

Economy and institutions I

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- Check the message **Welcome greeting** published in the News Bulletin Board.
- Dear student please edit your profile uploading a photo where your face is clearly visible.
- The purpose of the virtual meetings is to answer questions and not to make a summary of the study material.
- If you want to participate, please fill out the following survey: Primer corte 30% > Learning Activities > Tu opinión sobre la economía colombiana
- This presentation is based on ([Cardenas 2020, chap. 4](#))



Analyze the role of institutions in the economy



- “Institutions are the rules of the game in a society or, more formally, are the humanly devised constraints that shape human interaction”
(Douglass C. North 1990, 3)
- Institutions can be informal or formal (*Douglass C. North 1991*)
 - **Informal:** sanctions, taboos, customs, traditions, and codes of conduct
 - **Formal:** constitutions, laws, property right



- Governance

- Set of traditions and institutions by which authority in a country is exercised where it includes (**Kaufmann, Kraay, and Mastruzzi 2011, 222**):
 - The process by which governments are selected, monitored and replaced
 - The capacity of the government to effectively formulate and implement sound policies
 - The respect of citizens and the state for the institutions that govern economic and social interactions among them



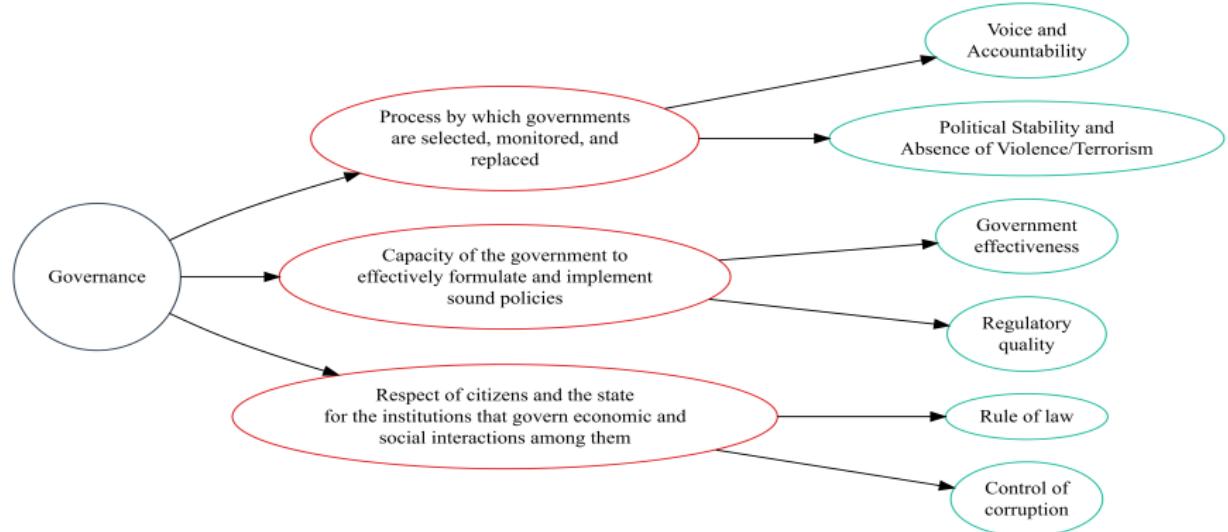


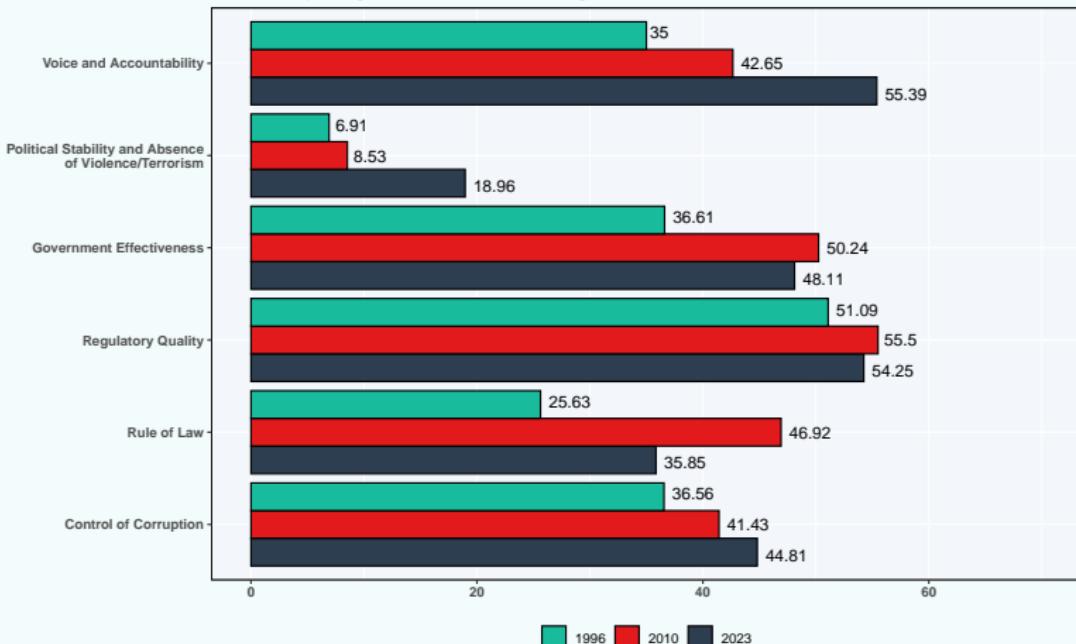
Figure 1: Governance dimensions (Kaufmann, Kraay, and Mastruzzi 2011, 223)



