

Econ. 360: Economics of Developing Areas
George Mason University, Fall 2023
Lectures: Asynchronous, Class Meeting and Office Hours on Zoom

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Office Location: Carow 8

Office Hours: TBA—Will be held on Zoom.

Course Webpage: Blackboard

Course Description

The aim of this course is to introduce various ideas and approaches to understanding economic growth and development. 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 take a deeper dive into some of the most common targets of development policy: institutions, health, cities, and infrastructure. 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.

Lecture 1	Introduction
Lecture 2	Measurement
Lecture 3	Capital's Role in Production
Lecture 4	The Role of Population in Economic Growth
Lecture 5	The Effect of Human Capital on Growth
Lecture 6	How much does productivity growth differ among countries?
Lecture 7	Midterm Exam
Lecture 8	Technology and Productivity
Lecture 9	Inefficiency and Productivity

Lecture 10	Government
Lecture 11	Cities
Lecture 12	Health & Disease
Lecture 13	Infrastructure
Lecture 14	Catch-up & Review

Communication

I will post the syllabus, readings, and announcements to the class web page on Blackboard.

Email is the best way to get in touch with me. You can contact me at: njohnsoL@gmu.edu.

Lectures will be in person. However, from time to time it may be convenient for us to communicate using zoom. Zoom is free. [Follow the instructions at this link to get started.](#)

My personal zoom meeting room link is:

[Click this link to join zoom meeting](#)

Meeting ID: 912 315 3945

Passcode: 3J5KNG

Class Lectures

This is an online class and, as such, there will be no in-person meetings. Lectures will be delivered “asynchronously”—meaning that I will record them on Zoom and then post them to Blackboard for you to view at your leisure. I will post these lectures by **Wednesday afternoon** each week.

The Weekly Zoom Meetings (optional, but highly recommended)

I will hold a weekly Zoom meeting during which time you can ask me questions about the material or administrative aspects of the class. Attending these sessions is optional, but I highly recommend it. I will also record these sessions and will post them on Blackboard. I will determine the day and time of these meeting within the first week of class.

Zoom is free. [Follow the instructions at this link to get started.](#)

Course Requirements

Eighty percent of success is showing up – Woody Allen

Hear the words of Snoop Dogg: “The syllabus, you gotta do it, you gotta read it!”

Your course grade will be based on the following:

1. A midterm exam worth 25% of your grade.
2. Problem sets worth 25% of your grade.
3. Book Essay worth 25% of your grade.
4. A comprehensive final exam worth 25% of your grade.

Midterm and Final Exams

The midterm and final exams will be “take-home”. You can either type up your exam or write it long-hand and then scan it (e.g. using a phone). Regardless, I will only accept pdf’s emailed to me of the exams and homework assignments. I WILL NOT ACCEPT word files.

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 one week of the day I return 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.

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 15 pages. The paper is due on the last day of class—December 1— by midnight. **I will only accept pdf’s emailed to me. The subject line of your email should be “Development Essay” and the name of the essay pdf should be “your last name Dev Essay”.** For every day the paper is late, your essay 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
- Deaton, A. (2013). *The great escape: health, wealth, and the origins of inequality*. Princeton University Press
- 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

Course Materials

There is one required text: David N. Weil, *Economic Growth*, 3rd edition.

All other readings will be posted to the class webpage. The readings can also be downloaded from either JSTOR, the NBER Working Papers archive, EconLit, or the course webpage. You are required to acquire these papers and read them before the week they are listed on the syllabus. You are expected to know the papers on the course reading list for the exams.

The material behind the links in the reading list to blog posts, news articles, and videos are also mandatory.

Also, some of the articles require knowledge of econometric techniques. I will attempt to explain the methods used when they come up, however, this is not an econometrics class and you may wish to have a more detailed treatment of the methods at your disposal. Two excellent sources for the basics are:

- Cunningham, S. (2020). *Causal Inference: The Mixtape*.
- Huntington-Kline, N. (2021). *The Effect: An Introduction to Research Design and Causality*.

I have also been enjoying this book recently as a guide to integrating theory with empirical design:

- Ashworth, S., Berry, C.R. and de Mesquita, E.B., (2021). *Theory and Credibility: Integrating Theoretical and Empirical Social Science*. Princeton University Press.

