



## Seminar on Economic Progress—Summer 2025

### Deep Determinants of Economic Development – Institutions, Geography and Culture

#### Content

Why are there differences in economic development and prosperity between countries? How relevant are geographic characteristics in explaining differences in development? What is the role of the Tsetse fly for African development? And what are the long-run effects of the slave trade and colonization?

While multifaceted and complex, the answers to these questions can be summarized into three categories – institutions, geography and culture – often referred to as the *deep determinants* of economic development. In this seminar, we will discuss the causes and consequences of these deep determinants.

#### Course Goals

The aim of the seminar is to introduce students to empirical work on the different topics related to economic development. First, we will review economic research articles, become familiar with modern empirical methods, and learn how to interpret empirical results. Second, we will develop practical skills for working with data and empirical analysis, by replicating parts of the discussed research articles. Third, students are expected to write a seminar paper about a topic of their choice while conducting a small empirical analysis on their own, using the skills they have developed in the practical sessions.

## Target Group

You should be familiar with regression analysis and have a good understanding of how to read and interpret econometric results. Prior knowledge in R (or similar software like Stata or Python) is not necessary. 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 on Development
- Economics (B.Sc.): Seminar on Development
- Philosophy and Economics (B.A.): Seminar on Development
- International Economics and Governance (M.A.): Individual Focus or Specialization „Governance & Public Management“
- Economics (M.Sc.): Individual Focus
- Philosophy and Economics (M.A.): Electives
- Development Studies (M.A.): D3 (“Topics in Economics and Governance”) or E1 (“Individual Deepening or Catching Up”)
- History and Economics (M.A.): Specialization “Economics”
- Business Administration (M.Sc.): Supplementary Module

## Registration & E-Learning

To apply for the seminar (first-come-first-served basis), please fill out the following form, including your three prioritized topics by **Wednesday, 23.04.2025**.

## Google Forms Registration

The seminar is limited to **15 participants**.

Please enrol to the [e-learning course](#) for more information and updates.

## Seminar Organization

Date	Content
<b>24.04.2025</b> 9:00-12:00 S60/CIP	<b>Introductory meeting</b>
<b>08.05.2025</b> 9:00-12:00 S60/CIP	<b>Geography 1 + Exercise 1</b>  <b>Literature:</b> Henderson, J. Vernon, Tim Squires, Adam Storeygard, and David Weil. 2018. "The Global Distribution of Economic Activity: Nature, History, and the Role of Trade." <i>The Quarterly Journal of Economics</i> 133(1): 357-406.
<b>15.05.2025</b> 9:00-12:00 S60/CIP	<b>Geography 2 + Exercise 2</b>  <b>Literature:</b> Alsan, Marcella. 2015. "The Effect of the TseTse Fly on African Development." <i>American Economic Review</i> 105 (1): 382–410.
<b>22.05.2025</b> 9:00-12:00 S60/CIP	<b>Institutions 1 + Exercise 3</b>  <b>Literature:</b> Maloney, William F., and Felipe V. Caicedo. 2015. "The Persistence of (Subnational) Fortune." <i>The Economic Journal</i> 126 (598): 2363-2401.
<b>05.06.2025</b> 9:00-12:00 S60/CIP	<b>Institutions 2 + Exercise 4</b>  <b>Literature:</b> Huillery, Elise. 2009. "History Matters: The Long-Term Impact of Colonial Public Investments in French West Africa." <i>American Economic Journal: Applied Economics</i> 1 (2): 176-215.
<b>12.06.2025</b> 9:00-12:00 S60/CIP	<b>Culture + Exercise 5</b>  <b>Literature:</b> Nunn, Nathan, and Leonard Wantchekon. 2011. "The Slave Trade and the Origins of Mistrust in Africa." <i>American Economic Review</i> 101 (7): 3221–3252.
<i>June/July</i>	<i>Students work on their projects. Individual meetings can be arranged (not mandatory, but highly recommended)</i>
<b>10.07.2025</b> 9:00-12:00 S60/CIP	<b>Student presentations</b>
<b>17.07.2025</b> 9:00-12:00 S60/CIP	<b>Student presentations</b>
<b>30.09.2025</b>	<b>Deadline for seminar papers &amp; exercises</b>

## Requirements

The course work consists of three parts: (1) a portfolio of exercises, (2) a seminar paper/small empirical project, and (3) a presentation.

