

Introduction to Economic Growth: Why some countries are poorer than others?

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Brown University, Summer School 2021

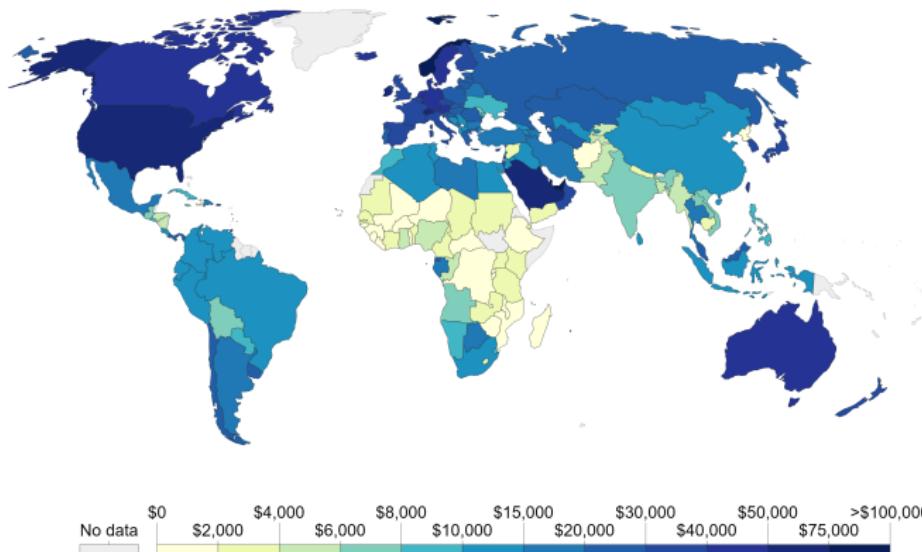
Lecture 5: "Institutions Rule"

Inequality across the world today

GDP per capita, 2018

GDP per capita adjusted for price changes over time (inflation) and price differences between countries – it is measured in international-\$ in 2011 prices.

Our World
in Data



Source: Maddison Project Database 2020 (Bolt and van Zanden (2020))

OurWorldInData.org/economic-growth • CC BY

Figure 1: GDP per capita across the world in 2018. Source: ourworldindata.org

Where do there differences in living standards come from?

So far, we have emphasized the importance of:

- Investment in physical and human capital (education, first of all)
- Innovations and R&D
- Market competition, entry barriers, and government policies
- Population growth rates and fertility behavior
- Timing of transition from stagnation to growth
- Other factors (imitation-based technological change, etc.)

But, as Douglass North and Robert Thomas (1973, p. 2) put it:

“the factors we have listed (innovation, economies of scale, education, capital accumulation, etc.) are not causes of growth; they *are* growth”

Fundamental causes behind those proximate factors: institutions

Today we talk about institutions, and how they affect incentives behind all these factors. But what are institutions, anyway?

Douglass North, the father of new institutional economics:

"Institutions are the rules of the game in a society or, more formally, are the humanly devised constraints that shape human interaction." (1990)

- Note the 'rules of the game' that set 'constraints' on human behavior
 - this is a crucial feature of institutions
- 'humanly devised' means that institutions do not fall from the sky, but are set by individuals (often with their own self-interest)
- Finally, as we will see, the way that institutions affect outcomes is through incentives

Three big questions that this lecture will help to answer

Question 1 What kinds and sorts of institutions are conducive for growth and prosperity? How do institutions shape incentives and contribute to growth?

Question 2 Why certain places adopt good economic institutions, while other places don't? What is the role of political institutions, such as democratic governance?

Question 3 What comes first? Good institutions causes development, or, instead, development improves institutions over time?

The role of institutions: South Korea and North Korea



Figure 2: Nighttime lights in North Korea, South Korea, and other places. Source: Nightearth.com

The role of institutions: East Germany and West Germany

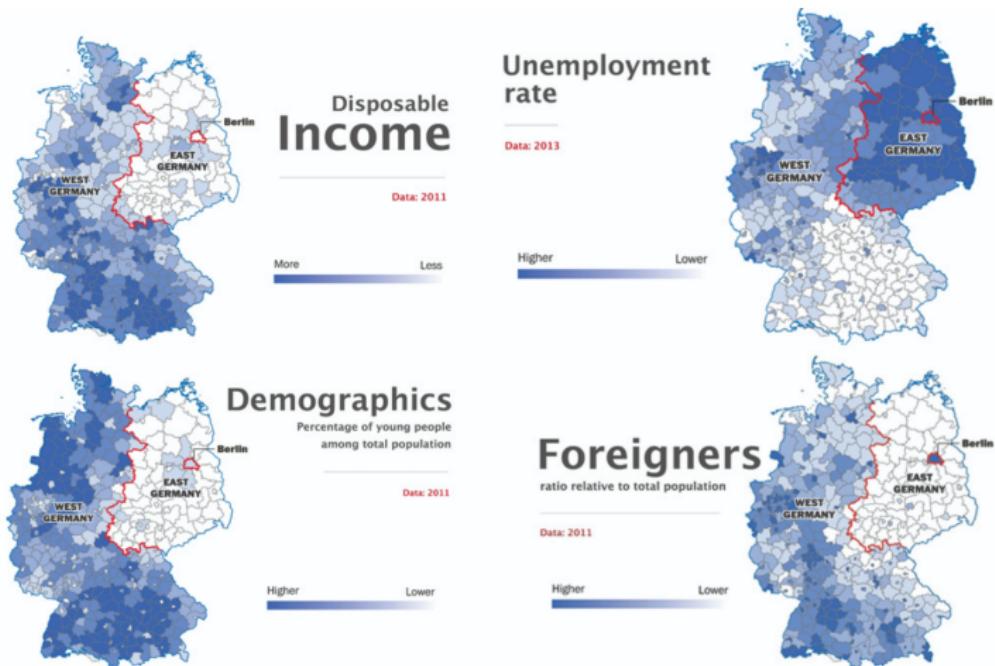
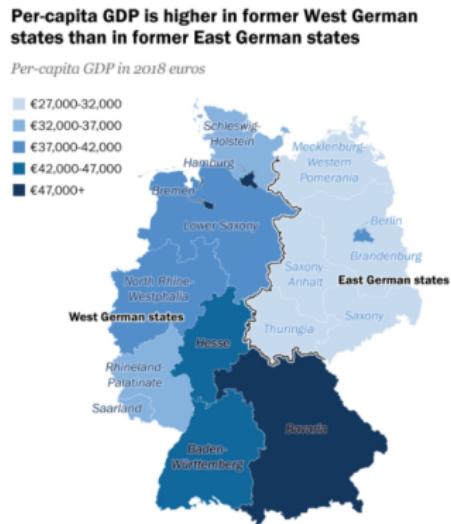


Figure 3: Measures of well-being in former East Germany and former West Germany. Source: German statistical office

The role of institutions: East Germany and West Germany

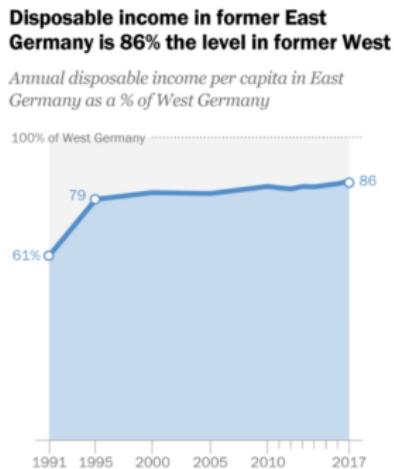


Note: West and East Germany refer to the states comprising the pre-1990 Federal Republic of Germany and former German Democratic Republic, respectively.
Source: Bundesministerium für Wirtschaft und Energie, Jahresbericht der Bundesregierung zum Stand der Deutschen Einheit.

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Figure 4: Measures of well-being in former East Germany and former West Germany. Source: Pew research center

The role of institutions: East Germany and West Germany



Note: West and East Germany refer to the states comprising the pre-1990 Federal Republic of Germany and former German Democratic Republic, respectively. Berlin included in East Germany.

Source: Bundesministerium für Wirtschaft und Energie, Jahresbericht der Bundesregierung zum Stand der Deutschen Einheit.

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Figure 5: Measures of well-being in former East Germany and former West Germany. Source: Pew research center

Today's lecture

1 Economic institutions and growth: basic channels

- Property rights and rent-seeking
- Market Entry Barriers
- Corruption

2 Political institutions

- Democratic vs Non-democratic regimes
- The framework of Acemoglu and Robinson

3 What comes first: institutions or prosperity?

- Modernization theory
- "Institutions rule"
- Institutions or Culture?

Institutions important for growth

- ① Protection of property rights (and rent-seeking, lack of investment, etc. if property rights not well protected)
- ② Market entry barriers (recall Module 3, and how entry barriers were stifling innovations and growth)
- ③ Well-functioning legal system that protects against (reduces incentives to engage in) corruption
- ④ Other institutions: type of mass education support; enforcement of contracts (again, legal system); etc.