A good place to get advice on how to write a paper is, D.N. McCloskey. *Economical Writing*. Waveland Press, 2000

I also highly recommend William Thomson, *A Guide for the Young Economist*. (MIT Press: 2011).

Some Important Dates

First Day of Classes: **8/21**

Thanksgiving Recess: **11/22-11/26**

Last Day of Classes: **12/2**

Final Exam: **Take-home Final Exam distributed on 12/6**

Final Paper Due: **12/1 at midnight**

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

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
- [Hans Rosling BBC video on income differences over time](#)
- MR University: [When in India, Get a Haircut](#)

Week 2: Measurement

- Pages 291 to 300 of Freedman, D. A. (1991). Statistical models and shoe leather. *Sociological methodology*, pages 291–313
- Marginal Revolution University: [Mastering Metrics Online Course](#)

Week 3: Capital's Role in Production

- Weil Chapter 3: Capital's Role in Production
- Marginal Revolution: [Soviet Growth & American Textbooks](#)
- MR University: [Foreign Aid: Does it Increase Growth?](#)
- **Problem Set 1 Distributed**

Week 4: The Role of Population in Economic Growth

- Weil Chapter 4: The Role of Population in Economic Growth (skip appendix).
- MR University: [Demographic Transitions](#)
- MR University: [Paul Romer](#)
- 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 5: The Effect of Human Capital on Growth

- Weil Chapter 6: The Effect of Human Capital on Growth
- **Problem Set 2 Distributed**

Week 6: How much does productivity growth differ among countries?

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

Week 7: Midterm Exam

Week 8: Technology and Productivity

- Weil Chapters 8 and 9: The Role of Technology in Growth (skip section 8.3 of Ch. 8)
- Robert C Allen. Why the industrial revolution was british: commerce, induced invention, and the scientific revolution. *The Economic History Review*, 64(2):357–384, 2011
- Freakonomics Podcast: [“Are We Running Out of Ideas?”](#)
- **Problem Set 1 Collected**

Week 9: Inefficiency and Productivity

- Weil Chapter 10: How much of productivity differences come from inefficiency?
- IGC Video: [Chang-Tai Hsieh: Resource misallocation & productive growth](#)
- Core Econ Video: [Van Reenen: what determines productivity?](#) (This one seems to auto-start about half-way through. You’ll need to rewind and watch the whole thing.)

Week 10: Government

- Weil Chapter 12: Government
- MR University: [Institutions](#)
- MR University: [The Importance of Institutions](#)
- Pages 28 to 32 of Griffiths, P. (2015). *The Economist’s Tale: a consultant encounters hunger and the World Bank*. Zed Books Ltd
- Daron Acemoglu, Simon Johnson, and James A Robinson. The colonial origins of comparative development: An empirical investigation. *American economic review*, 91(5):1369–1401, 2001
- Melissa Dell. The persistent effects of peru’s mining mita. *Econometrica*, 78(6):1863–1903, 2010
- **Problem Set 2 Collected**

Week 11: Cities

- Donald R Davis and David E Weinstein. Bones, bombs, and break points: the geography of economic activity. *American Economic Review*, 92(5):1269–1289, 2002
- Hoyt Bleakley and Jeffrey Lin. Portage and path dependence. *The quarterly journal of economics*, 127(2):587–644, 2012

Week 12: Health & Disease

- Preface and Introduction from Werner Troesken. *The pox of liberty: how the constitution left Americans rich, free, and prone to infection*. University of Chicago Press, 2015
- Brian Beach, Karen Clay, and Martin Saavedra, “The 1918 Influenza Pandemic and its lessons for COVID-19”, Forthcoming in the *Journal of Economic Literature*
- Marcella Alsan and Marianne Wanamaker. Tuskegee and the health of black men. *The quarterly journal of economics*, 133(1):407–455, 2018

Week 13: Infrastructure

- Richard Hornbeck and Daniel Keniston. Creative destruction: Barriers to urban growth and the great boston fire of 1872. *American Economic Review*, 107(6):1365–1398, 2017
- Dave Donaldson and Richard Hornbeck. Railroads and american economic growth: A “market access” approach. *The Quarterly Journal of Economics*, 131(2):799–858, 2016

Week 14: Catch-up and Review