- 1) **Exercises:** We will have five sessions during the first weeks of the semester, where we will discuss research articles related to the deep determinants. In the second half of each session, you will have time to work on some practical tasks in R, either individually or in small teams of your choice. The exercises are designed to help you get started with your own project!
- 2) **Seminar paper:** You are expected to conduct a small empirical analysis and write a seminar paper about it. A list of topics with reference articles is given on the next page. For example, your project should replicate a part of a research article and supplement it with another dataset or variable. The aim is *not* to conduct a complete empirical analysis, but to gain hands-on experience working with data and empirical methods. Ideas for the empirical analysis are provided below the reference articles and should be discussed individually with the lecturer throughout the semester.

In your empirical analysis, you will likely encounter endogeneity problems, such as omitted variable bias or reverse causality. While you are not expected to resolve these issues (as this goes beyond the scope of the seminar), you must discuss endogeneity concerns and the limitations of your empirical approach to pass the seminar. Of course, you also need to complement your seminar paper with additional literature.

Length of seminar papers for bachelor students: 3000 words (~8 pages, 1.5 spacing)

Length of seminar papers for master students: 4000 words (~11 pages, 1.5 spacing)

- 3) **Presentation:** At the end of the lecture period, we will have two sessions where you will give a short 10-minute presentation on your project (max. 10 slides). Note that it is not necessary to have completed the empirical part of your project by this time. Rather, the presentation should focus on your 'work in progress'.

The final grade is defined by the exercises (25%), seminar paper (60%) and presentation (15%).

## Outline of Topics and Literature

Please select and rank **three preferred topics** from the list below.

### 1. Landlockedness & Subnational Income

**Reference Article:** Jetter, Michael, Saskia Möse, and David Stadelmann. 2019. "Cursed by no coast: How regional landlockedness affects income within countries." *Economic Letters* 181: 70-73.

**Project:** The aim of this seminar paper is to analyze the relationship between landlockedness and GDP per capita at the subnational level.

**Data:** Global Data Lab (GDL)

### 2. Temperature & Subnational Income

**Reference Article:** Greßer, Christina, Daniel Meierriecks, and David Stadelmann. 2021. "The link between regional temperature and regional incomes: econometric evidence with sub-national data." *Economic Policy* 36 (107): 523-550.

**Project:** The aim of this seminar paper is to analyze the link between temperature and GDP per capita at the subnational level.

**Data:** Global Data Lab (GDL)

### 3. Geography & Subnational Human Capital

**Reference Article:** Flückiger, Matthias, and Markus Ludwig. 2018. "Geography, human capital and urbanization: A regional analysis." *Economic Letters* 168: 10-14.

**Project:** The aim of this seminar paper is to analyze the link between geography and human capital at the subnational level.

**Data:** Global Data Lab (GDL)

### 4. Border Regions & Economic Development in Africa

**Reference Article:** Adam, Hanna L., Mario Larch, and David Stadelmann. 2023. "Trade agreements and subnational income of border regions." *Economic Inquiry* 61 (4): 1034-1052.

**Project:** The aim of this seminar paper is to analyze the role of border regions in Sub-Saharan Africa.

**Data:** Global Data Lab (GDL)

### 5. Missionary Activity & Political Participation

**Reference Article:** 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.

**Project:** The aim of this seminar paper is to analyze how missionary activity has influenced political participation by replicating parts of Cagé and Rueda (2016) with additional variables on political participation.

**Data:** Replication package

## 6. Missionary Activity & Trust

**Reference Article:** 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.

**Project:** The aim of this seminar paper is to analyze how missionary activity has influenced different measures of trust by replicating parts of Cagé and Rueda (2016) with additional variables on trust.

