

Econ. 360: Economics of Developing Areas
George Mason University, Spring 2020
W 7:20 - 10:00 PM, Room: Robinson Hall B111

Instructor: Noel D. Johnson

Email: noeldjohnson@mac.com

Office Location: Carow 8

Office Hours: TBA

Course Webpage: <https://noeldjohnson.github.io/dev/>

Course Description

The aim of this course is to introduce various ideas and approaches to understanding economic growth. The course is split, roughly, into four sections. In the first, we will review the basic facts of economic growth as well as discuss current empirical techniques used to study growth. In the second section we will discuss factor accumulation as an explanation for growth. In the third section we will discuss various explanations for differences in productivity across regions. In the final section we will discuss deep determinants of economic growth. Throughout the course an effort will be made to link the theory of economic growth with empirical evidence. Textbook readings will be supplemented with recent academic papers and blog posts.

Week 1	Introduction
Week 2	Capital's Role in Production
Week 3	The Role of Population in Economic Growth
Week 4	The Effect of Human Capital on Growth
Week 5	Measuring Productivity Growth Across Countries
Week 6	Technology and Productivity
Week 7	Inefficiency and Productivity
Week 8	Catch-up and Review for Midterm
Week 9	Midterm Exam

Week 10	Government
Week 11	Inequality
Week 12	Culture
Week 13	Geography, Climate, and Natural Resources
Week 14	Review of Material for Final Exam

Course Requirements

Eighty percent of success is showing up – Woody Allen

Your course grade will be based on the following:

1. A midterm exam worth 30% of your grade. The date of the midterm is approximately placed in the course outline. If you miss the midterm, then you may not “re-take” it. The weight of your final will be increased accordingly.
2. Problem sets worth 15% of your grade.
3. Book Essay worth 25% of your grade.
4. A comprehensive final exam worth 30% of your grade. The final will be given during the university assigned final exam time. If you miss the Final without a university sanctioned excuse then you will receive an F for the course.

Grade Disputes

If you wish to dispute the grading of an exam you must submit a typed request making explicit reference to the problem(s) along with the original test within two class periods (one week) of the day I hand back the graded exams. I will then review your arguments and decide if a mistake was made. Under no circumstances will I discuss grading with a student until after I have received and reviewed the written complaint. Office hours are for me to help you understand course material, not for grade disputes.

Book Essay

You are required to write a book essay worth 25% of your grade. You must choose two books from the list below and write an essay describing how these books relate to the themes we discussed in

class. The paper should start with an introduction that lays out what books you have chosen and briefly describes their main hypotheses. You should then spend a significant portion of the paper overviewing the main arguments of the books. Please explain what the arguments are and how the author(s) substantiate the arguments. How do these arguments relate to the theory or other readings we've done in class? Do they complement each other or are they critiques?

The paper should be typed in a reasonable font. Double spaced with reasonable margins. The paper should be around 10 to 15 pages. The paper is due on the last day of class—6 May—by midnight. **I will only accept pdf's emailed to me.** For every 24 hours the paper is late, your paper grade will be reduced by one half of a letter grade (i.e. 5%).

- Gidla, S. (2017). *Ants among elephants: An untouchable family and the making of modern India*. Farrar, Straus and Giroux
- Kuran, T. (2012). *The long divergence: How Islamic law held back the Middle East*. Princeton University Press
- Scheidel, W. (2018). *The great leveler: Violence and the history of inequality from the stone age to the twenty-first century*. Princeton University Press
- Allen, R. C. (2009). *The British industrial revolution in global perspective*. Cambridge University Press
- Mokyr, J. (2010). *The Enlightened economy an economic history of Britain 1700-1850*. Yale University Press
- Rubin, J. (2017). *Rulers, Religion, and Riches: Why the West got rich and the Middle East did not*. Cambridge University Press
- Johnson, N. D. and Koyama, M. (2019). *Persecution & toleration: The long road to religious freedom*. Cambridge University Press
- Acemoglu, D. and Robinson, J. A. (2019). *The Narrow Corridor: States, Societies, and the Fate of Liberty*. Penguin Press
- Banerjee, A. and Duflo, E. (2019). *Good Economics for Hard Times*. PublicAffairs
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- Easterly, W. (2002). *The elusive quest for growth: economists' adventures and misadventures in the tropics*. MIT press
- Collins, D., Morduch, J., Rutherford, S., and Ruthven, O. (2010). *Portfolios of the poor: how the world's poor live on \$2 a day*. Princeton University Press
- Wrong, M. (2009). *It's our turn to eat: the story of a Kenyan whistleblower*. Fourth Estate London