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Measuring institutions: Property rights

- Most common are surveys of business and expert opinions (e.g., WGI data¹):
 - How much worry is there among the businessman about property rights protection?
 - How often do businesses in a country change hands via raids and unlawful captures?
 - What share of revenues is used to pay for protection (guard labor, litigation, payments to 'mafias', etc.)
- Another method looks at the legal system parameters (La Porta et al. (2004))
 - Tenure of judges (very frequent and easy switches of judges - not good for quality of legal protection)
 - Case law present/absent (whether prior judicial decisions constrain judges)
 - Rigidity of constitution

¹See <https://info.worldbank.org/governance/wgi/>

Rule of law across the world

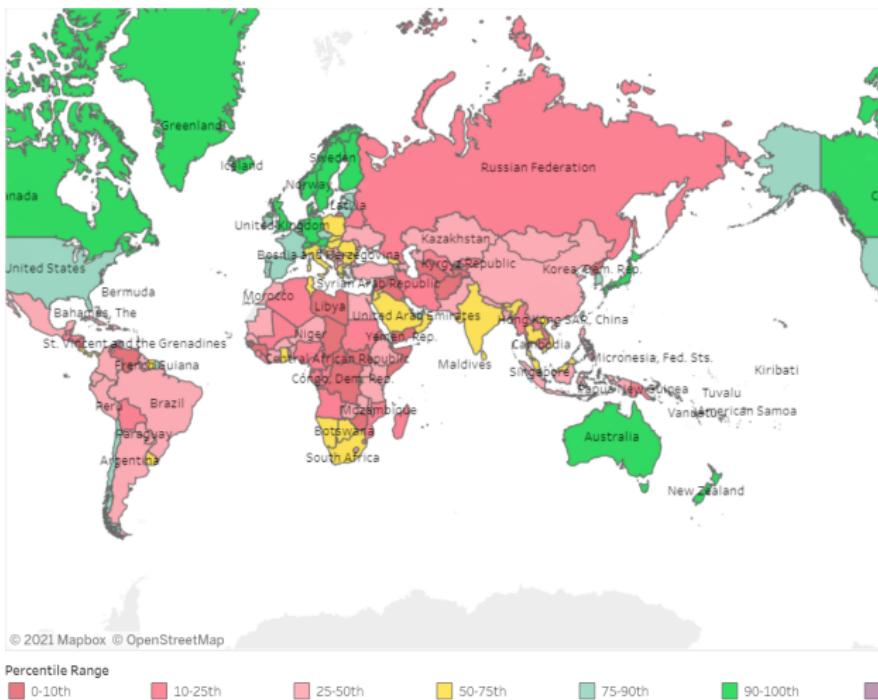


Figure 6: Rule of Law index as a measure of property rights protection. Source: World Governance Indicators.

Property rights and development

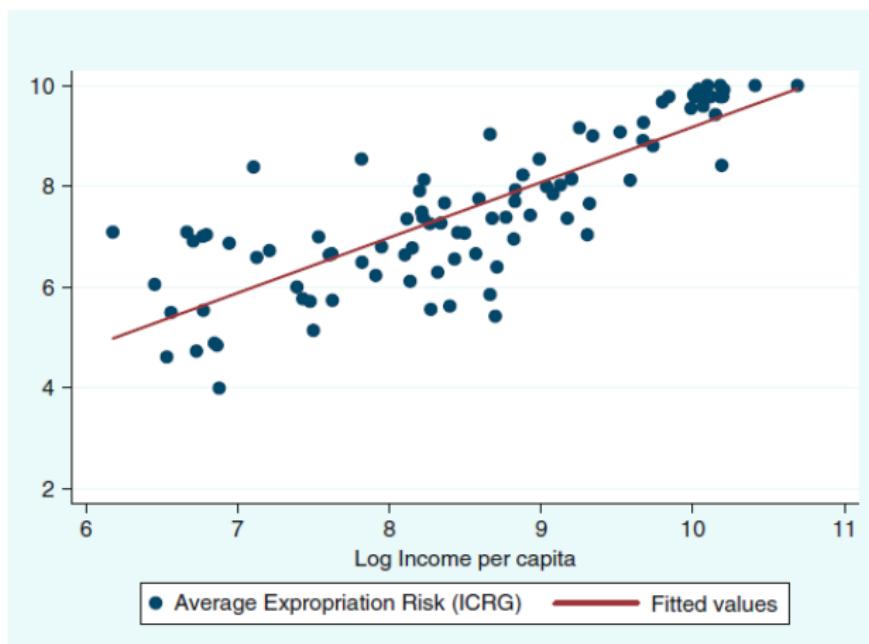


Figure 7: Protection from expropriation and GDP per capita. Source: Besley and Ghatak (2010).

Effects of property rights: mechanisms

How insecure property rights can hinder development? Several key channels:

- Risk of losing part of (or the entire) profit due to expropriation or corporate raids lowers incentives to (i) create business in the first place, and (ii) grow business (invest)
- Makes rent-seeking (raiding, expropriation, other unproductive ways to steal profits) more profitable
 - this increases risks for entrepreneurs
 - and diverts resources to unproductive protection and conflict
- Decreases incentives for new innovating companies even more because (i) they often lack political connections and (ii) are smaller in size
 - Intellectual property rights are especially important for innovations (but this is a separate kind of institution)

A simple model of rent-seeking by Murphy et al. (1993)

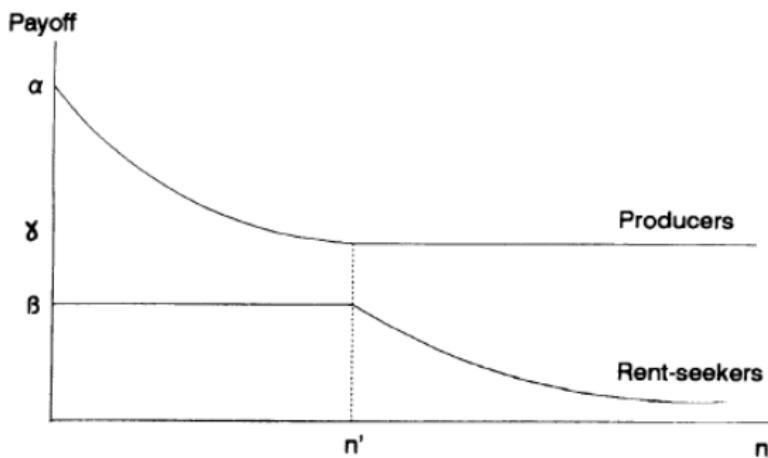
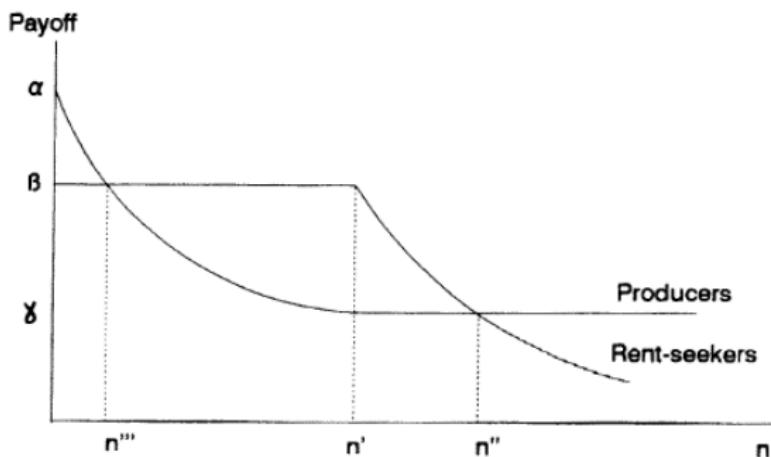


FIGURE 1. PAYOFFS TO PRODUCTION
AND RENT-SEEKING, $\beta < \gamma$

Figure 8: Rent-seeking vs production activities, case of good property rights institutions. Source: Murphy et al. (1993).

A simple model of rent-seeking by Murphy et al. (1993)



**FIGURE 3. PAYOFFS TO PRODUCTION
AND RENT-SEEKING, $\gamma < \beta < \alpha$**

Figure 9: Rent-seeking vs production activities, case of bad property rights institutions. Source: Murphy et al. (1993).

Persistence of institutional set-up: Nunn (2007)

As is illustrated by the Murphy et al. (1993) model, inefficient institutions (like massive rent-seeking) can be persistent.

An important example for the persistence of bad institutions in this framework comes from Nathan Nunn (2007):

- The author focuses on the period of slave trade and colonization of Africa by European powers during 16-20 centuries.
- Upon arrival, in most places, colonizers established heavy rent extraction systems that decreased incentives for production
- As a result, unproductive looting, rent-seeking and warfare has become relatively more attractive for locals
- The economy collapsed into bad steady state with lots of rent-seeking
- After colonial period ended, many economies remained trapped in this unproductive, rent-seeking equilibrium...

