

EC104 Second Seminar
The World Economy: History & Theory
Early Modern Period: 1500-1750

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November 2023

Question 1

From required readings

Koyama and Rubin, How the World Became Rich

Chapter 3: Is it all just Institutions?

Q: What is the role of institutions on economic development?

- Each member propose one point you want to make
- Discuss all the points made, and all members are free to add new ideas and thoughts
- You will have 5 minutes to finish above tasks
- We will then discuss this question together

Definitions of Institutions

- North
- Greiff
- Roderik et al.

- Some concrete examples on institutions?
 - Religious
 - Political
 - Economic

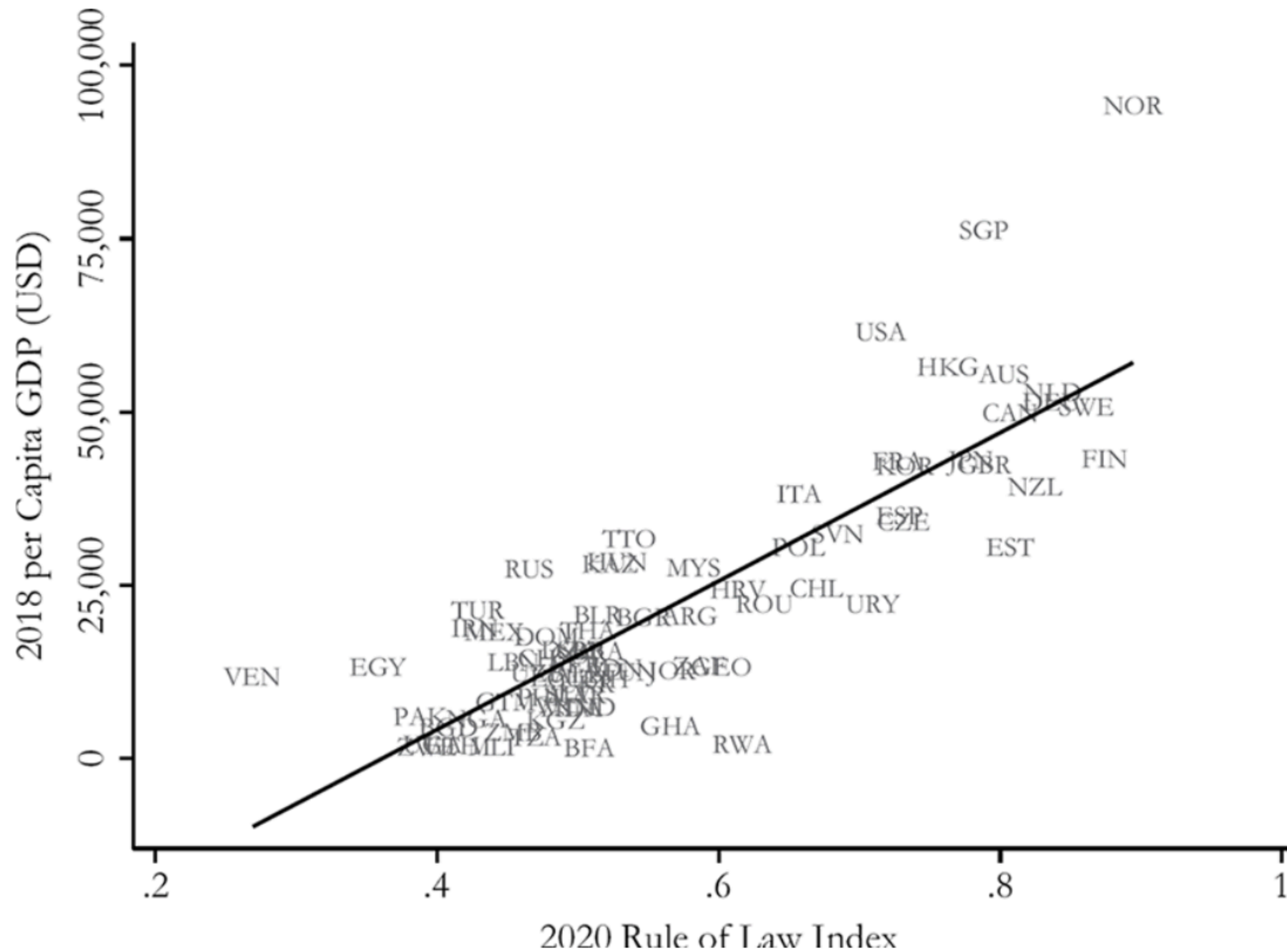


Figure 3.1 Rule of law vs. per capita GDP

Data sources: World Justice Project (2020) for rule of law, Bolt and van Zanden (2020) for per capita GDP.