- Where can I find data?
 - Worldwide Governance Indicators (WGI) - WorldBank
 - <https://databank.worldbank.org/source/worldwide-governance-indicators>
- What is the methodology?
 - <https://info.worldbank.org/governance/wgi/> > Documentation



All indicators are expressed as percentile ranks
 Percentile rank indicates the country's rank among all countries covered by the aggregate indicator,
 with 0 corresponding to lowest rank, and 100 to highest rank



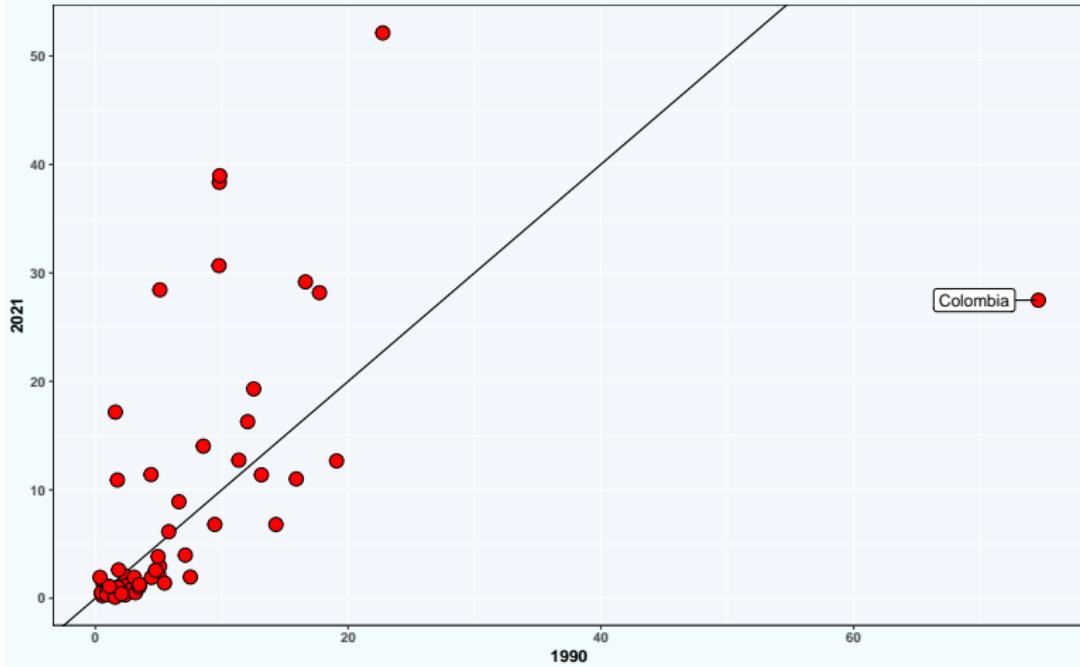
Source: Worldwide Governance Indicators (WGI) – World Bank
 Last update: 2025-01-28