Persistence of institutional set-up: Nunn (2007)

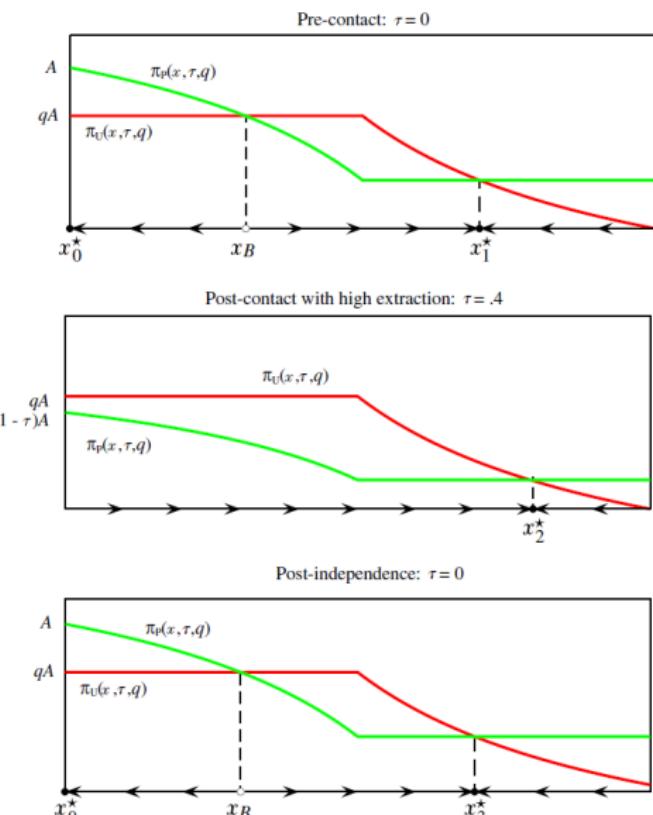


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Market entry barriers: measurement

One of the most widely used measures comes from the Doing Business Project, by Djankov et al. (2002).

The project measures for each country:

- The number of days required to register a new business
- Costs to start a register business (as a % of income per capita)
- Number of bureaucratic procedures
- Subsequent bureaucratic operation costs:
 - Construction permits
 - Electricity permits
 - Getting business credit
 - Enforcing contracts (debt contracts in particular)
 - and smoothness of many other procedures

Market entry barriers: measurement

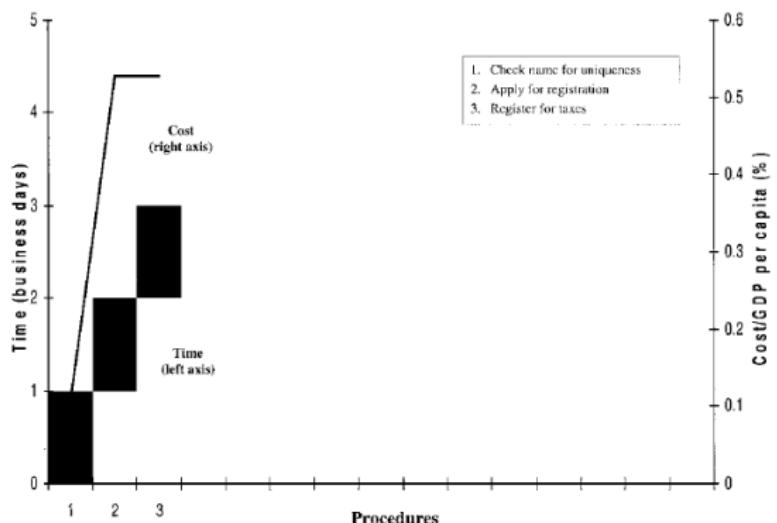


FIGURE I

Start-up Procedures in New Zealand

Procedures are lined up sequentially on the horizontal axis and described in the text box. The time required to complete each procedure is described by the height of the bar and measured against the left scale. Cumulative costs (as a percentage of per capita GDP) are plotted using a line and measured against the right scale.

Figure 11: Start-up procedures, time, and costs in New Zealand. Source: Djankov et al. (2002).

Market entry barriers: measurement

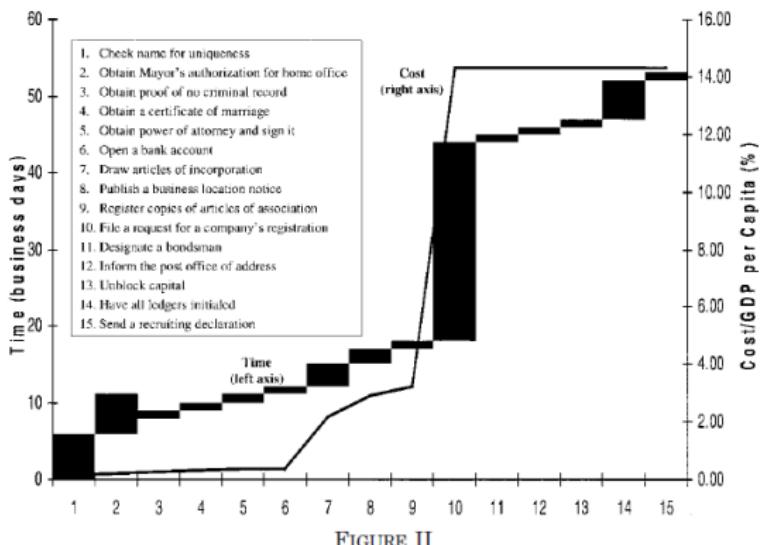


FIGURE II
Start-up Procedures in France

Procedures are lined up sequentially on the horizontal axis and described in the text box. The time required to complete each procedure is described by the height of the bar and measured against the left scale. Cumulative costs (as a percentage of per capita GDP) are plotted using a line and measured against the right scale.

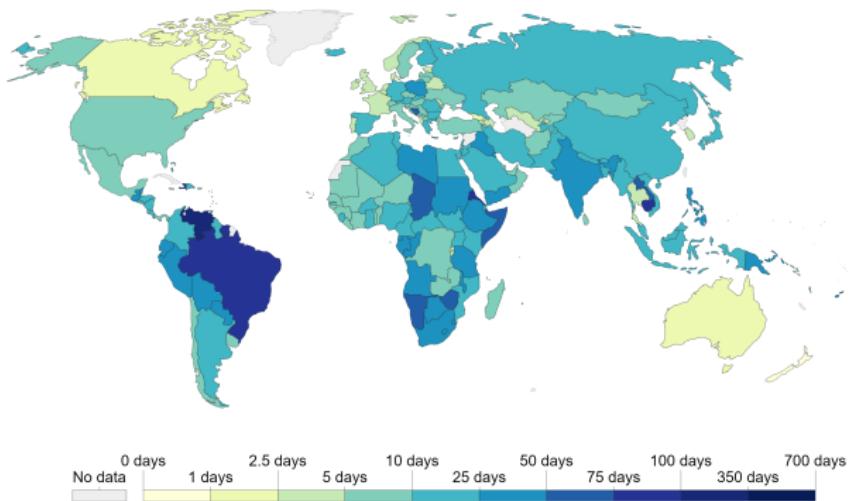
Figure 12: Start-up procedures, time, and costs in France. Source: Djankov et al. (2002).

Market entry barriers: measurement

Time required to start a business, 2017

Time required to start a business is the number of calendar days needed to complete the procedures to legally operate a business. If a procedure can be speeded up at additional cost, the fastest procedure, independent of cost, is chosen.

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Source: World Bank

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Figure 13: Time required to start a business. Source: Doing Business project (posted at OWID).

Market entry barriers: mechanisms

The main idea is that high entry barriers deter competition and, because of that, kill the 'creative destruction' mechanism:

- Recall that, escaping competition from newcomers is one of the key incentives for established firms to innovate
- Once newcomers are deterred entry due to institutional barriers (and not because established firms perform well), innovation incentives for the established firms disappear, and the economy stagnates

Another issue is that high regulative pressures (think of all the permits you need to get, all the procedures a business needs to clear, etc.) create scope for corruption and bribes - unproductive costs.

Regulatory barriers and corruption

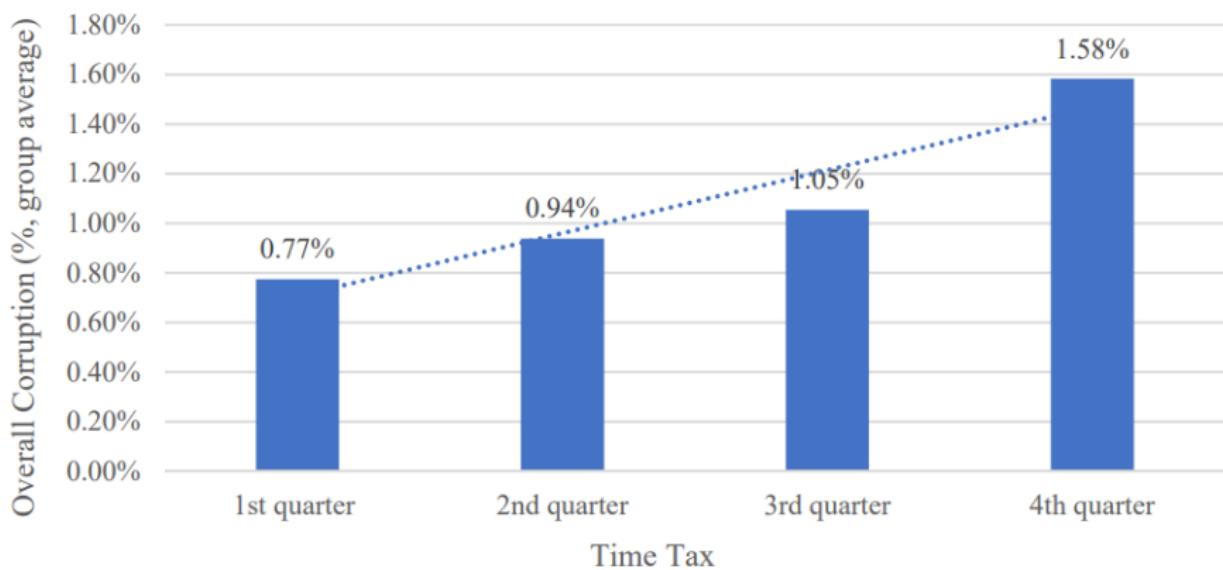


Figure 14: Regulatory burden in time units and corruption. Source: Amin and Soh (2020).