Concrete examples where institutions mattered

- Commercial revolution
- Commercial guilds
- Parliaments and limited government
- Warned state finances

Question 2

From required readings

Koyama and Rubin, How the World Became Rich

Chapter 4: Did Culture Make Some Rich and Others Poor?

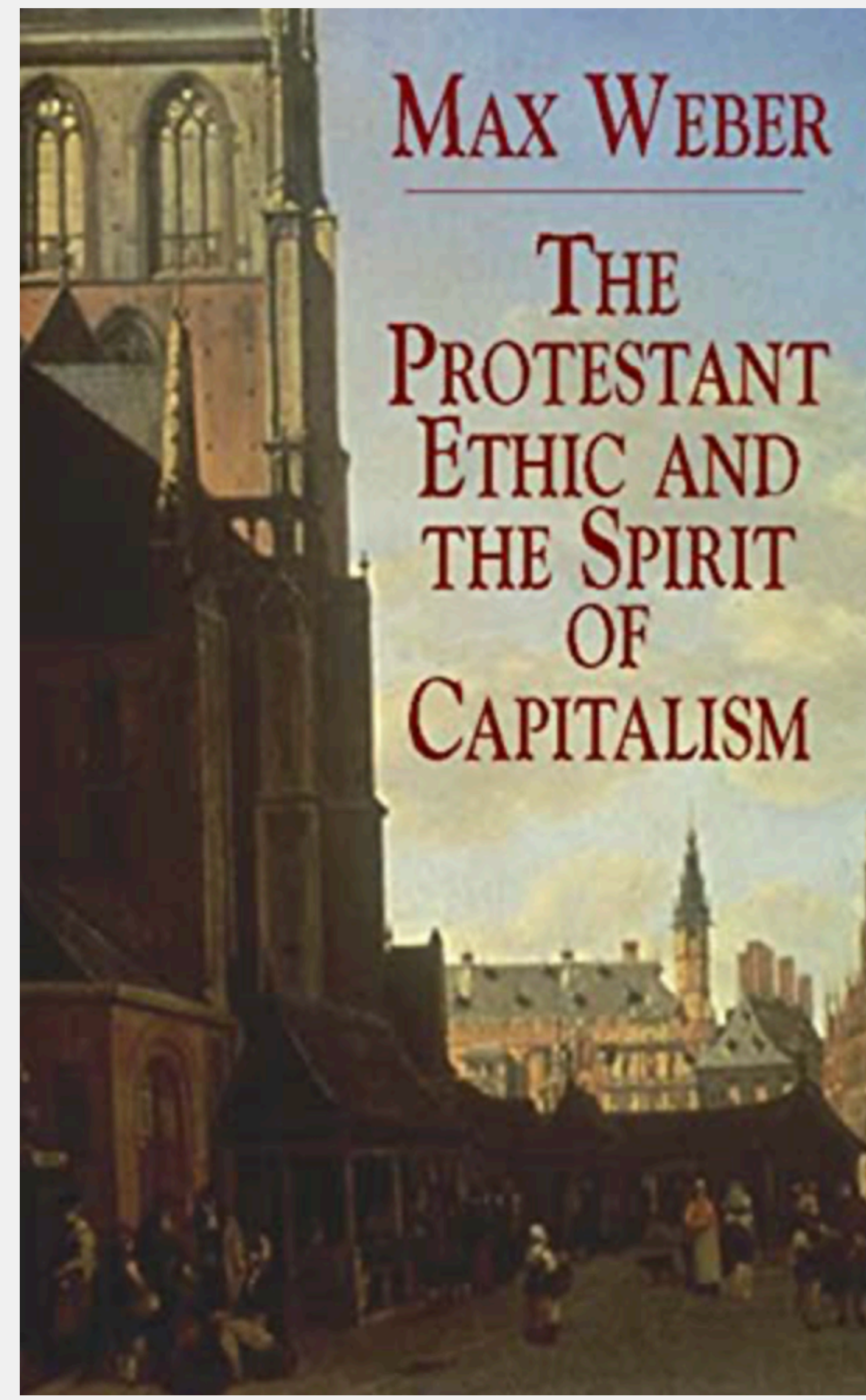
Q: What is the role of culture in economic development?

