

## Syllabus

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**Course: Development and History**

**Professor:**

**SECOND TRIMESTER 2017**

### PROGRAM

The course assesses the causes of economic development, conversion and diversion in the last two hundred years. It reviews the literature on major drivers of growth and inequality: institutions, finance, geography, trade, demography, knowledge and war. The course also addresses some noteworthy cases: 19<sup>th</sup> century UK, USA in the turn of the 20<sup>th</sup> century, USSR, post-war Europe, Latin America and East Asia.

The teacher will present the cases in lectures and the students will discuss the topics in seminars. Every student will give at least one presentation and write an essay on one of the seminar questions. Students are also required to hand in notes of at least one paper every seminar. Students will hand in a second essay on specific cases at the end of the course.

### BIBLIOGRAPHY

#### Lectures:

Allen, B. "The Rise and Decline of the Soviet Economy" (Innis Memorial lecture), *Canadian Journal of Economics* 34, (2001) pp 859-881.

\_\_\_\_\_ "Why the industrial revolution was British: commerce, induced invention, and the scientific revolution," *The Economic History Review* 64, no. 2 (2011), pp. 357-384.

Bértola, L. and Ocampo, J. A. (2012) *Economic Development of Latin America since independence*. Oxford: Oxford University Press.

Crafts, N. "Exogenous or Endogenous Growth? The Industrial Revolution Reconsidered," *Journal of Economic History* 55 (1995), pp. 745-772.

Crafts, N. "The Golden Age of economic growth in Western Europe, 1950-1913," *Economic History Review* 48, no. 3 (1995), pp. 429-447.

Lin, J. Y. "China and the global economy," *China Economic Journal* 4, no. 1 (2011), pp. 1-14.

Pritchett, L. "Divergence, Big Time," *Journal of Economic Perspectives* 11 (1997), pp. 3-17.

Rodrik, D. "Getting Interventions Right: How South Korea and Taiwan Grew Rich," NBER WPaper No. 4964, 1994.

Taylor, A. M. 'On the Costs of Inward-Looking Development: Price Distortions, Growth, and Divergence in Latin America,' *The Journal of Economic History* 58 (1998), pp. 1-28.

**Seminars:**

Acemoglu, D., Johnson, S., and Robinson, J. A. "The Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution." *The Quarterly Journal of Economics* 117, no. 4 (2002), pp. 1231-1294.

Acemoglu, D. and Robinson, A. "Why is Africa poor?" *Economic History of Development Regions* 25, no. 1 (2010), pp. 21-50.

Calomiris, C. W. and Haber, S. H. *Fragile by Design: the Political Origins of Banking Crises and Scarce Credit*. Princeton University Press: Princeton, 2014.

Coatsworth, J. 'Structures, Endowments and Institutions in the Economic History of Latin America', *Latin American Research Review* 40, no. 3 (2005), pp. 126-144.

Crafts, N. "Globalization and Economic Growth: A Historical Perspective" *The World Economy* 27, no. 1 (2004), pp. 45-58.

Dyson, T. *Population and Development: the Demographic Transition*. New York: Zed Books, 2010

Engerman, S. and Sokoloff, K. "Factor Endowments, Inequality and Paths of Development among New World Economies," NBER WPaper no. 9259, 2002.

Findlay, R. and O' Rourke, K. *Power and Plenty: Trade, War and the World Economy in the Second Millennium*. Princeton: Princeton University Press, 2011.

Haber, S. "Political Institutions and Financial Development: Evidence from the Political Economy of Bank Regulation in Mexico and the United States," in *Political Institutions and Financial Development*, S. Haber, D. North, and B. R. Weingast (eds.), Stanford: Stanford University Press, 2008.

Haggard, S. "The Rule of Law and Economic Growth; Where are We?" *World Development* 39, no. 5(2011).

Hatton, T. J. and Williamson, J. G., *Global migration and the world economy: two centuries of policy and performance*, Cambridge: MIT Press, 2008.

Hoffman, P. "Prices, the Military Revolution and Western Europe's Comparative Advantage in Violence," *Economic History Review* 64 (2011), pp. 39-59.