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How to measure corruption?

As before, there are several methods:

- First one relies on similar surveys of business, consumer, and expert opinions (e.g., Transparency International, or World Governance Indicators - both create indices based on multiple surveys)²
- Public procurement allocations (auctions): how competitive they are, and which companies and firms eventually get government contracts.
- Another method is through recent data on offshore leakages (e.g., 'Panama Papers') Panama Papers example
- Finally, there is a clever study by Fisman and Miguel (2007), who look at parking violations in NYC by diplomats from various countries:
 - The idea is that diplomatic status gives protection from punishment, so public officials who are used to break the law for their own gain will violate parking laws more often as well Parking violations by country

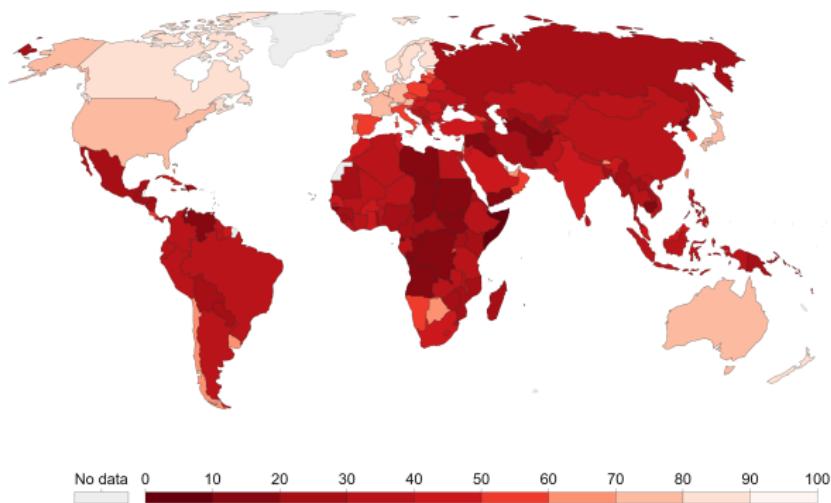
²See <https://www.transparency.org/en/cpi/2015/index/nzl>

Corruption and development

Corruption Perception Index, 2018

Transparency International's Corruption Perception Index. Scores are on a scale of 0-100, where 0 means that a country is perceived as highly corrupt.

Our World
in Data



Source: Transparency International (2018)

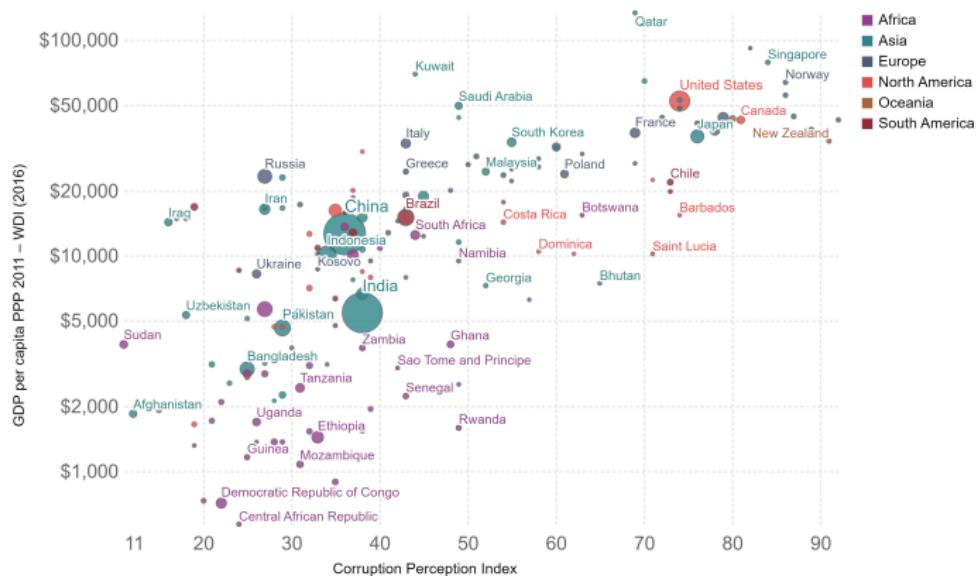
OurWorldInData.org/corruption/ • CC BY

Figure 15: Corruption perception index. Source: Transparency International, at ourworldindata.org

GDP per capita and corruption

GDP per capita vs. Corruption Perception Index, 2014

Our World
in Data



Source: WDI (2016) and Transparency International (2016)

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Figure 16: GDP per capita and corruption perception index. Source: ourworldindata.org

Two ways of thinking about corruption

In popular (and even in the academic) discussions you would often encounter two quite opposite views on corruption:

- ① Corruption is like 'greasing the wheels' of the economy
 - What is meant by this is that corruption (bribes) can speed up business processes, such as getting a construction permit, etc. Especially so in countries with excessive regulation and/or weak government
- ② Corruption 'sands the wheels' of the economy
 - What is meant by this is that corruption increases unproductive expenses, lowers incentives to invest, and leads to resource misallocation

Who is right?

Corruption 'greasing the wheels' of the economy

This view is not unsupported by most recent data:

- If regulations are excessive, and if satisfying all regulatory requirements is hard, then indeed, paying a bribe can 'speed up' the process
- However, this argument misses the fact that in many cases, regulations are set-up with a goal of extorting bribes are illegal payments
- Thus, corruption is not 'speeding up' the process, but rather satisfying the goal of enriching regulators, see Djankov et al. (2002) and Amin and Soh (2020)

Empirical evidence suggests that only in a few countries with most heavy regulations can corruption be good for firm entry

Corruption effect on market entry, and start-up costs

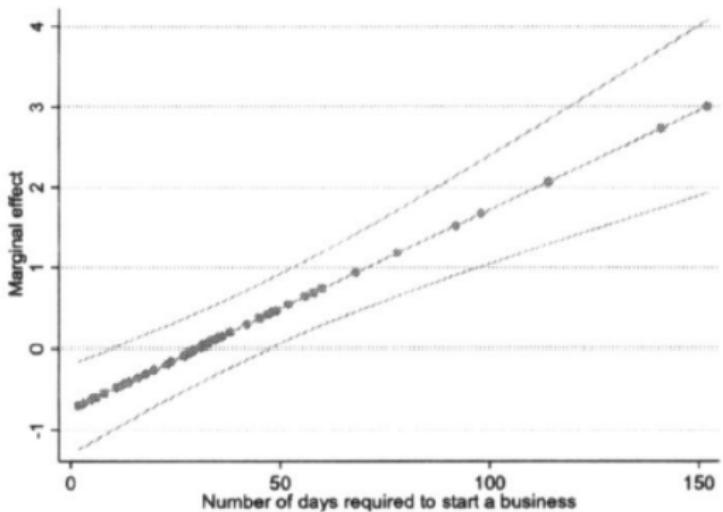


Figure 17: Effect of corruption on firm entry, depending on the level of start-up costs. Source: Dreher and Gassebner (2013).

Corruption sands the wheels of the economy

The key mechanisms for the negative effects of corruption on the economy are:

- Corruption acts as a tax on business, making investments and innovations less profitable
- Corruption distorts allocation of resources: in countries where corruption is widespread, talent is attracted to more lucrative 'corrupt' behaviors
- Corruption breaks the link between productivity and payoff: if the wealthy can pay higher bribes, then not more talented/more productive entrepreneurs succeed but more wealthy

Evidence generally supports the negative effect of corruption on growth, investment, and innovations

Corruption and investment, Mauro (1995)

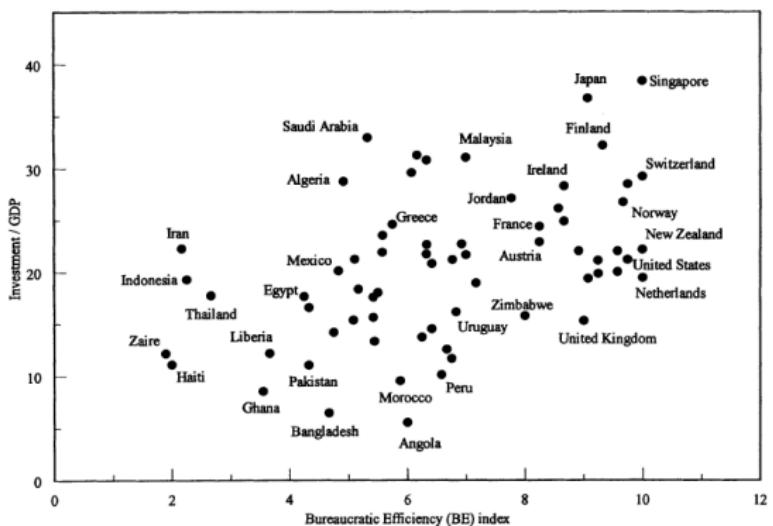


FIGURE II
Investment and Bureaucratic Efficiency

BE index is 1980–1983 average of BI indices of corruption, red tape, and judiciary.