- Each member propose one point you want to make
- Discuss all the points made, and all members are free to add new ideas and thoughts
- You will have 5 minutes to finish above tasks
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Definitions of Culture

- Henrich
- Hayek

- Role?



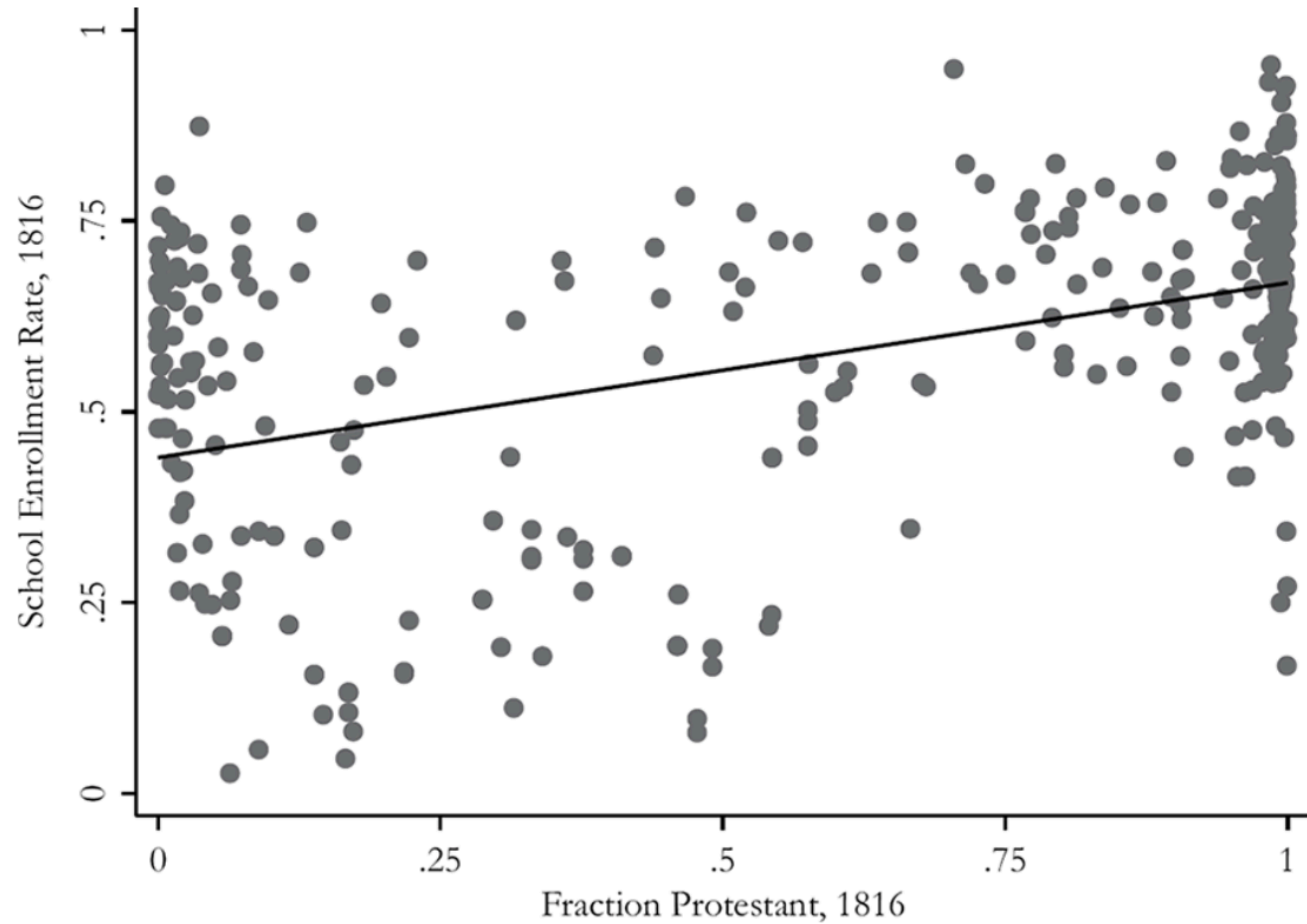


Figure 4.3 Percentage of Protestants vs. school enrollment rate in early 19th-century Prussia

Data source: Becker, Hornung, and Woessmann (2011).



