
Literature Report

张晨峰, 华东理工大学商学院

Abstract

How important are human capital, physical capital and total factor productivity for determining state economic growth in the United States, 1840–2000?

- Journal of Economic Growth---2013---Chad Turner,Robert Tamura,Sean Mulholland

This paper introduces new data on state-level physical capital by sector and land in the farm sector for the states of the United States from 1840 to 2000. These data are incorporated into aggregate accounting exercises with the aim of comparing cross-state results to those found in cross-country samples. Our aggregate results agree closely with the cross-country literature: input accumulation accounts for most of output growth, between three-fifths and three-quarters, but variation in the growth of TFP accounts for about three-quarters of the variation in the growth rate of output per worker. In convergence accounting, convergence of log TFP accounts for about seventy percent of the observed convergence in log output per worker. Copyright Springer Science+Business Media New York 2013

Luddites, the industrial revolution, and the demographic transition

- Journal of Economic Growth---2013---Kevin O’ Rourke,Ahmed Rahman,Alan Taylor,Kevin Hjortshøj O’Rourke

Technological change was unskilled-labor-biased during the early industrial revolution, but is skill-biased today. This implies a rich set of non-monotonic macroeconomic dynamics which are not embedded in extant unified growth models. We present historical evidence and develop a model which can endogenously account for these facts, where factor bias reflects profit-maximizing decisions by innovators. In a setup with directed technological change, and fixed as well as variable costs of education, initial endowments dictate that the early industrial revolution be unskilled-labor-biased. Increasing basic knowledge then causes a growth takeoff, an income-led demand for fewer but more educated children, and a transition to skill-biased technological change in the long run. Copyright Springer Science+Business Media New York 2013

The past and future of knowledge-based growth

- Journal of Economic Growth---2013---Holger Strulik,Klaus Prettnner,Alexia Fürnkranz-Prskawetz

This paper consolidates two previously disconnected

literatures. It integrates R&D-based innovations into a unified growth framework with micro-founded fertility and schooling behavior. The theory suggests a refined view on the human factor in productivity growth. It helps to explain the historical emergence of R&D-based growth and the subsequent emergence of mass education and the demographic transition. The model predicts that the erstwhile positive correlation between population growth and innovative activity turns negative during economic development. This “population-productivity reversal” explains why innovative modern economies are usually characterized by low or negative population growth. Because innovations in modern economies are based on the education of the workforce, the medium-run prospects for future economic growth—when fertility is going to be below replacement level in virtually all developed countries—are better than suggested by conventional R&D-based growth theories. Copyright Springer Science+Business Media New York 2013

Seeds of distrust: conflict in Uganda

- Journal of Economic Growth---2013---Dominic Rohner,Mathias Thoenig,Fabrizio Zilibotti

We study the effect of civil conflict on social capital, focusing on Uganda’ s experience during the last decade. Using individual and county-level data, we document large causal effects on trust and ethnic identity of an exogenous outburst of ethnic conflicts in 2002–2005. We exploit two waves of survey data from Afrobarometer (Round 4 Afrobarometer Survey in Uganda, 2000 , 2008), including information on socioeconomic characteristics at the individual level, and geo-referenced measures of fighting events from ACLED. Our identification strategy exploits variations in the both the spatial and ethnic intensity of fighting. We find that more intense fighting decreases generalized trust and increases ethnic identity. The effects are quantitatively large and robust to a number of control variables, alternative measures of violence, and different statistical techniques involving ethnic and spatial fixed effects and instrumental variables. Controlling for the intensity of violence during the conflict, we also document that

post-conflict economic recovery is slower in ethnically fractionalized counties. Our findings are consistent with the existence of a self-reinforcing process between conflicts and ethnic cleavages. Copyright Springer Science+Business Media New York 2013

Can specific policy indicators identify reform priorities?