Average investment 1980–1985 from Summers and Heston [1988].
67 countries, $r = 0.46$.

Figure 18: Effect of corruption on investment share in GDP. Source: Mauro (1995).

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What is a democracy?

Ideal democracy is often defined through a set of characteristics of political system in a given country:

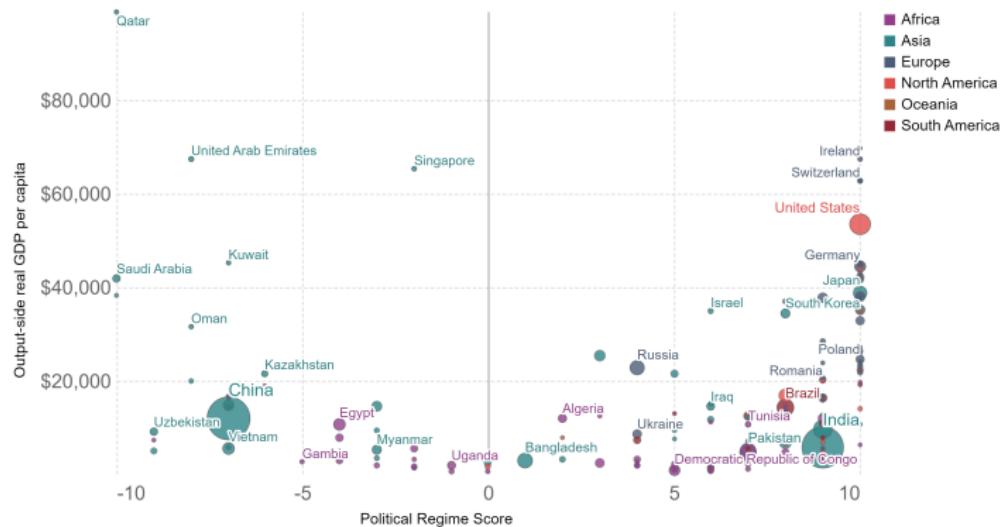
- ① Transition of political power is based on regular, fair, and representative elections
 - In contrast to: (i) monarchies (hereditary rule), (ii) dictatorships (no elections or very non-representative elections), (iii) military rule (rule of the strongest army owner), etc.
- ② Separation of powers: executive power, legislative power, and judiciary power are independent
- ③ An entire adult population is allowed to participate in elections
 - In contrast to limited franchise (e.g., in Britain, no women were allowed to vote in the 19th century)
- ④ Every vote counts as equal ('one person one vote' rule)
 - In contrast to political regimes where political power may be increasing in wealth/income/title (e.g., Prussia in the 19th century)

Do democratic regimes perform better?



GDP per capita vs type of political regime, 2015

Political regime are classified on a range from -10 (full autocracy) to +10 (full democracy). GDP per capita is adjusted for price differences between countries to allow comparisons.



Source: Feenstra et al. (2015) Penn World Tables version 9.1, Political Regime (OWID based on Polity IV and Wimmer & Min), Population (Gapminder, HYDE(2016) & UN (2019))
OurWorldInData.org/democracy/ • CC BY

Figure 19: Political regimes and prosperity. Source: ourworldindata.org

Do democratic regimes perform better?

While we have this (mostly) positive relationship between prosperity and democratic institutions, it is not directly clear why would democracies grow faster and have higher incomes per capita:

- Consider the case of China: political regime is very far from democratic, but growth rates are high nonetheless...
- Several Middle Eastern economies of the Gulf are monarchies, and yet many of them are among the richest countries in the world...

Are there any systematic reasons why we should expect democracies to have higher levels of well-being?

Modern political economy approach

We have just seen the importance of various institutional features (good protection of property rights, low entry barriers, etc.) for growth and prosperity.

But if these economic institutions are so good, why wouldn't every country adopt them?

Douglass North was one of the first to link political institutions with economic institutions and resulting economic outcomes

The influence of Douglas North and his co-authors

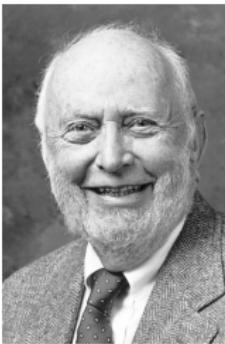


Figure 20: Douglass North

Douglas North was American political scientist, historian, and economist, who studied the interplay of economic and institutional change. He was one of the first to note that economic institutions crucially depend on what political institutions, such as constraints on the ruler, are.

North and Weingast (1989)

One of the key examples of how economic institutions and political institutions are connected comes from 17th century Britain, and the Glorious Revolution of 1688:

- In the first half of the 17th century the Crown needed revenues to finance expensive (and excessive) warfare
- Taxes were not enough, and the King, unchecked by any other powerful institution, was
 - expropriating land and wealth
 - not paying on loans, and
 - selling monopoly rights for profit
- Over time, this resulted in a civil war, with opponents of the Crown demanding redistribution of wealth and power

North and Weingast (1989)

With a non-democratic ruler there is a problem of ***credible commitment***:

- If King promises to redistribute wealth back, and to lower taxes, that could solve a problem...
- But what will guarantee that once angry people with pikes are off King's doors, he will not violate the agreement? That's the problem of commitment.
- The other option is to redistribute political power, not wealth. If the King becomes constrained to obey agreements, then promises of redistribution are credible
- After the Glorious Revolution, the Parliament and the Court independent from the King were established, and King could not unilaterally engage in expropriation or raise taxes
 - Importantly, the parliament consisted of various groups of rich people who would not support such institutions

So, why is democracy good for prosperity and growth?

In more democratic regimes:

- it is easier to hold politicians accountable (through regular elections, checks on power from the parliament, free media, etc.)
 - if politicians pursue their own interests (extorting bribes or restricting entry), it is easier to replace them
- political stability tends to be higher (while authoritarian regimes often suffer from conflicts, coups, revolutions), which increases investment
- economic institutions (like Rule of Law and Control of Corruption) tend to be better
 - Checks and balances (separation of power branches) ensures that the elite can't stifle competition by non-economic means
- access to politics is broader, so the supply of good ideas in politics is larger

Acemoglu et al. (2019) "Democracy Does Cause Growth"

Daron Acemoglu and James Robinson have recently published a great paper where they show how 'switches' in political regimes from autocracy to democracy:

- they look at 175 countries over the period from 1960 to 2010
- they measure 'switches' (i) to democracy and (ii) out of democracy (back to autocracy or dictatorship)
- they estimate the effect of a switch to democracy on growth and prosperity over both short and long periods of time

Acemoglu et al. (2019) "Democracy Does Cause Growth"

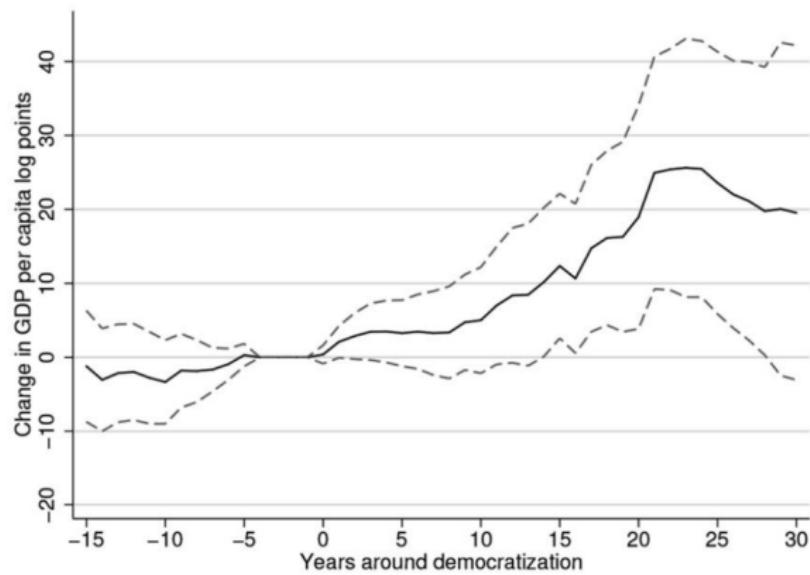


Figure 21: Positive effect of democratizations on subsequent growth. Source: Acemoglu et al. (2019).

Can an autocratic regime be good for growth?

- Authoritarian regimes can potentially be faster in implementing certain types of policies
 - because there is not much parliamentary debates and various opinions taken into account, compared to democracies
- In autocratic regimes, the ruling elite may prefer lower taxation (to maintain own profits high), which can support investment in the short-run
- However, in the long-run, autocracies tend to perform worse because of the self-preservation nature of institutions they implement:
 - Any drastic changes (technological, economic, social) can destabilize the regime
 - Decrease rents of key members of the ruling elite
 - Growth can strengthen opposition
 - Hence autocracies often block market entry, expropriate non-elite members, and so on...