Figure 2: Governance dimensions for Colombia



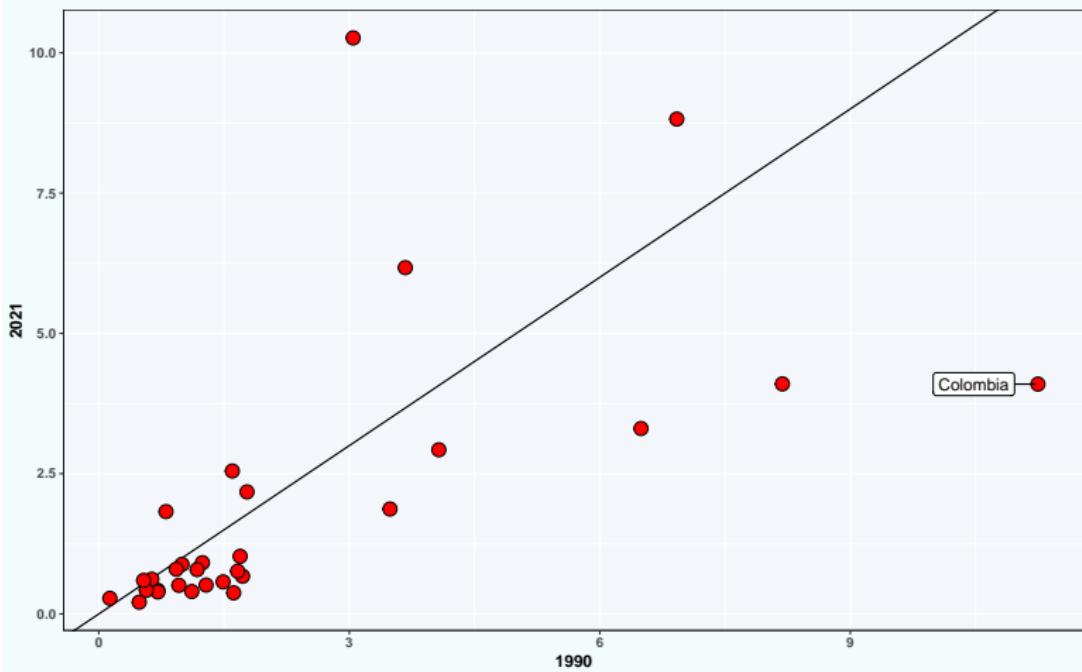
Period: 1990 vs 2021

Number of countries: 66

**Figure 3:** Intentional homicides (per 100,000 people)

Period: 1990 vs 2021

Number of countries: 30



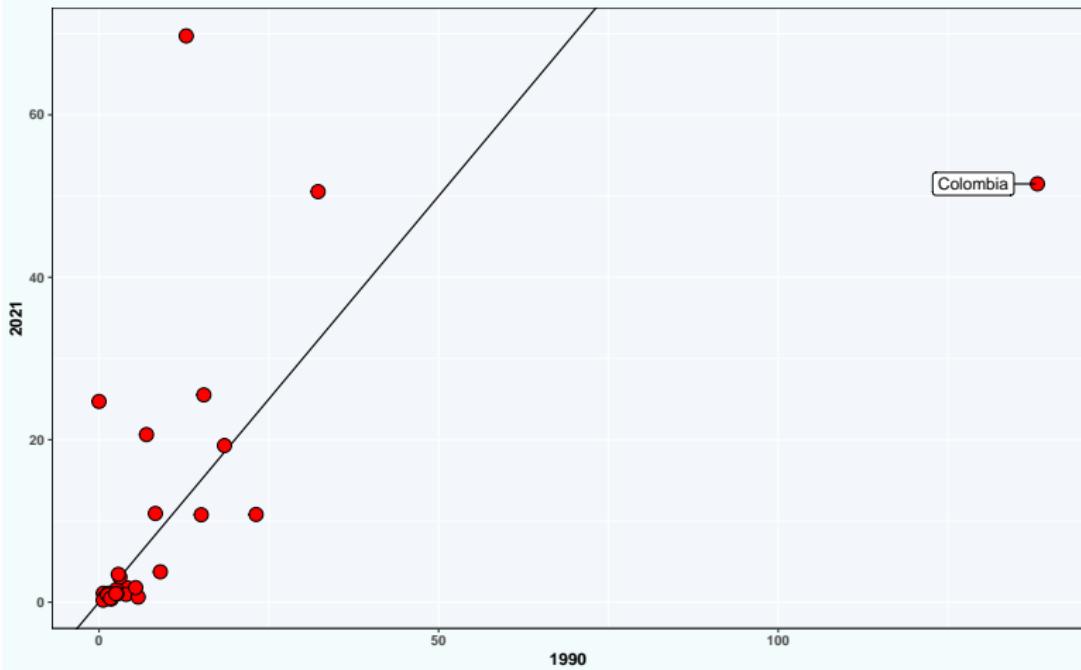
Source: World Development Indicators – World Bank
Last update: 2025-01-28

Figure 4: Intentional homicides, female (per 100,000 female)



Period: 1990 vs 2021

Number of countries: 30

**Figure 5:** Intentional homicides, male (per 100,000 male)

- In Colombia, the **Observatorio de Derechos Humanos y Defensa Nacional** is responsible for producing, consolidating, and analyzing statistical data related to defense and security.
 - For detailed information on definitions and indicators regarding this topic, please refer to ([Defensa Nacional 2024](#)).



