



Seminar on Economic Progress

Deep Determinants of Economic Development – Institutions, Geography and Culture

Summer Term 2024

Content

Why are there differences in economic development and prosperity between countries? Research has attempted to identify the social, economic, and political factors that underlie economic development and performance. While current factors certainly matter for current economic development, research has shown strong interest in past evolutions too. Accordingly, economic differences may also be explained by so-called *deep determinants* of development, which persist until today.

In this seminar, we will explore and discuss aspects of the deep determinants of economic development – institutions, geography and culture. We will address questions such as: *What are the long-run effects of the slave trade and colonization? How does past climate variability affect trust between people today? What is the link between agricultural practices and gender roles? And through which channels do these aspects persist and affect present-day economic outcomes?*

As we will mainly read and discuss empirical economic studies, we will become familiar with modern empirical methods, such as *fixed effects models*, *regression discontinuity design* or *difference-in-differences*. We will also see how causal effects can be inferred from natural experiments and historical settings.

Target Group

Students should be familiar with regression analysis and have a good understanding of how to read and interpret econometric results. The seminar will be held in English. The course is **mainly addressed to bachelor students**, but master students are also allowed to participate. However, in case of overbooking, bachelor students are given priority.

Students can earn credit points for the following degree programs:

- Internationale Wirtschaft und Entwicklung (B.A.): Seminar zur Entwicklung
- Economics (B.Sc.): Seminar zur Entwicklung
- Philosophy and Economics (B.A.): Seminar zur Entwicklung
- Internationale Wirtschaft und Governance (M.A.): Individueller Schwerpunkt
- Economics (M.Sc.): Individueller Schwerpunkt
- Philosophy and Economics (M.A.): Individueller Schwerpunkt
- Development Studies (M.A.): D3 (Economics, Governance and Development) or F3 (Topics in Economics and Governance)

Requirements

Seminar participants are required to prepare written work in form of a **seminar paper** (approximately 3000 words for bachelor students and 4000 words for master students) on a research article of choice. They are also expected to deliver an **academic presentation** (30 minutes) on their assigned research article. Each participant is further assigned a discussant who will initiate and lead a **discussion** following the presentation (10 minutes). Active participation in the discussions is expected of all attendees. The final grade is defined by the seminar paper (two thirds), presentation and discussion (one third).

Participants may also work on a topic that includes own empirical work (see list of potential topics below). In this case, both presentation and seminar paper will be about this topic and the results of the own empirical work. Please contact the lecturer in due time if you are interested in a topic that includes own empirical work.

Seminar Organization

- There will be a **compulsory introductory meeting** on the **24.04.2023** from 14:15 to 17:00. All organizational questions should be addressed in this session.
- **Presentation of papers** take place on **28. and 29.06.2024** from 9:00 to 17:00. Presentations must be handed in electronically in PDF-versions on the **25.06.2024** (“NameFirstname_pres.pdf”).
- The deadline for the **submission of seminar papers** is the **30.09.2024**. Of course, earlier submissions are always possible.

All course-related questions should be sent to lara.bieske@uni-bayreuth.de.

Registration

To apply for the seminar (first-come-first-served basis), please fill out the following form, including your three prioritized research articles by the 19th of April.

<https://forms.gle/QiFcmEBC2gkWqphDA>

The seminar is limited to **15 participants**. Students will be informed before the introductory meeting about their assigned paper.

Outline of Topics and Literature

Geography

1. Henderson, Vernon J., Tim Squires, Adam Storeygard, and David Weil. 2018. “The Global Distribution of Economic Activity: Nature, History, and the Role of Trade”. *The Quarterly Journal of Economics* 133 (1): 357–406.
2. Nunn, Nathan, and Nancy Qian. 2011. “The potato’s contribution to population and urbanization: evidence from a historical experiment.” *The Quarterly Journal of Economics* 126 (2): 593–650.
3. Pascali, Luigi. 2017. “The Wind of Change: Maritime Technology, Trade, and Economic Development.” *American Economic Review* 107 (9): 2821–2854.

