



## Department of Economics Course Outline

		<b>Term:</b>	Fall 2005
<b>Course:</b>	Economics 711.18 [Growth and Development]	<b>Section:</b>	01
<b>Time:</b>	MW 9:00 ? 10:15	<b>Place:</b>	SS 08
<b>Instructor:</b>	Francisco M. Gonzalez		
<b>Office:</b>	SS 432	<b>Telephone:</b>	220-6709
<b>Office Hours:</b>	By Appointment	<b>E-Mail:</b>	<a href="mailto:francisco.gonzalez@ucalgary.ca">francisco.gonzalez@ucalgary.ca</a>

### Textbook(s):

N/A

### Book(s) on Reserve:

N/A

### Course Outline:

We will discuss a selection of recent research which highlights the link between economic development and conflict over economic distribution. We will consider in turn four broad sets of open issues. First, we will examine the link between property rights and economic efficiency. We will then ask certain questions about the causes and the effects of democratic institutions. Third, we will discuss a link between education and growth via social polarization. Finally we will inquire about the consequences of globalization.

### Grade Determination and Final Examination Details:

Student performance will be evaluated through a collection of problem sets worth 70 percent and a short paper worth 30 percent.

Problem sets and paper are marked on a numerical (percentage) basis, then converted to letter grades. The course grade is then calculated using the weights indicated above. As a guide to determining standing, these letter grade equivalences will generally apply:

A+	95 ? 100	B	75 ? 79	C-	55 ? 59
A	90 ? 94	B-	70 ? 74	D+	50 ? 54
A-	85 ? 89	C+	65 ? 69	D	45 ? 49
B+	80 ? 84	C	60 ? 64	F	0 - 44

If, for some reason, the distribution of grades determined using the aforementioned conversion chart appears to be abnormal the instructor reserves the right to change the grade conversion chart if the instructor, *at the instructor's discretion*, feels it is necessary to more fairly represent student achievement.

A passing grade on any particular component of the course is not required for a student to pass the course as a whole.

## **RePreliminaries**

Engerman, Stanley L. and Kenneth L. Sokoloff (1997): "Factor Endowments, Institutions, and Differential Paths of Growth among New World Economies", in S.H. Haber ed. *How Latin America Fell Behind*, Stanford University Press, Stanford CA.

Bloom, David E. and Jeffrey D. Sachs (1998): "Geography, Demography, and Economic Growth in Africa", *Brookings Papers on Economic Activity* 2, 207-295.

Hall, Robert E. and Charles I. Jones (1999): "Why Do Some Countries Produce So Much More Output Per Worker Than Others?", *Quarterly Journal of Economics* (February), 83-116.

Acemoglu, Daron, Simon Johnson and James A. Robinson (2001): "The Colonial Origins of Comparative Development: An Empirical Investigation", *American Economic Review* (December), 1369-1401.

Rodrik, Dani, Arvind Subramanian and Francesco Trebbi (2004): "Institutions Rule: The Primacy of Institutions Over Geography and Integration in Economic Development", *Journal of Economic Growth* (June), 131-165.

Glaeser, Edward L., Rafael La Porta, Florencio Lopez-de-Silanes and Andrei Shleifer (2004): "Do Institutions Cause Growth?", *Journal of Economic Growth* (September), 271-303.

Acemoglu, Daron, Simon Johnson, James A. Robinson and Pierre Yared (2004): "From Education to Democracy", *American Economic Review*, forthcoming.

## **2. Insecure Property**

Murphy, Kevin M., Andrei Shleifer and Robert W. Vishny (1993): "Why is Rent Seeking So Costly to Growth?", *American Economic Review* (May), 409-414.

Tornell, Aaron and Philip R. Lane (1999): "The Voracity Effect", *American Economic Review* (March), 22-46.

Parente, Stephen L. and Edward C. Prescott (1999): "Monopoly Rights: A Barrier to Riches", *American Economic Review* (December), 1216-1233.

Gonzalez, Francisco M. (2005): "Insecure Property and Technological Backwardness", *Economic Journal* (July), 703-721.

Robinson, James A., Ragnar Torvik and Thierry Verdier (2003): "Political Foundations of the Resource Curse".

Gonzalez, Francisco M. (2005): "Effective Property Rights, Conflict and Growth", *Journal of Economic Theory*, forthcoming.

Gonzalez, Francisco M. and Hugh Neary (2005): "Optimal Growth Policy Under Privately Enforced Property Rights".

Acemoglu, Daron (2005): "The Form of Property Rights: Oligarchic versus Democratic Societies".

### **3. Democracy**

Rodrik, Dani (2000): "Participatory Politics, Social Cooperation, and Economic Stability", *American Economic Review* (May), 140-144.

Acemoglu, Daron and James A. Robinson (2000): "Why Did the West Extend the Franchise? Growth, Inequality and Democracy in Historical Perspective", *Quarterly Journal of Economics* (November), 1167-1199.

Lizzeri, Alessandro and Nicola Persico (2004): "Why Did the Elites Extend the Suffrage? Democracy and the Scope of Government with Application to Britain's 'Age of Reform'", *Quarterly Journal of Economics* (May), 707-765.

Gradstein, Mark (2005): "Inequality, Democracy, and the Protection of Property Rights".

Persson, Torsten (2005): "Forms of Democracy, Policy and Economic Development".

### **4. Education**

Gradstein, Mark and Moshe Justman (2000): "Human Capital, Social Capital, and Public Schooling", *European Economic Review* (May), 879-890.

Gradstein, Mark and Moshe Justman (2002): "Education, Social Cohesion and Economic Growth", *American Economic Review* (September), 1192-1204.

### **5. Globalization**

Grossman, Gene M. and Elhanan Helpman (1994): "Protection for Sale", *American Economic Review* (September), 833-850.

McLaren, John (1997): "Size, Sunk Costs, and Judge Bowker's Objection to Free Trade", *American Economic Review* (June), 400-420.

Garfinkel, Michelle R., Stergios Skaperdas and Constantinos Syropoulos (2005): "Globalization and Domestic Conflict".

Students' Union Vice-President, Academic

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**Notes:**

- Students seeking reappraisal of a piece of graded term work (term paper, essay, etc.) should discuss their work with the Instructor *within* fifteen days of the work being returned to the class.

Safewalk / Campus Security: 220-5333

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2005-08-10