- Sen, A. K. (2001). *Development as freedom*. Oxford University Press
- North, D. C., Wallis, J. J., and Weingast, B. R. (2009). *Violence and social orders: A conceptual framework for interpreting recorded human history*. Cambridge University Press
- McNeill, W. H. (1998). *Plagues and peoples*. Anchor
- Diamond, J. M. (1998). *Guns, germs and steel: a short history of everybody for the last 13,000 years*. Random House

Class Attendance and Participation

Participation is important for this class and you should attend class unless you are ill. I will hand out sign-up sheets on randomly chosen dates to evaluate attendance. You can miss one class for any reason. Beyond one class, each recorded absence will negatively impact your final grade by 2.5-percentage points.

Course Materials

There is one required text: David N. Weil, *Economic Growth*, 3rd edition. Copies have been ordered at the GMU Bookstore.

We will also be reading articles which are available for download on from either JSTOR, the NBER Working Papers archive, or EconLit through the GMU libraries research databases page. You are required to acquire these papers and read them before the class in which they are covered. You are expected to know the readings for the exams.

Some Important Dates

First Day of Classes: 22 January

Spring Break: 9 March to 15 March

Last Day of Classes: 29 April

Final Exam: 6 May from 7:30 pm–10:15 pm

PLEASE NOTE: COURSE POLICIES

1. George Mason University Honor System and Code

Honor Code

George Mason University has an Honor Code, which requires all members of this community to maintain the highest standards of academic honesty and integrity. Cheating, plagiarism, lying, and stealing are all prohibited.

All violations of the Honor Code will be reported to the Honor Committee.

Plagiarism (statements from Mason Web Site)

Plagiarism means using the exact words, opinions, or factual information from another person without giving that person credit.

<http://mason.gmu.edu/montecin/plagiarism.htm#plagiarism>

Please familiarize yourself with the Honor System and Code, as stated in the George Mason University Undergraduate Catalog. When you are given an assignment as an individual, the work must be your own. Some of your work may be collaborative; source material for group projects and work of individual group members must be carefully documented for individual contributions.

<http://mason.gmu.edu/montecin/plagiarism.htm>

2. Class Registration

Students are responsible for verifying the accuracy of their own schedules. Students need to check PatriotWeb regularly to verify that they are registered for the classes that they think they are. This is particularly important since students are no longer dropped for nonpayment. Faculty may not allow a student who is not registered to continue to attend class and may not grade the work of students who do not appear on the official class roster.

Deadlines each semester are published in the Schedule of Classes available from the Registrar's Web Site [registrar.gmu.edu](http://mason.gmu.edu)

After the last day to drop a class, withdrawing from this class requires the approval of the dean and is only allowed for nonacademic reasons. Undergraduate students may choose to exercise a selective withdrawal. See the Schedule of Classes for selective withdrawal procedures.

3. Accommodations for students with disabilities:

If you are a student with a disability and you need academic accommodations, please see me and contact the Office of Disability Resources at 703-993-2474. All academic accommodations must be arranged through that office.

The need for accommodations should be identified at the beginning of the semester and the specific accommodation has to be arranged through the Office of Disability Resources. Faculty cannot provide accommodations to students on their own (e.g. allowing a student extra time to complete an exam because the student reports having a disability).