4. Bloom, David E., Jeffrey D. Sachs, Paul Collier, and Christopher Udry. 1998. "Geography, Demography, and Economic Growth in Africa." *Brookings Papers on Economic Activity* 1998 (2): 207–295.
5. Alsan, Marcella. 2015. "The effect of the TseTse fly on African development." *American Economic Review* 105 (1): 382–410.
6. Acemoglu, Daron, Simon Johnson, and James A. Robinson. 2002. "Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution." *The Quarterly Journal of Economics* 117 (4): 1231–1294.

Institutions

7. Acemoglu, Daron, Simon Johnson, and James Robinson. 2005. "The Rise of Europe: Atlantic Trade, Institutional Change, and Economic Growth." *American Economic Review* 95 (3): 546–579.
8. Banerjee, Abhijit, and Lakshmi Iyer. 2005. "History, Institutions and Economic Performance: The Legacy of Colonial Land Tenure Systems in India." *The American Economic Review* 95 (4): 1190–1213.
9. Alesina, Alberto, William Easterly, and Janina Matuszeski. 2011. "Artificial States." *Journal of the European Economic Association* 9 (2): 246–277.
10. Michalopoulos, Stelios, and Elias Papaioannou. 2016. "The Long-Run Effects of the Scramble for Africa." *American Economic Review* 106 (7): 1802–1848.
11. Lowes, Sara, and Eduardo Montero. 2021. "The Legacy of Colonial Medicine in Central Africa." *American Economic Review* 111 (4): 1284–1314.
12. Dell, Melissa. 2010. "The Persistent Effects of Peru's Mining Mita." *Econometrica* 78 (6): 1863–1903.
13. Dell, Melissa, and Benjamin A. Olken. 2020. "The Development Effects of the Extractive Colonial Economy: The Dutch Cultivation System in Java." *The Review of Economic Studies* 87 (1): 164–203.

Culture

14. Michalopoulos, Stelios. 2012. "The origins of ethnolinguistic diversity." *American Economic Review* 102 (4): 1508–1539.

15. Alesina, Alberto, Paola Giuliano, and Nathan Nunn. 2013. "On the Origins of Gender Roles: Women and the Plough." *The Quarterly Journal of Economics* 128 (2): 469–530.
16. Voigtländer, Nico, and Hans-Joachim Voth. 2012. "Persecution Perpetuated: The Medieval Origins of Anti-Semitic Violence in Nazi Germany." *The Quarterly Journal of Economics* 127 (3): 1339–1392.
17. Nunn, Nathan, and Leonard Wantchekon. 2011. "The Slave Trade and the Origins of Mistrust in Africa." *American Economic Review* 101 (7): 3221–3252.
18. Bugge, Johannes C. and Ruben Durante. 2021. "Climate Risk, Cooperation and the Co-Evolution of Culture and Institutions." *The Economic Journal* 131 (637): 1947–1987.
19. Cagé, Julia, and Valeria Rueda. 2016. "The long-term Effects of the Printing Press in Sub-Saharan Africa." *American Economic Journal: Applied Economics* 8 (3): 69–99.
20. Becker, Sascha O., Katrin Boeckh, Christa Hainz, and Ludger Woessmann. 2016. "The Empire Is Dead, Long Live the Empire! Long-Run Persistence of Trust and Corruption in the Bureaucracy". *The Economic Journal* 126 (590): 40–74.
21. Bazzi, Samuel, Martin Fiszbein, and Mesay Gebresilasse. 2020. "Frontier Culture: The Roots and Persistence of 'Rugged Individualism' in the United States." *Econometrica* 88 (6): 2329–2368.

Topics for own empirical project

Please contact the lecturer in due time if you are interested in working on an own empirical project. Participants may also propose an own topic if it is analyzable within the context of the seminar.

1. How does missionary activity affect trust levels in Sub-Saharan Africa?
2. How does missionary activity affect educational levels in Sub-Saharan Africa?
3. Partitioned ethnicities and performance of local institutions in Sub-Saharan Africa.
4. Proximity to mines and local institutions.
5. The link between regional trust levels and GDP per capita.