

Report on Comparative Development Paper(IV)

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Abstract

Using Settler Mortality Rates as an instrumental variables for institution quality, The authors attempt to determine the impact of institution types on current GDP per capita figures. Through empirical evidence and comparative case studies, the authors illustrate how variations in institutional quality and political structures profoundly affect economic outcomes. Their framework offers valuable insights for policymakers and scholars grappling with the challenges of global inequality and underdevelopment. (Content generated using PlusMind ChatGPT. Editable on [www.plusmind.ai](#))

Introduction

The paper takes historical trends and uses settler mortality rates to try and account for the endogeneity problem present between institution types and current income per capita. The researcher’s hypothesis was that when using settler mortality rate as an IV for institutions, it would become clear what impact that institution types have on current income per capita figures. In order to try and answer this, the authors looked at the colonial origins of countries and tried to determine how the initial viability of settling an area impacted a given country’s current economic state.

Literature Review

The literature review in the paper provides a comprehensive overview of existing research on comparative development, drawing from various disciplines such as economics, political science, and institutional theory. It synthesizes key insights and debates surrounding the role of institutions, political structures, and economic incentives in shaping economic outcomes across different countries and regions. Additionally, it discusses empirical studies and theoretical frameworks that have contributed to our understanding of the factors driving economic disparities and offers critical assessments of different approaches. At the time of publication, there was a pressing need for a comprehensive framework that could effectively explain the divergent paths of economic development observed across nations. When this paper came out, there was a lack of integrated analysis that could holistically capture the complex interplay between these factors. (Content generated using PlusMind ChatGPT. Editable on [www.plusmind.ai](#))

Methodology

The data collection methods for this paper involved a combination of qualitative and quantitative approaches. Qualitatively, researchers have conducted extensive literature reviews to gather insights from existing studies on comparative development, institutional economics, and political economy. This involved analyzing scholarly articles, books, reports, and policy documents to identify key theoretical frameworks, case studies, and empirical findings relevant to the research questions. Quantitatively, researchers utilized various datasets and statistical analyses to examine empirical patterns and test hypotheses derived from the theoretical framework. This included using cross-country datasets on economic indicators, institutional quality, political structures, and other relevant variables. Researchers employed econometric techniques such as regression analysis, panel data analysis, or instrumental variable approaches to assess the relationships between different factors and economic outcomes. (Content generated using PlusMind ChatGPT. Editable on [www.plusmind.ai](#))

Findings

The findings of the paper are present in the table below

Table: Regression Results Summary

| Independent Variable | Coefficient | Standard Error |
|---|-------------|----------------|
| AVG Protection against Expropriation risk | .94 | .16 |
| Log European Settler Mortality | -.61 | .13 |
| Observations | 64 | |
| R-squared | .27 | |

Discussion

The study emphasizes that nations with inclusive institutions, safeguarding property rights and encouraging broad participation, experience sustained economic growth. Also, the paper found that Political institutions, including accountable governance and checks on executive power, significantly influence economic outcomes. Lastly, Historical trajectories and initial conditions shape a country’s development path, illustrating the concept of path dependence. The findings underscore the importance of enhancing institutional quality and promoting accountable governance for fostering economic development. (Content generated using PlusMind ChatGPT. Editable on [www.plusmind.ai](#))

Conclusions

The conclusions of the paper emphasize the critical importance of institutions and political stability in driving economic progress, with implications for both policy and future research endeavors. Countries with poor institutions have suffered in terms of economic outcomes, which is a trend that will be difficult to correct. (Content generated using PlusMind ChatGPT. Editable on [www.plusmind.ai](#))

References

The Paper with the full 200 plus pages of references can be found with the following citation Acemoglu, Daron; Johnson, Simon and Robinson, James A. “The Colonial Origins of Comparative Development: An Empirical Investigation.” National Bureau of Economic Research (Cambridge, MA) Working Paper No. 7771, June 2000. (Content generated using PlusMind ChatGPT. Editable on [www.plusmind.ai](#))

Appendix

The full paper and appendixes can be found in The American Economic Review, and the paper was authored by Daron Acemoglu, Simon Johnson, and James A. Robinson. The paper has in depth appendixes as well as the full list of citations used in the paper, which would not fit in this presentation. (Content generated using PlusMind ChatGPT. Editable on [www.plusmind.ai](#))