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The conceptual framework of AR (2005, 2012)

Inspired by the ideas and influence of Douglas North, economists Daron Acemoglu and James Robinson have pioneered a new approach to thinking about economic and political institutions

Their approach can be briefly summarized by the following diagram:

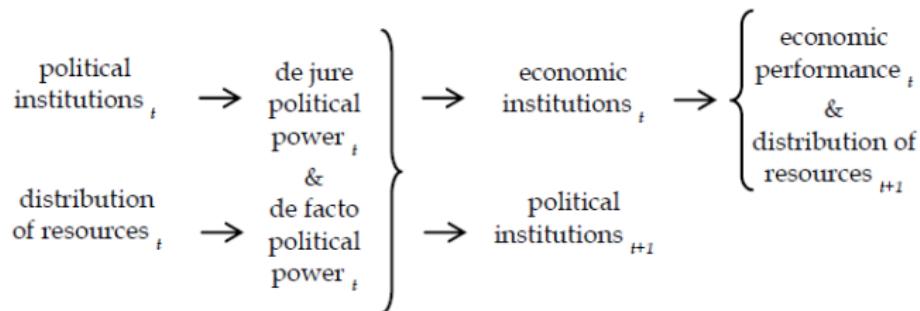


Figure 22: A general framework by Acemoglu and Robinson. Source: Acemoglu et al. (2005).

The conceptual framework of AR (2005, 2012)

This framework is based on the 'social conflict' view:

- various societal groups often have opposing goals (like, new entrants on the markets, and the established firms)
- a group that holds more political power decides on the set of economic institutions (like, entry barriers) to maximize own benefits
- Sometimes, benefits for the ruling group can come at a cost for the economy at large (for example, if the choice is to install high entry barriers)
- Economic outcomes then determine the subsequent distribution of political power...

Example from the Acemoglu et al. (2005): Atlantic Trade

One of the most famous illustrations of this framework in action comes from the effects of cross-Atlantic trade on political and economic institutions in European countries in the 16-18 centuries:

- Atlantic trade expanded massively in the course of 16-18 centuries
 - Atlantic Trade Boom
- Trade was done by small merchants in Britain and Netherlands.
- State monopolies controlled trade in Spain, Portugal and France
- As the result of booming trade, merchants and other non-elite classes gained much more resources in Britain and Netherlands, which forced political and institutional change
- In Spain, Portugal, and France, institutions did not improve

Views on the causal effects of institutions

- Modernization theory from Lipset and others would claim that institutions are the result of development
- The framework of Acemoglu and Robinson suggests that institutions cause development
- Glaeser et al.'s (2004) critique: it's easy to confuse the role of institutions with the role of human capital, culture, and other human traits.

Let's address these ideas one by one

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Modernization theory by Lipset

Seymour Martin Lipset (1922-2006) was an influential sociologist who suggested that democratization is caused by "modernization", which involved changes in

"the factors of industrialization, urbanization, wealth, and education [which] are so closely interrelated as to form one common factor. And the factors subsumed under economic development carry with it the political correlate of democracy" (Lipset, 1959)

- Thus, Lipset claimed that democracies emerge as an end result of industrialization, education, and other 'modernization' processes
- Why would these processes lead to democratization?

Modernization theory by Lipset

Lipset suggested that

- Increasing education and urbanization leads to the formation of cultural 'demand' for democracy
 - people begin to appreciate democratic values: tolerance, mitigation of conflict, etc.
- This demand 'from below' will lead to democratization
- Moreover, equality and strong 'middle class' is very important for democratization (and the middle class emerges only with industrialization and mass education)

Is 'Modernization Theory' supported by the data? The short answer is 'at best partially'.

Is 'Modernization Theory' supported by the data?

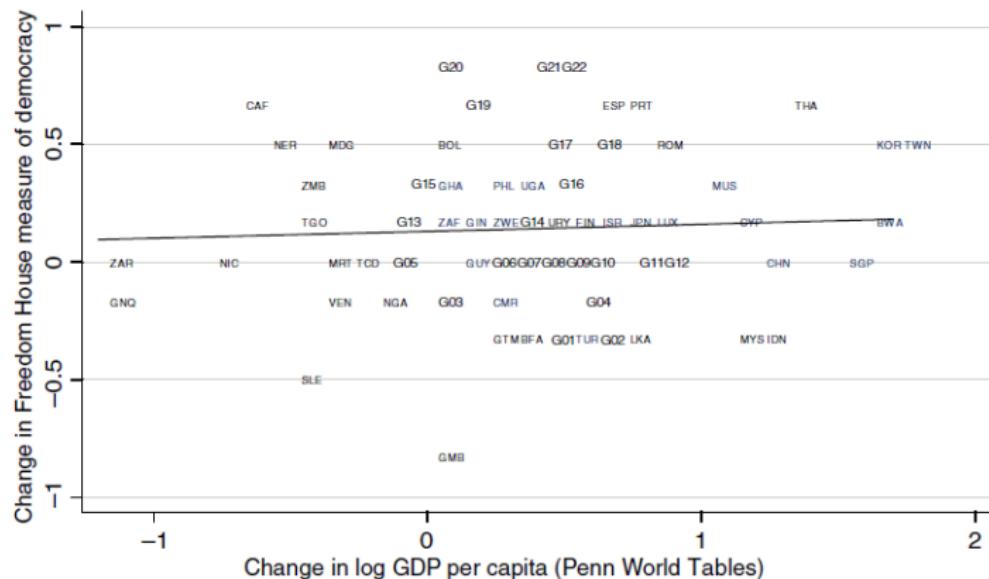


FIGURE 2. CHANGE IN DEMOCRACY AND INCOME, 1970–1995

Figure 23: Changes in GDP per capita and changes in democracy: no effect.
Source: Acemoglu et al. (2008).

Is 'Modernization Theory' supported by the data?

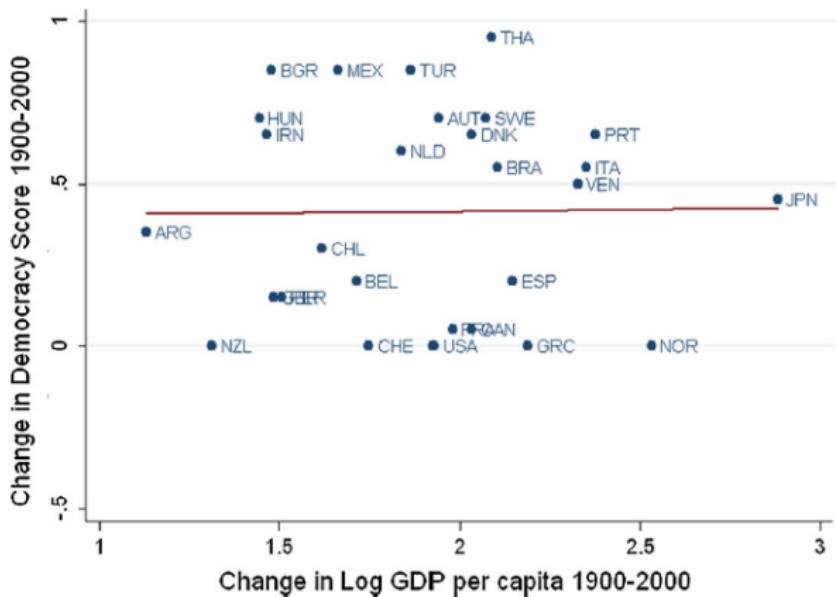


Figure 24: Changes in GDP per capita and changes in democracy: no effect.
Source: Murtin and Wacziarg (2014).

Is 'Modernization Theory' supported by the data?

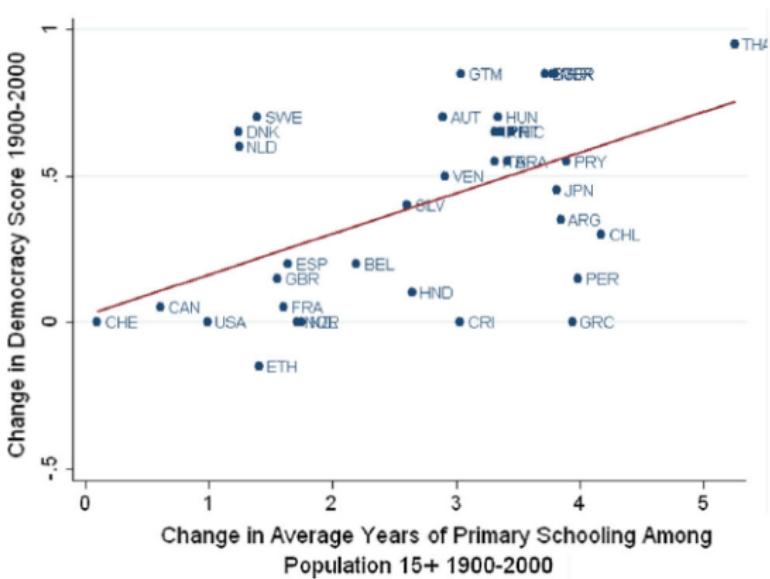


Figure 25: Changes in schooling (human capital) and changes in democracy: a positive effect. Source: Murtin and Wacziarg (2014).