Portrait of Martin Luther (1529) by Lucas Cranach the Elder



A 1948 reproduction of the Stradanus engraving, a 17th-century certificate for indulgences, in return for cash contributions to build a shrine.

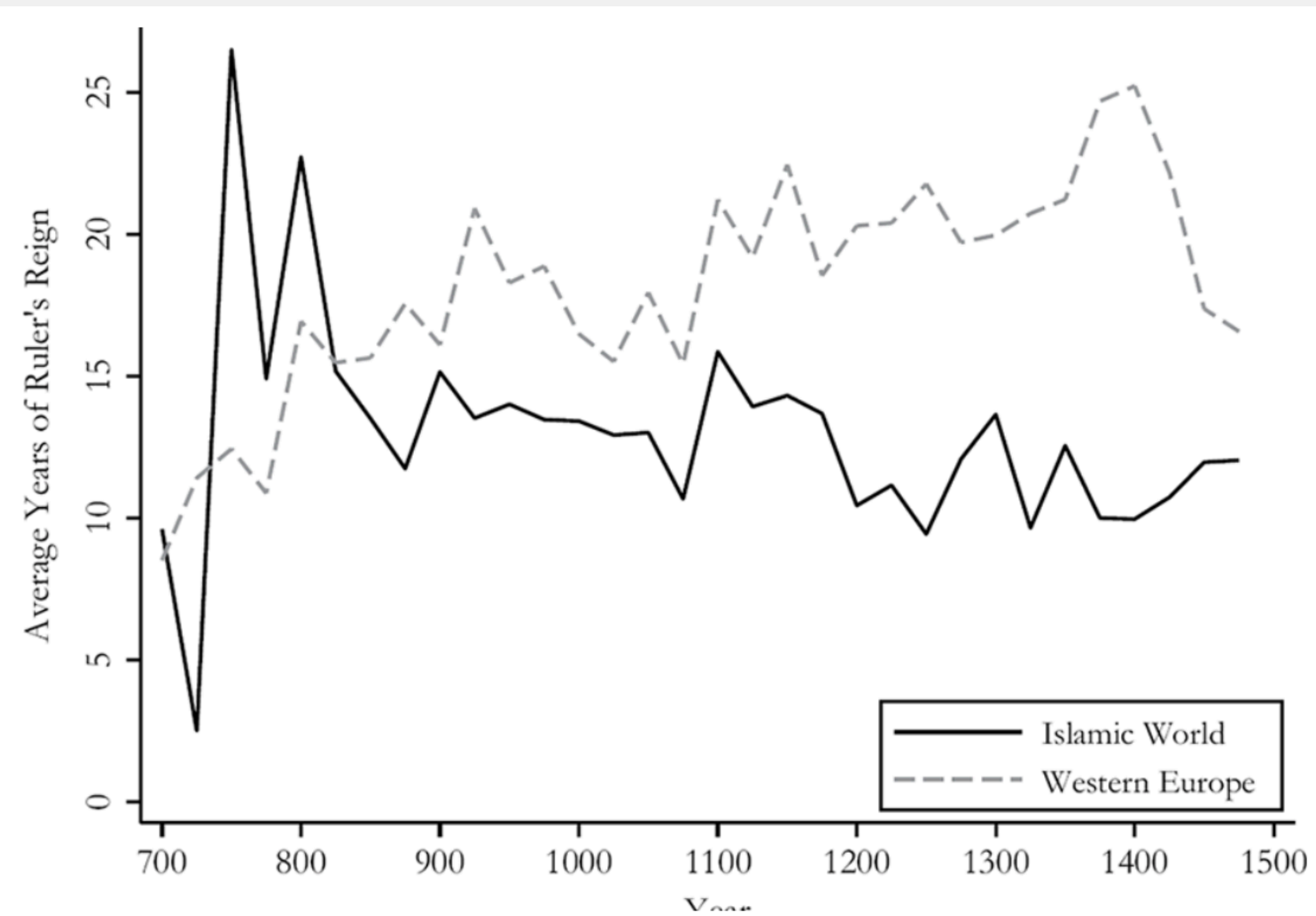


Figure 4.4 Ruler duration in Western Europe and the Islamic world
Data source: Blaydes and Chaney (2013).