Frankema, E. "The colonial roots of land inequality: geography, factor endowments, or institutions?" *Economic History Review, New Series* 63, no. 2 (2010), pp. 418-451.

Gerben, B., Crafts, N., and Woltjet, P. "A vision of the growth process in a technologically progressive economy: the United States, 1899-1941," University of Warwick working paper 257, 2015.

- Goldin, C. and Katz, L. F. *The race between education and technology*. Cambridge: Harvard university Press, 2009, caps. 1-3, 9.
- Lindert, P. and Williamson, J. "Does Globalization Make the World More Unequal?" in Bordo, M. et al. (Eds.) *Globalization in Historical Perspective*, Chicago: University of Chicago Press, 2003.
- Mokyr, J. *The Lever of Riches: Technological Creativity and Economic Progress*. Oxford: Oxford University Press, 1990.
- Moser, P., Voena, A., and Waldinger, F., "German Jewish Emigres and US Invention." *American Economic Review* 104, no. 10 (2014), pp. 322-355.
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- O'Brien, P. "Contribution of Warfare with Revolutionary and Napoleonic France to the Consolidation and Progress of the British Industrial Revolution." LSE Economic History Working Papers no. 150, 2011.
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- Reher, D. S., "The demographic transition revisit as a global process," *Population, Space and Place* 10, n. 1 (2004), pp. 19-41.
- Ruttan, V. *Is War Necessary for Growth: Military Procurement and Technology Development*. Oxford: Oxford University Press, 2006.
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- Schularick, M. and Taylor, A. M., "Credit booms gone burst: monetary policy, leverage cycles and financial crises, 1870-2008," *American Economic Review* 102, no. 2 (2012), pp. 1029-61.
- Soares, R, Falcão e Silva, B. L. "The Demographic Transition and the Sexual Division of Labor." *Journal of Political Economy* 116 (2008), p. 1058-1104.
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- Wright, G. "Can a Nation Learn? American Technology as a Network Phenomenon." in Naomi R. Lamoreaux, Daniel M. G. Raff, and Peter Temin, eds. *Learning by doing in markets, firms, and countries*. Chicago:

Chicago University Press, 1999.

## GRADING

First Essay	20%
Presentation	20%
Notes	20%
Second Essay	40%

## PROGRAM

	Topic	Bibliography
L1	Introduction	Pritchett (1997)
L2	Britain's industrial revolution	Allen (2011), Crafts (1995a)
S1	Institutions: states and the rules of the game	North and Weingast (1989), North (1991), Haggard (2011), Acemoglu & Robinson (2010)
L3	USA forging ahead	Gerben et al. (2015), Goldin and Katz (2009, chap. 9)
S2	Finance: crises and institutions	Calomiris & Taylor (2014) chaps. 1-3., Haber (2008), Summerhill (2015) chaps. 6, 7, Schularick & Taylor (2012)
L4	The rise and fall of the USSR	Allen (2001)
S3	Geography and factor endowment	Acemoglu <i>et al.</i> (2002), Wrigley (2013), Engerman & Sokoloff (2002), Frankema (2010)
L5	Europe's golden age	Crafts (1995b)
S4	Trade, globalisation and protectionism	Lindert & Williamson (2003), Schularick & Solomou (2011), O'Rourke & Williamson (2005), Coatsworth (2004), Crafts (2004)
L6	Latin America falling behind	Taylor (1998), Bértola and Ocampo (2014), chap. 1
S5	Knowledge and technology	Mokyr (1990), chaps. 7, 11, Wright (1999), Goldin & Katz (2009, chaps. 1-3)
L7	East Asia catching up	Lin (2014), Rodrik (1994)
S6	Demography and migration	Dyson (2010), chaps. 2, 7, Soares & Falcão (2008), Reher (2004), Hatton & Williamson (2008), chaps. 1-6.
L8	War	O'Brien (2001), Ruttan (2006), Hoffman (2011), Findlay & O'Rourke (2011), chap. 7.