

EC 310, Spring 2025

Topics in Economic Development

Professor Sharun Mukand

Office: S1.124
Tel: 7652-2545

email: S.Mukand@warwick.ac.uk

(OFFICE HOURS: Monday 11-12.30 (Weeks 1 to 5) or by appointment)

This module is intended as an introduction to somewhat idiosyncratic aspects of development. Tackling development is a complex problem and requires us to use insights from a variety of fields beyond economics – be it political science, psychology, geography or even anthropology! This course will give you a flavour of why facing up to the challenge of poverty requires us to get out of disciplinary silos. As a budding economist, you will learn how to draw on neighbouring disciplines but also what to dispense with.

I should point out that the reading list is deliberately long, with the intention of providing those of you who are interested in any particular topic, something more to read up on and chew over. The Reading List provided here is suggestive, and will be augmented as the course proceeds – and will benefit from any feedback about topics/issues that are of interest to you. The updated and final syllabus will be available weeks on the course website – after I have received feedback from you. In the meanwhile, treat this as a semi-official guide.

My office hours are held on most Mondays between 11AM and 1230PM (for the first five weeks of term). Please never hesitate to chase me up and come and meet me. If the office hours do not work, again chase me up and we can schedule another time by appointment.

Reading List

Some of the readings below are for background reading. In class I will emphasize which of these is required/more important. Updated reading list will be put on your website.

Week 1:

Lecture 1: Growth and Income Levels: Some Facts and Puzzles

- Why do we care about growth and income?

Lecture 2: Geography

Week 2:

Lecture 3: Institutions

Lecture 4: Institutions and Policymaking. Why is it so difficult to reform policies?

Week 3:

Lecture 4: Culture & Development

Lecture 5: Applications: Corruption and Behavioural Economics

Week 4/5:

How to Change the World: On the Political Economy of Policymaking

- Migration
- Nation Building, Conflict and Violence
- Environment and Development
- Charter Cities

(I) WHY ARE SOME COUNTRIES RICH AND OTHERS POOR?

(A) GEOGRAPHY

- Burke, M., Hsiang, S.M. and Miguel, E., 2015. Global non-linear effect of temperature on economic production. *Nature*, 527(7577), pp.235-239. Link available here http://emiguel.econ.berkeley.edu/assets/miguel_media/488/Berkeley_News_Study_finds_climate_change_will_reshape_global_economy.pdf
- Diamond, J.M., 1998. *Guns, germs and steel: a short history of everybody for the last 13,000 years*. Random House. (Please search on the web for a pdf copy)
- Diamond, J., 2002. Evolution, consequences and future of plant and animal domestication. *Nature*, 418(6898), pp.700-707. <https://www.nature.com/articles/nature01019>
- Sachs, J.D., Mellinger, A.D. and Gallup, J.L., 2001. The geography of poverty and wealth. *Scientific American*, 284(3), pp.70-75 <http://www.joyhecht.net/East%20Africa%20Climate%20Change/Sachs%20geography%20of%20poverty%20&%20wealth%20SciAm%202001.pdf>
- Somanathan, E., Somanathan, R., Sudarshan, A. and Tewari, M., 2021. The impact of temperature on productivity and labor supply: Evidence from Indian manufacturing. *Journal of Political Economy*, 129(6), pp.1797-1827. <https://www.journals.uchicago.edu/doi/10.1086/713733>

(B) INSTITUTIONS & THE POLITICAL ECONOMY OF POLICYMAKING

- Daron, A. and Robinson, J.A., 2012. Why nations fail: The origins of power, prosperity, and poverty. *New York: Crown Business*.
- Acemoglu, Daron, Simon Johnson and James Robinson "The Colonial Origins of Comparative Economic Development: An Empirical Investigation" *American Economic Review* (2001), 91, 1369-1401 (**) [Link here](#)