Year: 2024

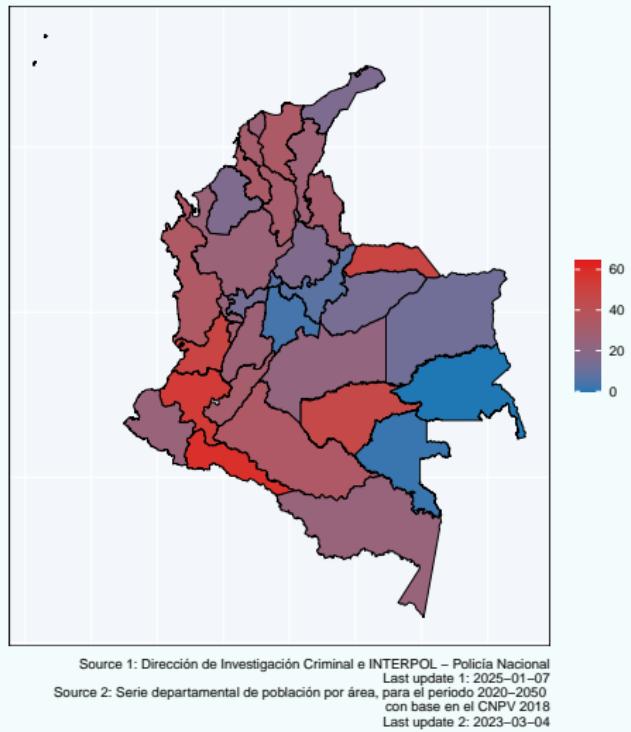


Figure 6: Intentional homicides (per 100,000 people) by department



Year: 2024

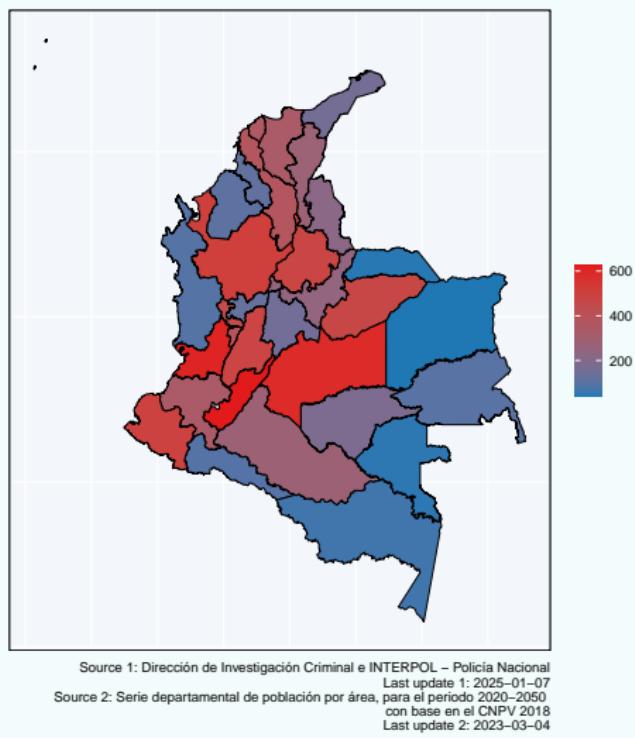


Figure 7: Theft from person¹ (per 100,000 people) by department

¹ *Hurto a personas* in spanish

Year: 2024

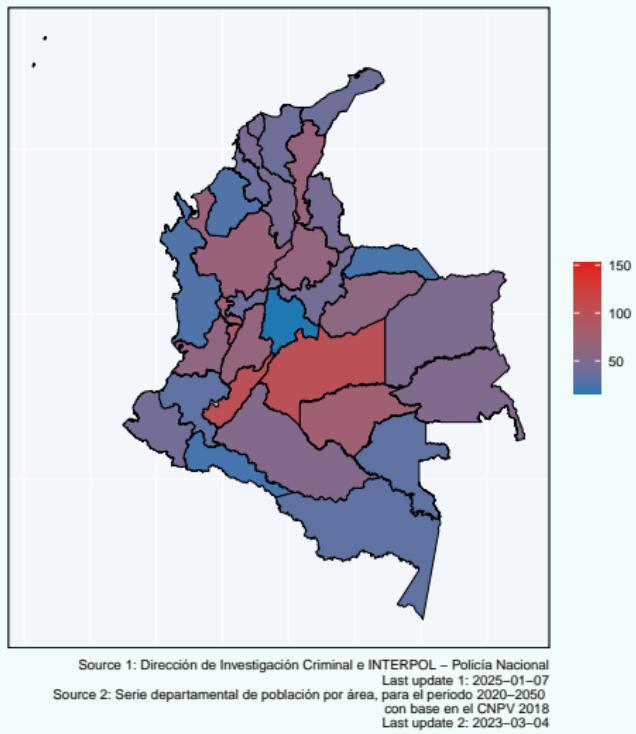


Figure 8: Theft from commercial establishments² (per 100,000 people) by department

