Economic Review

Culture and long-run development


C: THE INTERPLAY OF CULTURE AND INSTITUTIONS

Trust and Regulation


Collectivist versus individualist social organizations


Can changes in institutions affect culture?


D: INSTITUTIONS, TRADE AND DEVELOPMENT

The impact of institutions on comparative advantage and patterns of trade


**International trade and institutional change**


**Comparative advantages, occupational selection and conflicts**


Dippel 2014 Forced Coexistence and Economic Development: Evidence from Native American Reservations Econometrica 82(4)

**A. INEQUALITY AND GROWTH**


Piketty (2013), Capital in the Twenty-First Century
F. HUMAN CAPITAL AND GROWTH


*Squicciarini and Voigtländer 2015 Human Capital and Industrialization: Evidence from the Age of Enlightenment Quarterly Journal of Economics


Waldinger 2012 Peer Effects in Science - Evidence from the Dismissal of Scientists in Nazi Germany The Review of Economic Studies

Cantoni and Yuchtman 2014 Medieval Universities, Legal Institutions, and the Commercial Revolution Quarterly Journal of Economics

Assessment and Grading System

Students are supposed to write a research proposal (which will be handed out by the last class of the course) and to present in class at least one article from those reported in the reading list.

The final grade will depend on:
- Class presentation (20%)
- Final exam (40%)
- Research proposal (40%)