Analytic Narratives: 
Research Methods in Economic History, Political Economy and Development

Provincial Syllabus

Professor: Mark Koyama
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This course is an advanced graduate course in economics. This course is designed to help students carry out research using the analytical narratives approach—a combination of economic theory, narrative, and empirical evidence that is distinct from standard approaches in applied economics. The aim of the course is to provide graduate students with the tools to conduct their own research. I interpret the concept of analytical narratives broadly and we will explore a range of approaches (including more conventional empirical papers in economic history, political economy and development. This course is particularly relevant for students interested in pursuing research in economic history, new institutional economics, development economics and political economy.

For many graduate students (including myself), the hardest part of a PhD is the transition from consuming research to producing it. This course is aimed at helping you bridge that gap.

I have taught this class for the past two years and it was largely successful. However, based on suggestions from students last year I have modified the structure of the course somewhat. I have also overhauled the reading list.

We will also examine some other topics where this approach has been useful in generating new insights. For example: how can trade take place in the absence of the state or a functioning legal system? How did states emerge? Why can political order breakdown? How do religious or cultural values interact with economic incentives? We will combine insights from theoretical models with empirical and historical case studies.

While the original aim of the course was to try to write papers in the analytical narrative tradition, I have expanded the scope of the course to include papers which use empirical methods more extensively. Those who are still unsure of what an analytical narrative is can refer to:

- Avner Greif, Cliometrics after 40 years, The American Economic Review 87, Nr. 2 1997;


1Also see reviews of this volume J. Elster, Rational choice history: A case of excessive ambition 2000 and Peter Boettke, Book Review of Robert Bates, Avner Greif, Margaret Levi, Jean-Laurent Rosenthal and Barry
I argue that to write papers in the analytical narrative style we have to read papers that use more sophisticated models and econometrics.

I intend to teach the “tools” required to follow this course as I go. These include some modeling approaches, and some topics that you might run into on a course in applied econometrics (identification, IVs, regression discontinuity analysis etc.).

The list of readings that I refer to is very extensive. However, many of these papers will be familiar to you from other courses either in development, economic history or institutional economics. I require you to read the starred readings in order to come to class and it is these papers that I will focus on. The other readings are there to help you in your research and things I think you should have read. One feature of this course is that I try to focus on recent papers rather than classics in order to help you get to the research frontier.

Although many of the examples I study come from economic history, this is not an economic history class per se. Students no background in history should be able to catch-up relatively quickly. There are numerous general introductions to European economic history.²

Readings

Each week there will be several required readings. There will be an essential set of readings (denoted by key readings) which I expect you all to complete before each seminar and a set of background readings. The main purpose of the background readings is to provide you with further references that will be useful when it comes to writing your papers. Starred readings will be assigned for student presentations.

- Students are expected to read and be able to discuss all of the starred readings during class. Each week two students will be assigned a paper to discuss. I expect you to prepare some simple slides in order to discuss each paper (bring these to class on a flash drive).

- This combined with a class room research presentation at the end of the semester determines 40% of the grade.

- Each student will produce a 20–25 page paper by the end of the semester. This determines the remaining 60% of the grade.

• I strongly recommend all students attend the Public Choice Seminar each week as this is where many relevant empirical papers in

The class will consist of a mixture of student presentation and discussion of papers and formal lectures. I may add and remove readings throughout the semester.

Presentations

Each week a student will be assigned to present several papers. This involves writing slides and presenting the paper for around 10-15 minutes in order to set up the class discussion. These slides should be uploaded to the class dropbox folder. They should summarize the paper and include the most important results, tables or graphs. Model your slides after the discussant slides you see at conferences like EHA. You can use powerpoint but I recommend you invest time in Beamer as this has become the industry standard for younger economists.

The Paper

Each student has to produce a research paper for this course. Ideally this paper should be written specifically for this course in conjunction with advise and comments from me. In practice, it is sometimes the case that students develop for this course a paper that they have already been working on or that they have written for another class. If this is the case then the student has to discuss this with me and show me the state of the paper at the beginning of the semester. I’ll agree to allowing the student to use the paper for this course if they can convince me that it is of sufficient interest and promise.