²*Hurto a comercio* in spanish

Year: 2024

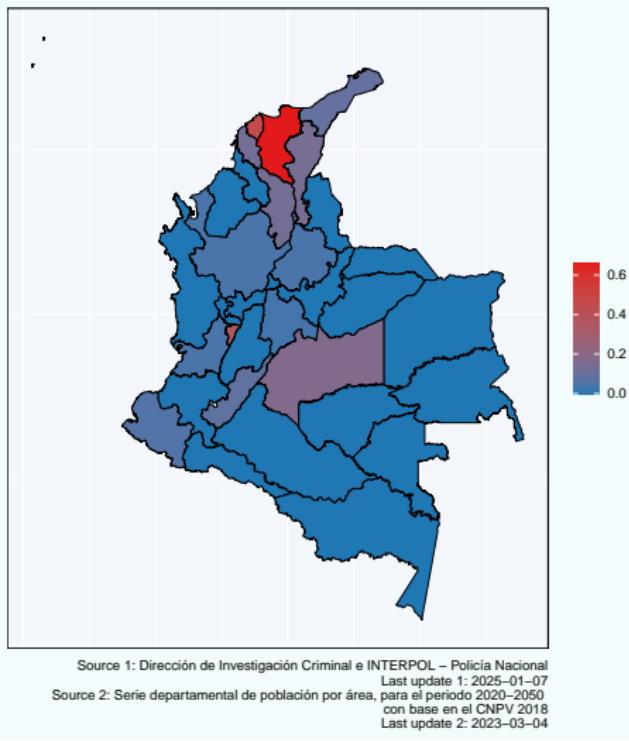
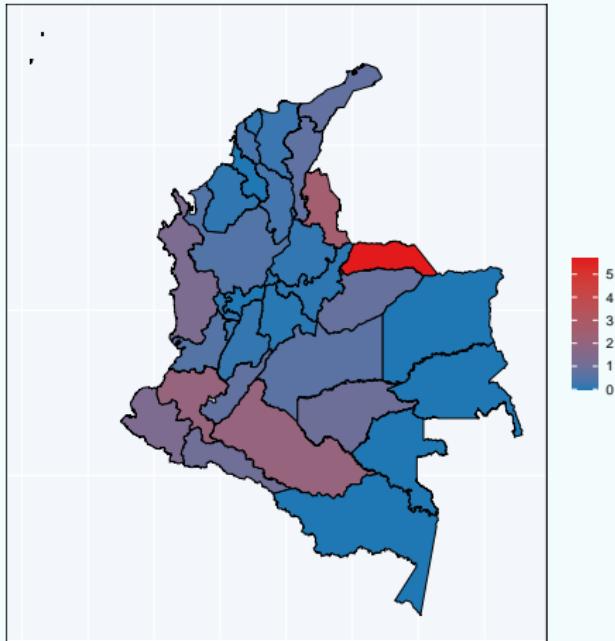


Figure 9: Robbery of Financial Institutions³ (per 100,000 people) by department

³ *Hurto a entidades financieras* in spanish



Year: 2024



Source 1: Dirección de Investigación Criminal e INTERPOL – Policía Nacional

Last update 1: 2025-01-07

Source 2: Serie departamental de población por área, para el periodo 2020–2050
con base en el CNPV 2018

Last update 2: 2023-03-04

Figure 10: Kidnapping (per 100,000 people) by department



- To my family that supports me
- To the taxpayers of Colombia and the **UMNG students** who pay my salary
- To the **Business Science** and **R4DS Online Learning** communities where I learn **R** and **π-thon**
- To the **R Core Team**, the creators of **RStudio IDE**, **Quarto** and the authors and maintainers of the packages **tidyverse**, **wbstats**, **tidyquant**, **janitor**, **ggrepel**, **sf** and **tinytex** for allowing me to access these tools without paying for a license
- To the **Linux kernel community** for allowing me the possibility to use some **Linux distributions** as my main **OS** without paying for a license



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