- Journal of Economic Growth---2013---Aart Kraay,Norikazu Tawara

Several detailed cross-country datasets measuring specific policy indicators relevant to business regulation and government integrity have been developed in recent years. The promise of these indicators is that they can be used to identify specific reforms that policymakers and aid donors can target in their efforts to improve the regulatory and institutional environment. Doing so, however, requires evidence on the partial effects of the many specific policy choices reflected in such datasets. In this paper we use Bayesian model averaging (BMA) to document the cross-country partial correlations between detailed policy indicators and several measures of regulatory and institutional outcomes. We find major instability in the set of policy indicators identified by BMA as important partial correlates of similar outcomes: specific policy indicators that matter for one outcome are, on average, not important correlates of other closely-related outcomes. This finding illustrates the difficulties in using highly-specific policy indicators to identify reform priorities using cross-country data. Copyright Springer Science+Business Media New York 2013

Legacies of violence: trust and market development

- Journal of Economic Growth---2013---Alessandra Cassar,Pauline Grosjean,Sam Whitt

We study the effect of individual exposure to civil conflict on trust and preferences for market participation. We conducted behavioral experiments and surveys among 426 randomly selected individuals more than a decade after the end of the Tajik civil war. We

find that exposure to violence undermines trust within localities, decreases the willingness to engage in impersonal exchange, and reinforces kinship-based norms of morality. The effect is strongest where infighting was most severe and where political polarization is high. Robustness of the results to the use of pre-war controls, village fixed effects, and alternative samples suggest that selection into victimization is unlikely to explain the results. Copyright Springer Science+Business Media New York 2013

Parasitical cultures? The cultural origins of institutions and development

- Journal of Economic Growth---2013---Robbert Maseland

Do cultural attitudes affect institutions and economic performance? This paper suggests they do. To measure the impact of cultural attitudes we use prevalence rates of the common parasite *Toxoplasma gondii* which is known to affect individual attitudes and societal values in predictable ways. By using prevalence rates of *Toxoplasma* as instrument for cultural variation, we are able to isolate the effects of cultural attitudes on institutions, distinguishing them from effects of institutions and economic outcomes on culture. We find that our indicators of cultural attitudes are significant determinants of institutional quality, and strong predictors of long-run economic performance. Copyright Springer Science+Business Media New York 2013

Federal regulation and aggregate economic growth

- Journal of Economic Growth---2013---John Dawson, John Seater

We introduce a new time series measure of the extent of federal regulation in the U.S. and use it to investigate the relationship between federal regulation and macroeconomic performance. We find that regulation has statistically and economically significant effects on aggregate output and the factors that produce it—total factor productivity (TFP), physical capital, and labor. Regulation has caused substantial reductions

in the growth rates of both output and TFP and has had effects on the trends in capital and labor that vary over time in both sign and magnitude. Regulation also affects deviations about the trends in output and its factors of production, and the effects differ across dependent variables. Regulation changes the way output is produced by changing the mix of inputs. Changes in regulation offer a straightforward explanation for the productivity slowdown of the 1970s. Qualitatively and quantitatively, our results agree with those obtained from cross-section and panel measures of regulation using cross-country data. Copyright Springer Science+Business Media New York 2013

Geography, institutions, and the making of comparative development

- Journal of Economic Growth---2013---Raphael Auer

While the direct impact of geographic endowments on prosperity is present in all countries, in former colonies, geography has also affected colonization policies and, therefore, institutional outcomes. Using non-colonized countries as a control group, I re-examine the theories put forward by La Porta et al. (J Law Econ Org 15(1):222–279, 1999 and Acemoglu et al. (Am Econ Rev 91(5), 1369–1401, 2001). I find strong support for both theories, but also evidence that the authors' estimates of the impact of colonization on institutions and growth are biased, since they confound the effect of the historical determinants of institutions with the direct impact of geographic endowments on development. In a baseline estimation, I find that the approach of Acemoglu et al. (2001) overestimates the importance of institutions for economic growth by 28 %, as a country's natural disease environment affected settler mortality during colonization and also has a direct impact on prosperity. The approach of La Porta et al. (1999) underestimates the importance of colonization-imposed legal origin for institutional development by 63 %, as Britain tended to colonize countries that are remote from Europe and thus suffer from low access to international markets. Copyright Springer Science+Business Media New York 2013