Course Outline (subject to change)

Week 1: Introduction

- Weil Chapters 1 and 2: Differences in the level and rate of income growth among countries
- Chapter 12 in Hartmann, B. and Boyce, J. K. (1983). *A quiet violence: View from a Bangladesh village*. Zed Books
- Hans Rosling BBC video on income differences over time
- MR University “When in India, Get a Haircut”
- Pages 291 to 300 of Freedman, D. A. (1991). Statistical models and shoe leather. *Sociological methodology*, pages 291–313

Week 2: Capital's Role in Production

- Weil Chapter 3: Capital's Role in Production
- Pritchett, L. (1997). Divergence, big time. *The Journal of Economic Perspectives*, 11(3):3–17
- **Problem Set 1 Distributed**

Week 3: The Role of Population in Economic Growth

- Weil Chapter 4: The Role of Population in Economic Growth (skip appendix).
- Pages 681 to 687 of Kremer, M. (1993). Population growth and technological change: One million bc to 1990. *The Quarterly Journal of Economics*, 108(3):681–716

Week 4: The Effect of Human Capital on Growth

- Weil Chapter 6: The Effect of Human Capital on Growth
- Bleakley, H. (2007). Disease and development: evidence from hookworm eradication in the american south. *The quarterly journal of economics*, 122(1):73–117
- **Problem Set 2 Distributed**

Week 5: How much does productivity growth differ among countries?

- Weil Chapter 7: How much does productivity growth differ among countries?
- **Problem Set 1 Collected**

Week 6: Technology and Productivity

- Weil Chapters 8 and 9: The Role of Technology in Growth
- Joel Mokyr “Progress Isn’t Natural”
- Freakonomics Podcast “Are We Running Out of Ideas?”

Week 7: Inefficiency and Productivity

- Weil Chapter 10: How much of productivity differences come from inefficiency?
- Bloom, N. and Van Reenen, J. (2010). Why do management practices differ across firms and countries? *Journal of economic perspectives*, 24(1):203–24

Week 8: Catch-up and Review for Midterm

Week 9: Midterm Exam

Week 10: Government

- Weil Chapter 12: Government
- Pages 28 to 32 of Griffiths, P. (2015). *The Economist’s Tale: a consultant encounters hunger and the World Bank*. Zed Books Ltd
- Johnson, N. D. and Koyama, M. (2017). States and economic growth: Capacity and constraints. *Explorations in Economic History*, 64:1–20
- Tyler Cowen “What libertarianism has become and will become—State Capacity Libertarianism”
- Guriev, S. (2019). Gorbachev versus deng: A review of chris miller’s the struggle to save the soviet economy. *Journal of Economic Literature*, 57(1):120–46
- **Problem Set 2 Collected**

Week 11: Inequality

- Weil Chapter 13: Income Inequality
- Ravallion, M. (2018). Inequality and globalization: A review essay. *Journal of Economic Literature*, 56(2):620–42
- Easterly, W. (2019). Review of walter scheidel’s the great leveler: Violence and the history of inequality from the stone age to the twenty-first century. *Journal of Economic Literature*, 57(4):955–71

Week 12: Culture

- Weil Chapter 14: Culture

- Guiso, L., Sapienza, P., and Zingales, L. (2006). Does culture affect economic outcomes? *Journal of Economic perspectives*, 20(2):23–48
- Hoff, K. and Pandey, P. (2014). Making up people—the effect of identity on performance in a modernizing society. *Journal of Development Economics*, 106:118–131

Week 13: Geography, Climate, and Natural Resources

- Weil Chapter 15: Geography, Climate, and Natural Resources
- Anderson, R. W., Johnson, N. D., and Koyama, M. (2016). Jewish persecutions and weather shocks: 1100–1800. *The Economic Journal*, 127(602):924–958
- Nunn, N. and Qian, N. (2010). The Columbian exchange: A history of disease, food, and ideas. *Journal of Economic Perspectives*, 24(2):163–88

Week 14: Review of Material for Final Exam

References

- Acemoglu, D. and Robinson, J. A. (2019). *The Narrow Corridor: States, Societies, and the Fate of Liberty*. Penguin Press.
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- University Press.
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