Instructor: Dr. Ömer Özak  
e-mail: ex-ozak@javeriana.edu.co

Class via Teams: Economic Growth and Comparative Development Group

Office Hours: by appointment  
https://ozak.youcanbook.me/

Course Website: https://econgrowth.github.io/

Course Description: Ever since the emergence of economics as a discipline, economists have been trying to provide an answer to what causes some countries to be poor and others rich. Are economies’ fates determined by their geographical endowments? Their culture? Their institutions? Why do some countries produce so much more output than others even under similar technical circumstances? What is the effect of globalization on development? What are the historical roots of contemporary economic performance? These questions occupy an increasing part of the agenda among growth and development economists. In this course we will study some of the answers that have been proposed to these and other questions.

The objective of the course is to introduce you to the frontier of research in the area of economic growth and comparative development. Additionally, it will introduce you to some of the necessary economic, computational, and mathematical tools to read, understand, and replicate the current academic research in this area. The course will give you the opportunity to learn to present and criticize other people’s ideas through presentations, replications and referee reports. Finally, the course will give you the opportunity to work on a research question of your own in this area.

Learning Outcomes: You will learn key models in economic growth and comparative development. By the end of the course, you will be familiar with the frontier research done in the area of economic growth and comparative development. You will know the main theories and empirical facts. You will learn the basic skills for research in economics. Finally, you should be able to construct models and test theories for your future research.

Text: We will use (working) papers and chapters from the Handbook on Economic Growth and other sources. Some useful books to read and have are:

- Unified Growth Theory by Oded Galor
- Guns, Germs, and Steel: The Fates of Human Societies by Jared Diamond
- Why Nations Fail: The Origins of Power, Prosperity, and Poverty by Daron Acemoglu and James A. Robinson
- Introduction to Modern Economic Growth by Daron Acemoglu
- Cows, Pigs, Wars, and Witches: The Riddles of Culture by Marvin Harris
- The Secret of Our Success: How Culture Is Driving Human Evolution, Domesticating Our Species, and Making Us Smarter by Joseph Henrich
**Software:** We will learn some computational tools that are useful for research. For this purpose, try to download and install the following software:

- Continuum Anaconda Python Distribution.
- QGIS
- LaTeX/LyX

Follow these instructions to install all required software.

We will take some time to ensure everyone is up and running. Since Python + Jupyter will be our main language of analysis and replication, I suggest you learn some basic Python at CodeAcademy.com and go over the Part I of Sargent and Stachurski’s Quantitative Economics (Python).

**Course Requirements:**

**Reading:** **Required, * Suggested.** Reading the material before coming to class is required. This will increase your understanding of the various subjects we will cover and allow you to ask questions and participate in the discussion.

**Attendance:** Attendance is obligatory and does affect your grade directly.

**Grading Criteria:**

Grading will be based on:

- Replication exercise…………………………………………………………40%
- Research idea and presentation………………………………………….....30%
- Slides/LaTeX files…………………………………………………………15%
- Attendance and Participation………………………………………………15%

Specifically:

1) **Replication Exercise (40% of grade):** Each student will create a Python-3 Jupyter Notebook which presents and replicates a paper. You are expected to recreate all results in the paper (tables, figures and graphs) using the tools of the course. In particular, I expect you to use Python, Stata and R in the same notebook if needed/possible.

Moreover, it is expected that:

a) All the analyses and computations are done from scratch inside the Jupyter Notebook using Python or R. This includes:
   i) Downloading of data (if freely available on the web the notebook should download the data, if not, then instructions to get the data have to be provided, including links, etc.).
   ii) Cleaning of data.
   iii) Analysis (graphical and statistical).
If the replication file provided by the original authors of the paper have Stata code, it should be imported and used as comparison to the student’s own computations.

b) The notebook should be readable/usable as slides or for a paper.
   i) There are sections/headings separating different parts of the notebook.
   ii) There is an explanation of the research question, how it is analyzed, why and what the results are.
   iii) Each step in the analysis is explained clearly.
   iv) Each command and computation is commented so users can understand what is being done and why.

c) The notebook has to be made available online using Github on the student’s account and also pushed as a PR to the course’s Github Replication repository.

d) For theoretical papers without simulations you need to clear the paper with me first. The student needs to provide simulations based on the theory of the paper.

e) (Extra Credit) If possible, update the data used in the paper to explore its robustness and external validity. E.g., if the paper used data for a specific year or wave, try to use different (more recent) years/waves. If it was done for one country, can you replicate using data from another one.

2) Research idea and presentation (30% of grade): Groups of 3 students will work on a research idea based on the topics of the course. The ultimate goal would be to write a paper based on this idea.

a) The research idea should be novel (extra points if it applies to Latin America or uses Latin American data). The research idea can test the hypotheses of an existing paper in a different setting or using different (newer, other region, source) data.

b) Groups need to be able to explain:
   i) Why is their idea important?
   ii) What is the main question they want to answer?
   iii) How their idea is connected to others in the course?
   iv) What are the potential core contributions of their paper?
   v) How they will answer their question? What kind of data will they use?

c) Groups will have to do a 20-minute presentation, in which they will present their idea and some their main results. Presentations should cover the answers to the questions in part (b).

3) Slides/LaTeX files (15% of grade): Students will have to provide all the files for the slides of their presentation. This includes:
   a) LaTeX files for slides and accompanying figures, tables, etc.
   b) Jupyter notebook that performs their analysis, generates tables and figures.

4) Attendance and Participation (15% of grade): Students are expected to read the main papers and participate in the discussion. Attendance is obligatory.
Tentative Course Outline:

I. From Stagnation to Growth: The evolution of economies from the dawn of human civilization to the modern era
   a. * Galor, O. 2011 Ch. 1 & 2

II. The Malthusian Epoch: Theory and Empirics
   a. * Galor, O. 2011 Ch. 3

III. Population and Growth: Theories of the Demographic Transition
   a. * Galor, O. 2011 Ch. 4

IV. Unified Growth Theory: Theory and Quantitative Evaluation
   a. * Galor, O. 2011 Ch. 5


V. Comparative Economic Development
a. Overview of the Literature


b. Geography


c. Culture


d. Institutions


vi. Chanda, A., Cook, C.J., & Putterman, L. (2014). Persistence of fortune: Accounting for population movements, there was no post-Columbian reversal. AEJ: Macro, 6, 1-28


e. Human Capital


f. Isolation, Globalization & Market Access

v. **Depetris-Chauvin E. and Ö. Özak. The Origins and Long-Run Consequences of the Division of Labor, 2016

g. Diversity
iv. **Depetris-Chauvin E. and Ö. Özak. The Origins and Long-Run Consequences of the Division of Labor, 2016
h. Persistence
   iii. **Depetris-Chauvin E. and Ö. Özak. The Origins and Long-Run Consequences of the Division of Labor, 2016
   vii. * Ideen A. Riahi, 2013, “Colonization and Genetics of Comparative Development”
   ix. William Tompson and Kentaro Sakuwa, 2013, “Was Wealth Really Determined in 8000 BCE, 1000 BCE, 0 CE, or even 1500CE?”

i. The Neolithic Revolution
   i. Origins
   ii. Consequences

j. **State Formation and State Capacity**


VI. **Other Topics**


The dates and information provided in this document are for information and planning purposes only. The dates are subject to change based on the material covered and unexpected circumstances that require changing the schedule.