**Data:** Replication package

## 7. Partitioned Ethnicities & Public Opinion towards Regional Integration

**Reference Article:** Michalopoulos, Stelios, and Elias Papaioannou. 2016. “The Long-Run Effects of the Scramble for Africa.” *American Economic Review* 106 (7): 1802–1848.

**Project:** The aim of this seminar paper is to investigate whether partitioned ethnic groups in Sub-Saharan Africa have different public opinion towards regional integration than non-split groups.

**Data:** Ethnic boundaries (provided by lecturer) & Afrobarometer Surveys

## 8. Partitioned Ethnicities & Support for Local Institutions

**Reference Article:** Michalopoulos, Stelios, and Elias Papaioannou. 2016. “The Long-Run Effects of the Scramble for Africa.” *American Economic Review* 106 (7): 1802–1848.

**Project:** The aim of this seminar paper is to investigate whether partitioned ethnic groups in Sub-Saharan Africa exhibit greater support for local and informal institutions.

**Data:** Ethnic boundaries (provided by lecturer) & Afrobarometer Surveys

## 9. Where did Europeans settle?

**Reference Article:** Easterly, William, and Ross Levine. 2016. “The European origins of economic development.” *Journal of Economic Growth* 21: 225–257.

**Project:** The aim of this seminar paper is to investigate the geographical origins of European settlement by replicating parts of Easterly and Levine (2016) with additional geographical variables.

**Data:** Replication package & country-level data from Nunn and Puga (2012)

## 10. Geography & Diversity

**Reference Article:** Michalopoulos, Stelios. 2012. “The origins of ethnolinguistic diversity.” *American Economic Review* 102 (4): 1508–1539.

**Project:** The aim of this seminar paper is to analyze the geographical origin of ethnolinguistic diversity by replicating the cross-country analysis by Michalopoulos (2012) with additional geographical variables.

**Data:** Replication package & country-level data from Nunn and Puga (2012)

## 11. Historic Climate Variability & Awareness about Climate Change

**Reference Article:** Buggle, Johannes C. and Ruben Durante. 2021. “Climate Risk, Cooperation and the Co-Evolution of Culture and Institutions.” *The Economic Journal* 131 (637): 1947–1987.

**Project:** The aim of this seminar paper is to analyze how historic climate variability is correlated with current levels of climate change awareness.

**Data:** Climate variability (provided by lecturer) & Afrobarometer Surveys

## 12. Economic Preferences at the Subnational Level

**Reference Article:** Falk, Armin, Anke Becker, Thomas Dohmen, Benjamin Enke, David Huffman, and Uwe Sunde. 2018. “Global Evidence on Economic Preferences.” *The Quarterly Journal of Economics* 133 (4): 1645-1692.

**Project:** The aim of this seminar paper is to merge the Global Preference Survey (GPS) to subnational GADM 1 boundaries and to reflect on the subnational distribution of economic preferences.

**Data:** Global Preference Survey (GPS) & boundaries of administrative divisions

## 13. Diversity & Corruption

**Reference Article:** Dincer, Oguzhan C. 2008. “Ethnic and religious diversity and corruption.” *Economic Letters* 99(1): 98-102.

**Project:** The aim of this seminar paper is to analyze the relationship between ethnic and religious diversity and corruption at the subnational level in Africa.

**Data:** Subnational Corruption Database (SCD) & replication package by Gershman and Rivera (2018)

## 14. Irrigation & Democracy

**Reference Article:** Bentzen, Jeanet S., Nicolai Kaarsen, and Asger Moll Wingender. 2017. “Irrigation and Autocracy.” *Journal of the European Economic Association* 15(1): 1-53.

**Project:** The aim of this seminar paper is to analyze the relationship between irrigation practices and democracy.

**Data:** Replication package & Freedom House

## 15. The Plough & Gender Inequality

**Reference Article:** 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.

**Project:** The aim of this seminar paper is to investigate the agricultural origin (plough use) of gender inequality at the country-level.

**Data:** Replication package & Global Data Lab (GDL)