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- Institutions or Culture?

Good institutions cause development and growth?

If rising incomes per capita do not seem to cause democratization, then why do we see a largely positive correlation between democracy and development?

As suggested by Daron Acemoglu and co-authors, institutions cause prosperity (hence "Institutions Rule").

We will review some of the early and more recent evidence for this causal effect.

Acemoglu, Johnson, and Robinson (2001): The Colonial Origins of Comparative Development

This study by AJR (2001) uses the historical 'natural experiment' to show the causal effect of institutions on growth:

- The authors use historical data on settlers' mortality due to infectious diseases back in colonial times
- Colonialists have settled in places where disease environment was better, and installed inclusive institutions there
- In contrast, where disease environment was worse, there were fewer settlers, and extractive institutions were established
- Historical institutions have persisted, to a large extent, till nowadays.
- This exogenous effect of settler mortality on past institutions helps to see a causal effect of institutions on growth.

AJR (2001): Tropical diseases and colonial institutions

(potential) settler mortality \Rightarrow settlements

\Rightarrow early institutions \Rightarrow current institutions

\Rightarrow current performance.

Figure 26: The simplified argument of the AJR (2001). Source: Acemoglu, Johnson, Robinson (2001).

AJR (2001): Tropical diseases and colonial institutions

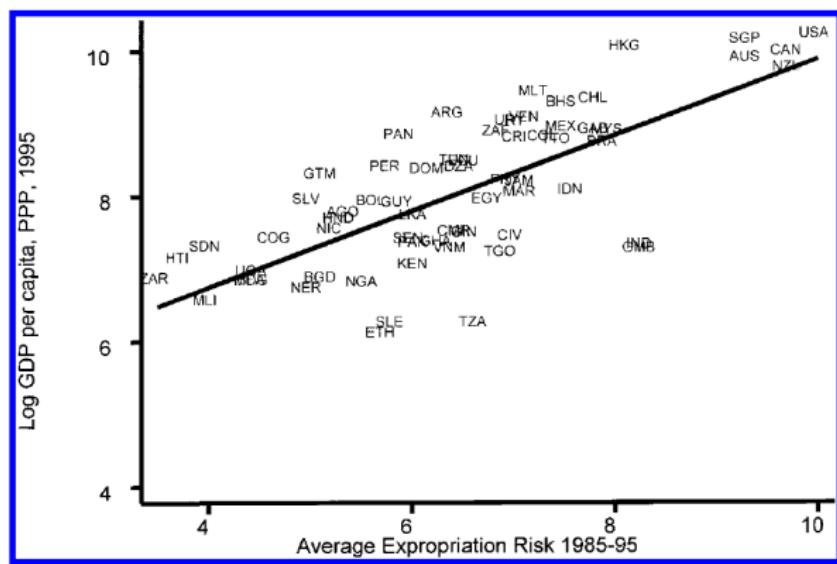


Figure 27: Average Protection against expropriation and GDP per capita. Source: Acemoglu, Johnson, Robinson (2001).

AJR (2001): Tropical diseases and colonial institutions

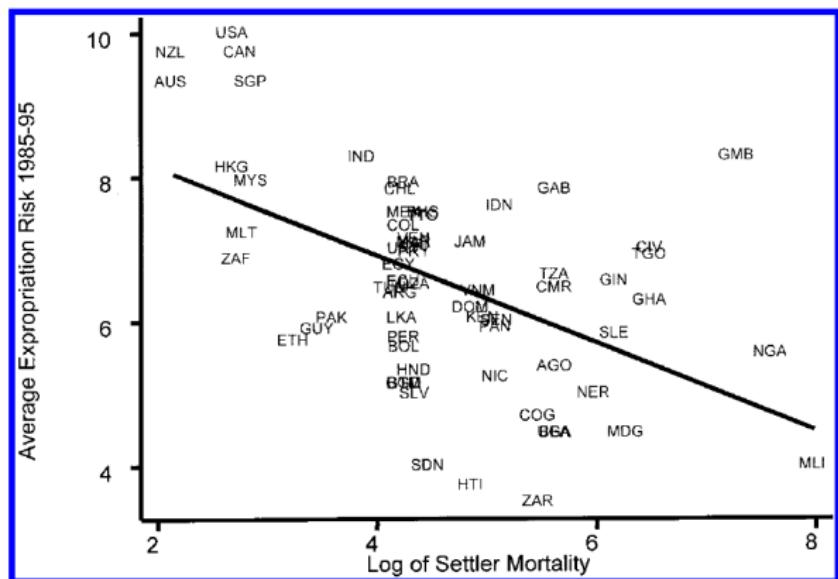


FIGURE 3. FIRST-STAGE RELATIONSHIP BETWEEN SETTLER MORTALITY AND EXPROPRIATION RISK

Figure 28: Average Protection against expropriation and historical settler mortality. Source: Acemoglu, Johnson, Robinson (2001).

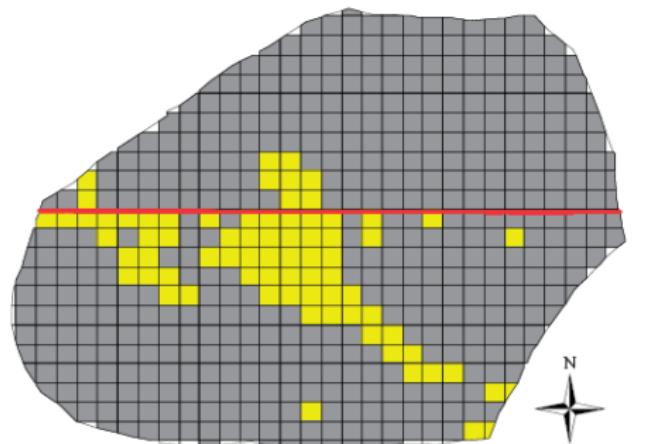
More recent evidence: Michalopoulos and Papaioannou (2014)

The authors make a large step forward in the identification of the causal effects of institutions.

They use

- a novel type of data: nighttime luminosity to measure development at the very granular level Night lights and incomes
- a novel empirical approach to estimate a causal effect of institutions on development in Sub-Saharan Africa
- 'border discontinuities': similar people living on the opposite sides of a border between two countries with very different institutions have large differences in development
- Especially so for places closer to capital cities (where the reach of government institutions is stronger)

More recent evidence: Michalopoulos and Papaioannou (2014)



Ambo Group Partitioned Between Angola and Namibia

- [Grey square] Pixels with Zero Light Density in 07-08
- [Yellow square] Pixels with Positive Light Density in 07-08
- [Red rectangle] Border Between Angola (North) and Namibia (South)

Figure 29: Ambo ethnic homeland partitioned between Angola and Namibia.
Source: Michalopoulos and Papaioannou (2014).

More recent evidence: Michalopoulos and Papaioannou (2014)

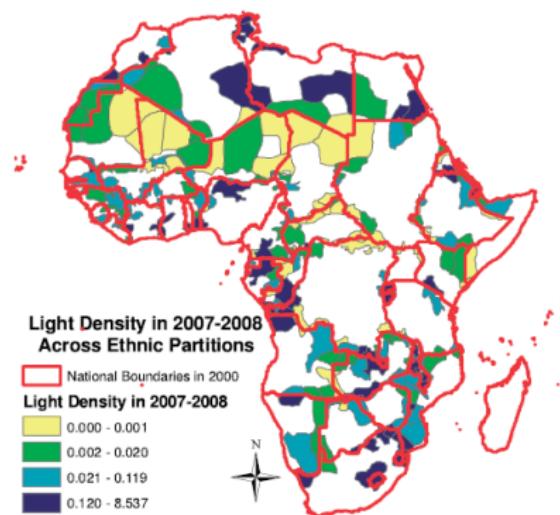


Figure 30: Luminosity across partitioned homelands. Source: Michalopoulos and Papaioannou (2014).

More recent evidence: Michalopoulos and Papaioannou (2014)

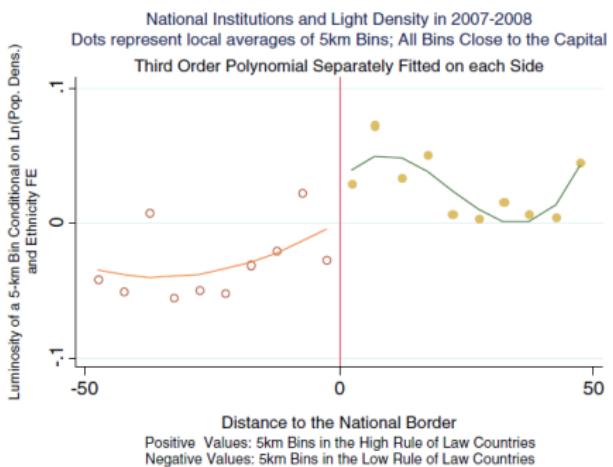


Figure 31: Positive effect of better institutions on luminosity around the border.
Source: Michalopoulos and Papaioannou (2014).