The farm, the city, and the emergence of social security

- Journal of Economic Growth---2013---Elizabeth Caucutt,Thomas Cooley,Nezih Guner

We study the social, demographic and economic origins of social security. The data for the U.S. and for a cross section of countries suggest that urbanization and industrialization are associated with the rise of social insurance. We describe an OLG model in which demographics, technology, and social security are linked together in a political economy equilibrium. In the model economy, there are two locations (sectors), the farm (agricultural) and the city (industrial) and the decision to migrate from rural to urban locations is endogenous and linked to productivity differences between the two locations and survival probabilities. Farmers rely on land inheritance for their old age and do not support a pay-as-you-go social security system. With structural change, people migrate to the city, the land loses its importance and support for social security arises. We show that a calibrated version of this economy, where social security taxes are determined by majority voting, is consistent with the historical transformation in the United States. Copyright Springer Science+Business Media New York 2013

Basic research, openness, and convergence

- Journal of Economic Growth---2013---Hans Gersbach,Maik Schneider,Olivier Schneller

We study a model where economic growth is fueled by public basic-research investment and the importation of leading technology from foreign countries. In each period, the government chooses the amount of basic research, balancing the costs and benefits of stimulating growth through both channels. We establish the existence of steady states and the long-run share of technologically advanced sectors in the economy. Then we explore how different degrees of openness affect long-term incentives to invest in basic research. Our main insight is that higher openness tends to encourage more investment in basic research, which, in turn, yields a larger share of leading sectors. If, however,

there are prospects of importing major technology advances, highly open countries will reduce basic research as such imports become particularly valuable. Copyright Springer Science+Business Media, LLC 2013

Measuring human development: a stochastic dominance approach

- Journal of Economic Growth---2013---Mehmet Pinar,Thanasios Stengos,Nikolas Topaloglou

We consider a weighting scheme that yields a best-case scenario for measured human development such as the official equally-weighted Human Development Index (HDI) using an approach that relies on consistent tests for stochastic dominance efficiency. We compare the official equally-weighted HDI to all possible indices constructed from a set of individual components to obtain the most optimistic scenario for development. In the best-case scenario index education is weighted considerably more than the other two components, per capita income and life expectancy, relative to the weight that it gets in the official equally-weighted index. It also turns out that the improvement in the official HDI is mainly driven by improvements over time in the education index, the component moving fastest relative to its targets, when compared with per capita income and life expectancy. We find that the best-case scenario hybrid index leads to a marked improvement of measured development over time when compared with the official equally-weighted HDI. Copyright Springer Science+Business Media, LLC 2013

Do better schools lead to more growth? Cognitive skills, economic outcomes, and causation

- Journal of Economic Growth---2012---Eric Hanushek,Ludger Woessmann

We develop a new metric for the distribution of educational achievement across countries that can further track the cognitive skill distribution within countries and over time. Cross-country growth regressions generate a close relationship between educational achievement and GDP growth that is remarkably stable across

extensive sensitivity analyses of specification, time period, and country samples. In a series of now-common microeconomic approaches for addressing causality, we narrow the range of plausible interpretations of this strong cognitive skills-growth relationship. These alternative estimation approaches, including instrumental variables, difference-in-differences among immigrants on the U.S. labor market, and longitudinal analysis of changes in cognitive skills and in growth rates, leave the stylized fact of a strong impact of cognitive skills unchanged. Moreover, the results indicate that school policy can be an important instrument to spur growth. The shares of basic literates and high performers have independent relationships with growth, the latter being larger in poorer countries. Copyright Springer Science+Business Media, LLC 2012