- Acemoglu, D., Johnson, S. and Robinson, J.A., 2002. Reversal of fortune: Geography and institutions in the making of the modern world income distribution. *The Quarterly journal of economics*, 117(4), pp.1231-1294. [Link here](#)
- Nunn, Nathan, "The Long Term Effects of Africa's Slave Trades", *Quarterly Journal of Economics*, 2008, http://www.econ.ubc.ca/nunn/empirical_slavery.pdf
- Rodrik, Dani "Understanding Economic Policy Reform", *Journal of Economic Literature* (1996)(**)
- Acemoglu, Daron and James Robinson "Political Losers as a Barrier to Development" *American Economic Review* (2000) (*)
- Fernandez, Raquel and Dani Rodrik "Resistance to Reform: Status-Quo Bias in the Presence of Individual Specific Uncertainty", *American Economic Review* (1991)(**)
- Rodrik, D. (2014). When Ideas Trump Interests: Preferences, Worldviews, and Policy Innovations. *The Journal of Economic Perspectives*, 28(1), 189-208.
- Mukand, Sharun and Dani Rodrik "In Search of the Holy Grail: Policy Convergence, Experimentation and Economic Performance" *American Economic Review* (2005) and NBER Working Paper 9134(**)

(C) BEHAVIOR, CULTURE AND INSTITUTIONS

- LECTURE NOTES.(***)
- Seabright, Paul, "The Company of Strangers: A Natural History of Economic Life". Princeton University Press (2010)
- Michalapoulous, Stelios and Elias Pappaniou (2011), "National Institutions and Sub National Development in Africa", *Quarterly Journal of Economics* (2013) (*) [link here](#)
- Fisman, Ray and Ted Miguel "Cultures of Corruption: Evidence from Diplomatic Parking Tickets", *Journal of Political Economy* (2008)(**)
- Nunn, Nathan, and Leonard Wantchekon. *The slave trade and the origins of mistrust in Africa*. *American Economic Review* (**)
- Greif, Avner. "Cultural beliefs and the organization of society: A historical and theoretical reflection on collectivist and individualist societies." *Journal of political economy* (1994): 912-950. (**) [link here](#)

- Blouin and Mukand, (2019). Erasing Ethnicity? Nation Building and Identity in Rwanda. *The Journal of Political Economy*.

(D) CULTURE, INSTITUTIONS AND CORRUPTION

- LECTURE SLIDES
- Fisman, Ray (2001), "Estimating the Value of Political Connections", *American Economic Review* (*)
<http://www2.gsb.columbia.edu/faculty/rfisman/papers/old/AER01%20-%20Suharto.pdf>
- Olken, Benjamin, "The Simple Economics of Extortion: Evidence from Trucking in Aceh", *Journal of Political Economy* (2008)
- Fisman, Ray and Ted Miguel "Cultures of Corruption: Evidence from Diplomatic Parking Tickets", *Journal of Political Economy* (2008)(*) [link here](#)
- Olken and Pande (2011), Corruption in Developing Countries. Mimeo. Harvard
http://scholar.harvard.edu/files/rpande/files/corruption_in_developing_countries.pdf
- Shleifer, Andrei and Robert Vishny (1993), "Corruption", *Quarterly Journal of Economics*,(*)
<http://www.economics.harvard.edu/faculty/shleifer/files/corruption.pdf>

(E) HOW TO CHANGE THE WORLD: APPLICATIONS TO MIGRATION, CHARTER CITIES, INDUSTRIAL POLICY & CLIMATE CHANGE

- Clemens, Michael (2011), "Economics and Migration: Trillion Dollar Bills Lying on the Sidewalk?", *Journal of Economic Perspectives*
<http://pubs.aeaweb.org/doi/pdf/10.1257/jep.25.3.83>
- Borjas, George (1995), "The Economic Benefits from Immigration" *Journal of Economic Perspectives*, Spring Issue.
- Autor, David, David Dorn and Gordon Hason (2016), "The China Shock: Learning from Labour Market Adjustments to Large Changes in Trade", NBER Working Paper

- Banerjee, Abhijit and Esther Duflo (2019), *Good Economics for Hard Times*, Juggernaut Books. Chapter 2. “From the Mouth of the Shark.”
- Also see the New York Times magazine for an overview of the debate on immigration policies (between George Borjas and David Card):
<http://www.nytimes.com/2006/07/09/magazine/09IMM.html?pagewanted=all>
- Juhász R, Lane N, Rodrik D. [The New Economics of Industrial Policy](#). 2023.