The authors find that this effect is strong for places relatively close to capital cities (absent for places far away from capitals)

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Glaeser et al. (2004): Critique of AJR (2001)

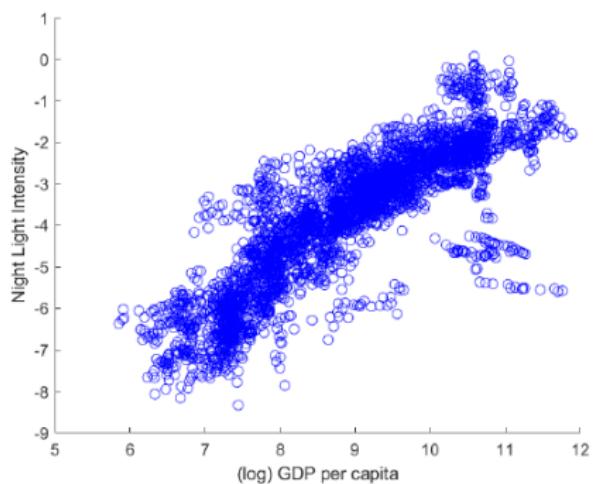
The paper by AJR (2001) shows that institutions *cause* growth and prosperity: colonizers settled in places with favorable environments and set up good institutions that persisted up till today

But where colonizers have settled, they not only brought better institutions, they also brought 'themselves':

- their human capital
- their culture: norms and values that differed from that of locals
- other types of behavior: fertility, savings, etc.

Can we really claim that it is institutions that fostered (or hampered) growth in various colonial countries? Or is it just 'better traits' of 'better cultures'?

Income per capita and nighttime light density



(a) DMSP/OLS 1992-2013

Figure 32: Close correlation between incomes per capita and nighttime lights density. Source: Xu and Yao (2019).

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ICIJ OFFSHORE LEAKS DATABASE

Browse by country Russia

Offshore Entities (11562) Officers (8062) Intermediaries (140) Addresses (5963) Others (1) ⓘ

	Incorporation	Jurisdiction	Linked To	Data From
WAINCOTT HOLDINGS INC.	22-SEP-2005	Bahamas	Russia	Panama Papers
Daisy Asset Management Limited	06-MAR-2007	Bahamas	Russia	Panama Papers
SILVIA GROUP LTD.	25-NOV-1999	Bahamas	Russia	Panama Papers
R & P TRADING LTD.	24-JAN-2000	Bahamas	Russia	Panama Papers
NEWTON SYSTEM LIMITED	03-OCT-1997	Bahamas	Russia	Panama Papers
GITTOSA	31-JUL-2000	Bahamas	Russia	Panama Papers
HANS STOLLE TRADERS GMBH	12-SEP-1995	Bahamas	Russia	Panama Papers
SURETY INVEST LIMITED	07-FEB-1995	Bahamas	Russia	Panama Papers
LONETREE TRADING CORP.	07-FEB-1995	Bahamas	Russia	Panama Papers
FABLED TRADING LTD.	07-FEB-1995	Bahamas	Russia	Panama Papers
PARIDELIS M LTD.	03-FEB-1995	Bahamas	Russia	Panama Papers
MANGROVE GROUP INC.	18-NOV-1993	Bahamas	Russia	Panama Papers
EUROPE TRADING LTD.	20-JUNE-1990	Bahamas	Russia	Panama Papers

FILTER BY DATA SOURCE
All sources ▾

FILTER BY COUNTRY
Russia ▾

FILTER BY JURISDICTION
▪ Antigua and Barbuda
▪ Aruba
▪ Bahamas
▪ Barbados
▪ Belize
▪ Bermuda
▪ British Anguilla
▪ British Virgin Islands

Figure 33: A sample of entries for shadow offshore companies from Russia.
Source: <https://offshoreleaks.icij.org>

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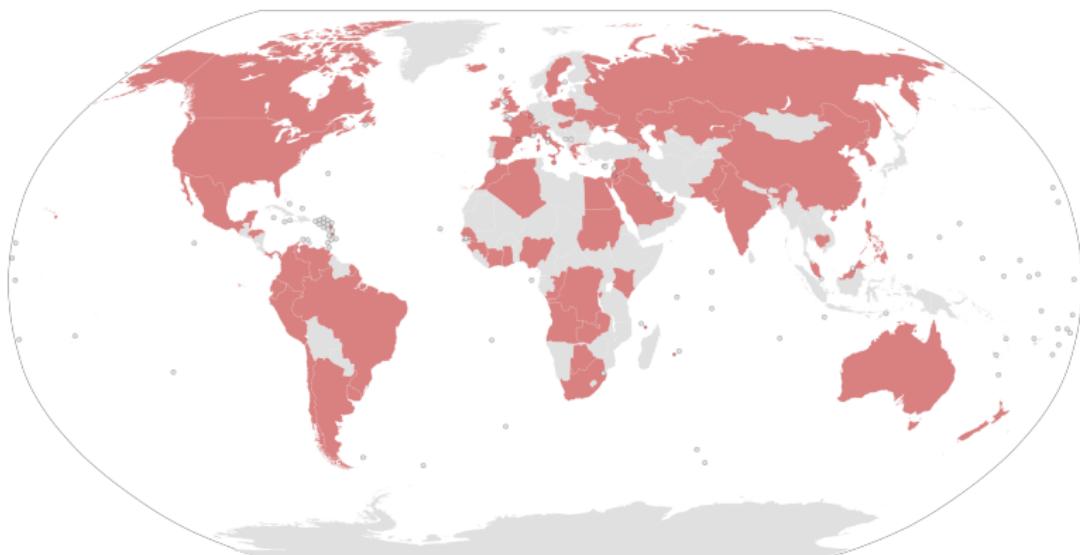


Figure 34: Countries where politicians or public officials were implicated in the leak. Source: <https://offshoreleaks.icij.org> (posted on Wiki)

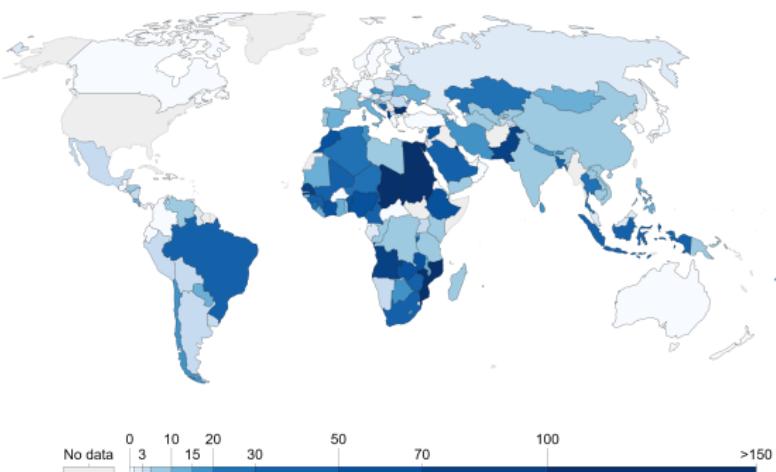
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Measuring corruption: Parking violations by diplomats, by country

Unpaid parking violations per diplomat in New York City by country of origin,
1997-2002

Our World
in Data

Average unpaid annual New York city diplomatic parking violations per diplomat, November 1997 to November 2002



Source: Fisman and Miguel (2007)

OurWorldInData.org/corruption/ • CC BY

Figure 35: Parking violations per diplomat, by country of origin. Source: Fisman and Miguel (2007) (posted on OWID)

Atlantic trade increase

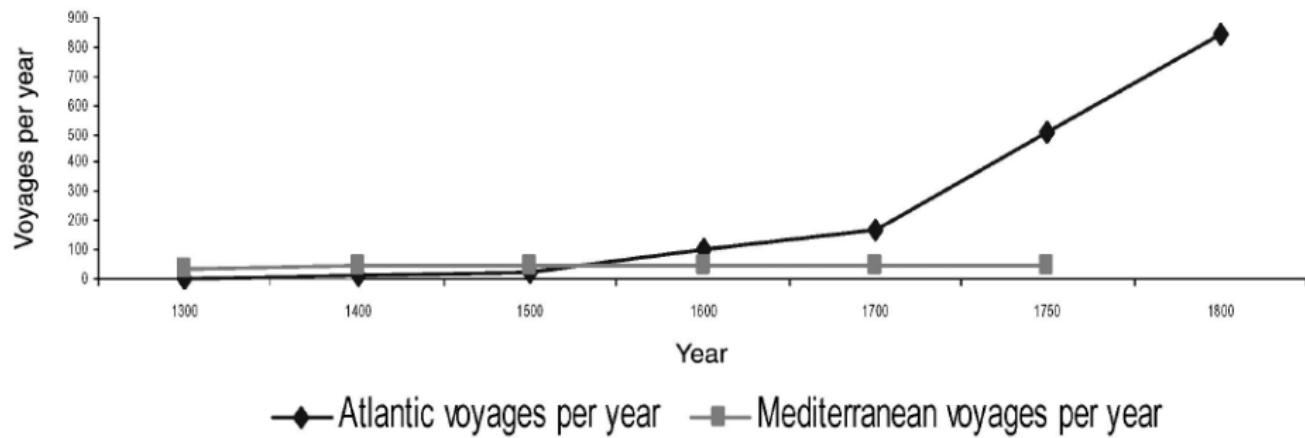


Figure 36: Atlantic trade increase over time. Source: Acemoglu et al. (2005).

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