The economic value of virtue

- Journal of Economic Growth---2012---Fabio Mariani

This paper analyzes the interaction between socioeconomic factors and the value and prevalence of female virginity. Using a simple model of the marriage market, in which premarital chastity is an important factor influencing spouse selection, we show that the prevalence of virginity increases with male inequality, social fluidity, overall economic development, the gender gap and, under certain conditions, social status. We also build a dynamic version of the model, showing that it can reproduce both the emergence and the subsequent decline of chastity in favor of a more widespread practice of premarital sex. The implications of our theory are consistent with some historical and cross-cultural evidence. Copyright Springer Science+Business Media, LLC 2012

The long-run determinants of fertility: one century of demographic change 1900–1999

- Journal of Economic Growth---2012---Dierk Herzer,Holger Strulik,Sebastian Vollmer

We examine the long-run relationship between fertility, mortality, and income using panel cointegration

techniques and the available data for the last century. Our main result is that mortality changes and growth of income contributed to the fertility transition. The fertility reduction triggered by falling mortality, however, is not enough to overcompensate the positive effect of falling mortality on population growth. This means that growth of income per capita is essential to explain the observed secular decline of population growth. These results are robust to alternative estimation methods, potential outliers, sample selection, different measures of mortality, the sample period, the inclusion of education as an explanatory variable, and the use of different data sets. In addition, our causality tests suggest that fertility changes are both cause and consequence of economic development. Copyright The Author(s) 2012

Warfare, fiscal capacity, and performance

- Journal of Economic Growth---2012---Mark Dincecco,Jose Prado

We exploit differences in casualties sustained in pre-modern wars to estimate the impact of fiscal capacity on economic performance. In the past, states fought different amounts of external conflicts, of various lengths and magnitudes. To raise the revenues to wage wars, states made fiscal innovations, which persisted and helped to shape current fiscal institutions. Economic historians claim that greater fiscal capacity was the key long-run institutional change brought about by historical conflicts. Using casualties sustained in pre-modern wars to instrument for current fiscal institutions, we estimate substantial impacts of fiscal capacity on GDP per worker. The results are robust to a broad range of specifications, controls, and sub-samples. Copyright Springer Science+Business Media, LLC 2012

The evolution of markets and the revolution of industry: a unified theory of growth

- Journal of Economic Growth---2012---Klaus Desmet,Stephen Parente

This paper puts forth a theory of the Industrial Revolution whereby an economy transitions from Malthusian

stagnation to modern economic growth as firms implement cost-reducing production technologies. This take-off of industry occurs once the market reaches a critical size. The mechanism by which market size affects process innovation relies on two overlooked facts pre-dating England's Industrial Revolution: the expansion in the variety of consumer goods and the increase in firm size. We demonstrate this mechanism in a dynamic general equilibrium model calibrated to England's long-run development, and explore how various factors affected the timing of its industrialization. Copyright Springer Science+Business Media, LLC 2012

Investing in public investment: an index of public investment efficiency

- Journal of Economic Growth---2012---Era Dabla-Norris,Jim Brumby,Annette Kyobe,Zac Mills,Chris Papageorgiou

Pritchett (J Econ Growth 5:361–384, 2000) convincingly argued that the difference between investment cost and capital value is of first-order empirical importance especially for developing countries where public investment is the primary source of investment. This paper constructs a public investment efficiency index that captures the institutional environment underpinning public investment management across four different stages: project appraisal, selection, implementation, and evaluation. Covering 71 countries, including 40 low-income countries, the index allows for benchmarking across regions and country groups and for nuanced policy-relevant analysis and identification of specific areas where reform efforts could be prioritized. Research applications are outlined. Copyright Springer Science+Business Media, LLC 2012

The roots of ethnic diversity

- Journal of Economic Growth---2012---Pelle Ahlerup,Ola Olsson

Markets and jungles

- Journal of Economic Growth---2012---Thomas Gall,Paolo Masella

Evaluating the effects of entry regulations and firing costs on international income differences

- Journal of Economic Growth---2012---Hernan Moscoso Boedo,Toshihiko Mukoyama

Do brain drain and poverty result from coordination failures?