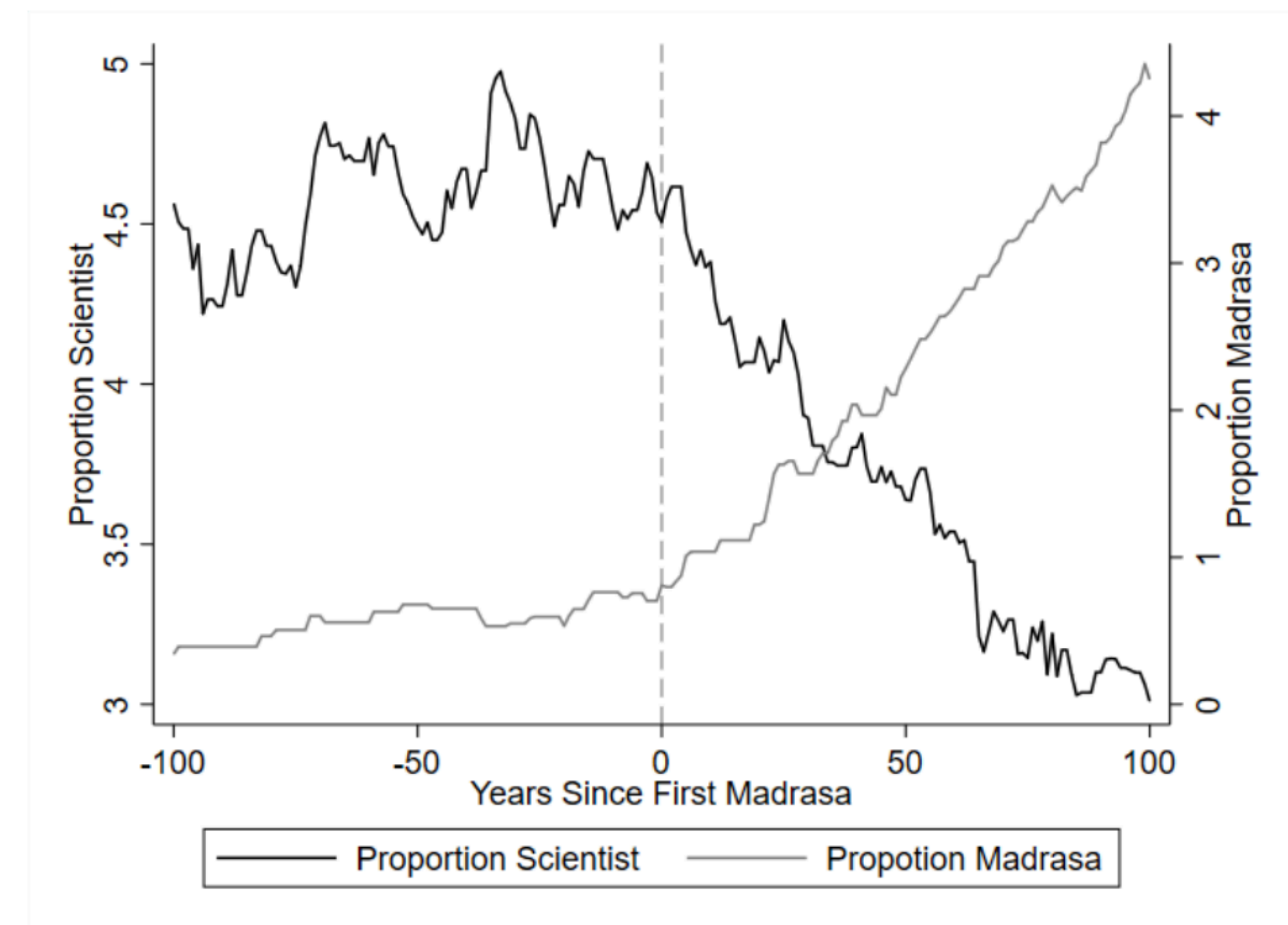


Figure 2: Proportion Scientist and Madrasa-Affiliated by Time Since First Madrasa

Question 3

From lectures

Q: What is the Great Divergence? Be sure to discuss timing and measurement.

- Each member propose one point you want to make
- Discuss all the points made, and all members are free to add new ideas and thoughts
- You will have 5 minutes to finish above tasks
- We will then discuss this question together

The Great Divergence

- Definition
 - Timing?
 - Measurement?
 - Reasons?
- 