The paper can be on any topic but it needs to be approved by me. I suggest that students attempt to integrate either a formal or a verbal model into their analysis.

I suggest that students write papers in Latex. Again this has become the industry standard. It looks more professional than Word and it is better suited for typesetting equations.
1 Readings

1.1 Institutions: January 19th


• Melissa Dell, The Persistent Effects of Peru’s Mining Mita, *Econometrica* 78, Nr. 6 November 2010


• Daron Acemoglu et al., The Consequences of Radical Reform: The French Revolution, *American Economic Review* 101, Nr. 7 December 2011*


Background reading


1.2 Human capital and Growth January 26th


• Francesco Acunto, Innovation and Investment: The Role of Basic Education September 2014*


• Oded Galor, Omer Moav and Dietrich Vollrath, Inequality in Landownership, the Emergence of Human-Capital Promoting Institutions, and the Great Divergence, *Review of Economic Studies* 76, Nr. 1 2009*


**Background reading**


### 1.3 Culture and Persistence: February 2nd


• Pauline Grosjean and Rose Khattar, It’s Raining Men! Hallelujah?, Discussion Papers 2014-29 School of Economics, The University of New South Wales, June 2014*


### 1.4 State Origins: February 9th

Key readings:
• Robert C. Allen, Agriculture and the Origins of the State in Ancient Egypt, *Explorations in Economic History* 34, Nr. 2 April 1997
• Boaz Moselle and Benjamin Polak, A Model of a Predatory State, *Journal of Law, Economics, & Organization* 17, Nr. 1 2001
• Matthew Baker, Erwin Bulte and Jacob Weisdorf, The origins of governments: from anarchy to hierarchy, *Journal of Institutional Economics* 6, Nr. 02 June 2010
• Joram Mayshar, Omer Moav and Zvika Neeman, Geography, Transparency and Institutions, CEPR Discussion Papers 9625 C.E.P.R. Discussion Papers, September 2013
• Jeanet Sinding Bentzen, Nicolai Kaarsen and Asger Moll Wingender, Irrigation and Autocracy, Discussion Papers 12-06 University of Copenhagen. Department of Economics, July 2012

Background


1.5 Geography and Climate: February 16th

• Ola Olsson and Gustav Hansson, Country size and the rule of law: Resuscitating Montesquieu, *European Economic Review* 55, Nr. 5 2011
• Diego Comin, William Easterly and Erick Gong, Was the Wealth of Nations Determined in 1000 BC?, *American Economic Journal: Macroeconomics* 2, Nr. 3 July 2010
• Ruben Durante, Risk, Cooperation and the Economic Origins of Social Trust: an Empirical Investigation, MPRA Paper 25887 University Library of Munich, Germany, October 2009
• James Fenske and Namrata Kala, Climate, Ecosystem Resilience and the Slave Trade January 2013
1.6 State Capacity: February 23rd

Key readings:

• Valerie Bockstette, Areendam Chanda and Louis Putterman, States and Markets: The Advantage of an Early Start, *Journal of Economic Growth* 7, Nr. 4 December 2002


• Mark Dincecco and Mauricio Prado, Warfare, fiscal capacity, and performance, *Journal of Economic Growth* 17, Nr. 3 September 2012

• Mark Dincecco and Gabriel Katz, State Capacity and Long-Run Performance, MPRA Paper 38299 University Library of Munich, Germany, April 2012

• Gary W. Cox, Douglass C. North and Barry Weingast, The Violence Trap: A Political-Economic Approach to the Problems of Development Working Paper August 2013*

• James Fenske, Ecology, trade and states in pre-colonial Africa, MPRA Paper 27203 University Library of Munich, Germany, December 2010*

• Nicola Gennaioli and Ilia Rainer, The modern impact of precocious centralization in Africa, *Journal of Economic Growth* 12, Nr. 3 September 2007

Background readings:


• Joel Mokyr and John V. C. Nye, Distribution Coalitions, the Industrial Revolution, and the Origins of Economics Growth in Britain, *Southern Economic Journal* 74, Nr. 1 July 2007
1.7 Conflict: March 2nd

Key readings:

- James Fenske and Namrata Kala, 1807: Economics shocks, conflict and the slave trade July 2014
- Philip T. Hoffman, Why Was It Europeans Who Conquered the World?, The Journal of Economic History 72, Nr. 03, September 2012

Background readings:

- Frederic C. Lane, Economic Consequences of Organized Violence, The Journal of Economic History 18, Nr. 4, 1958

1.8 Autocracy: March 9th


Background readings:

- Mancur Olson, Dictatorship, Democracy, and Development, American Political Science Review 87, 1993

1.9 Persecutions: March 23rd

Key readings:


• R. Warren Anderson, Noel D. Johnson and Mark Koyama, From the Persecuting to the Protective State? Jewish Expulsions and Weather Shocks, 1100–1800 February 2013


1.10 **Europe Verses China March 30**


• Chiu Yu Ko, Mark Koyama and Tuan-Hwee Sng, Unified China; Divided Europe January 2014

Background readings:


1.11 **Trade, Institutions and Organized Crime: April 6**


• Peter T. Leeson, The Laws of Lawlessness, *The Journal of Legal Studies* 38, Nr. 2 06 2009

• David Skarbeck, Governance and Prison Gangs, *American Political Science Review* 105, Nr. 4 2011
• Avinash Dixit, Trade Expansion and Contract Enforcement, *Journal of Political Economy* 111, Nr. 6 December 2003

### 1.12 Student Research Presentations: April 20th

### 1.13 Student Research Presentations: April 27th

### 1.14 Feedback on Research Papers: May 4th

### References


Acento, Francesco: Innovation and Investment: The Role of Basic Education September 2014, memo


Bentzen, Jeanet Sinding, Kaarsen, Nicolai and Wingender, Asger Moll: Irrigation and Autocracy, *Journal of Economic History* 64, Nr. 2 April 1997, 391–419


Dell, Melissa: The Persistent Effects of Peru’s Mining Mita, *Econometrica* 78, Nr. 6 November 2010, 1863–1903
Dincecco, Mark and Katz, Gabriel: State Capacity and Long-Run Performance, MPRA Paper 38299 University Library of Munich, Germany, April 2012
Dincecco, Mark and Prado, Mauricio: Warfare, fiscal capacity, and performance, *Journal of Economic Growth* 17, Nr. 3 September 2012, 171–203
Durante, Ruben: Risk, Cooperation and the Economic Origins of Social Trust: an Empirical Investigation, MPRA Paper 25887 University Library of Munich, Germany, October 2009
Fenske, James: *Ecology, trade and states in pre-colonial Africa*, MPRA Paper 27203 University Library of Munich, Germany, December 2010
Fenske, James and Kala, Namrata: Climate, Ecosystem Resilience and the Slave Trade January 2013, memo
Galor, Oded, Moav, Omer and Vollrath, Dietrich: Inequality in Landownership, the Emergence of Human-Capital Promoting Institutions, and the Great Divergence, *Review of Economic Studies* 76, Nr. 1 2009, 143–179


Hariri, Jacob Gerner: The Autocratic Legacy of Early Statehood, American Political Science Review 106 8 2012, 471–494


Ko, Chiu Yu, Koyama, Mark and Sung Tuan-Hwee: Unified China; Divided Europe January 2014, memo.


Mayshar, Joram, Moav, Omer and Neeman, Zvika: Geography, Transparency and Institutions, CEPR Discussion Papers 9625 C.EPR. Discussion Papers, September 2013


Mokyr, Joel and Nye, John V. C.: Distribution Coalitions, the Industrial Revolution, and the Origins of Economics Growth in Britain, Southern Economic Journal 74, Nr. 1 July 2007, 59–70


Nunn, Nathan: The Long-Term Effects of Africa’s Slave Trades, Quarterly Journal of Economics, Vol 123, Nr. 1 2008, pg. 139–176


Olson, Maneu: Dictatorship, Democracy, and Development, American Political Science Review 87 1993, 567–576

Olsson, Ola and Hansson, Gustav: Country size and the rule of law: Resuscitating Montesquieu, European Economic Review 55, Nr. 5 2011, 613 – 629


Skarbeck, David: *Governance and Prison Gangs*, *American Political Science Review* 105, Nr. 4 2011, 702–716