- Journal of Economic Growth---2012---David de la Croix,Frédéric Docquier

History's a curse: leapfrogging, growth breaks and growth reversals under international borrowing without commitment

- Journal of Economic Growth---2012---Raouf Boucekine,Patrick Pintus

A polarization-cohesion perspective on cross-country convergence

- Journal of Economic Growth---2012---Gordon Anderson,Oliver Linton,Teng Wah Leo

On the link between volatility and growth

- Journal of Economic Growth---2011---Olaf Posch,Klaus Wälde

The network structure of economic output

- Journal of Economic Growth---2011---Ricardo Hausmann,Cesar Hidalgo

The agricultural basis of comparative development

- Journal of Economic Growth---2011---Dietrich Vollrath

The stability and breakup of nations: a quantitative analysis

- Journal of Economic Growth---2011---Klaus Desmet, Michel Breton, Ignacio Ortuno-Ortín, Shlomo Weber

A contribution to the theory and empirics of Schumpeterian growth with worldwide interactions

- Journal of Economic Growth---2011---Cem Ertur, Wilfried Koch

Optimal research and development and the cost of business cycles

- Journal of Economic Growth---2011---Galo Nuño Barrau

Life expectancy and economic growth: the role of the demographic transition

- Journal of Economic Growth---2011---Matteo Cervellati, Uwe Sunde

Innovations, patent races and endogenous growth

- Journal of Economic Growth---2011---Joseph Zeira

Leisure goods, education attainment and fertility choice

- Journal of Economic Growth---2011---Galindev Ragchaasuren

Flows of people, flows of ideas, and the inequality of nations

- Journal of Economic Growth---2011---Thomas Andersen, Carl-Johan Dalgaard

Tariffs and economic growth in the first era of globalization

- Journal of Economic Growth---2011---Moritz Schularick, Solomos Solomou

Parental nurturing and adverse effects of redistribution

- Journal of Economic Growth---2011---Debasis Bandyopadhyay, Xueli Tang

Four centuries of British economic growth: the roles of technology and population

- Journal of Economic Growth---2010---Jakob Madsen, James Ang, Rajabrata Banerjee

The role of mortality in the transmission of knowledge

- Journal of Economic Growth---2010---Michael Bar, Oksana Leukhina

The Galor–Weil gender-gap model revisited: from home to market

- Journal of Economic Growth---2010---Masako Kimura, Daishin Yasui

The trade-off between fertility and education: evidence from before the demographic transition

- Journal of Economic Growth---2010---Sascha Becker, Francesco Cinnirella, Ludger Woessmann

Cross-country variation in educational attainment: structural change or within-industry skill upgrading?

- Journal of Economic Growth---2010---Lutz Hendricks

Pacifying monogamy

- Journal of Economic Growth---2010---Nils-Petter Lagerlof

2010

The power of the family

- Journal of Economic Growth---2010---Alberto Alesina, Paola Giuliano

The Green Solow model

- Journal of Economic Growth---2010---William Brock,M. Scott Taylor

Wealth inequality and credit markets: evidence from three industrialized countries

- Journal of Economic Growth---2010---Markus Brückner,Kerstin Gerling,Hans Grüner

Do international labor standards contribute to the persistence of the child-labor problem?

- Journal of Economic Growth---2010---Matthias Doepke,Fabrizio Zilibotti

A macroeconomic perspective on Knowledge Management

- Journal of Economic Growth---2010---Mathias Thoenig,Thierry Verdier

Mortality change, the uncertainty effect, and retirement

- Journal of Economic Growth---2010---Sebnem Kalemli-Ozcan,David Weil