Institutions and Historical Development

Academic Year: (2019 / 2020) **Review date: 06-11-2019**

Department assigned to the subject:

Coordinating teacher: DOMENECH FELIU, JORDI

Type: Electives ECTS Credits : 6.0

Year : 2 Semester : 1

OBJECTIVES

COMPETENCIES:
Core Competences

Possess and understand knowledge that provides a basis or opportunity to be original in the development and/or application of ideas, often in a research context.
Students know how to apply their acquired knowledge and problem-solving skills in new or unfamiliar settings within broader (or multidisciplinary) contexts related to their field of study.
Students are able to integrate knowledge and face the complexity of making judgments based on incomplete or limited information that includes reflections on the social and ethical responsibilities linked to the application of their knowledge and judgments.
Students know how to communicate their conclusions and the knowledge and the reasons behind them to both specialised and non-specialised audiences in a clear and unambiguous way.
Students possess the learning skills that will enable them to continue studying in a way that will be largely self-directed or autonomous.

General Competences

Understand the main analytical tools from institutional economics or economic history.
Evaluate and compare the different contributions to important debates in economic history, economic development and the new institutional economy from an analytical, methodological and empirical point of view.
Plan and carry out an autonomous research programme in some field of economic history, economic development and the new institutional economy.
Evaluate the internal logic of a scientific publication, examining the consistency between theory, analytical strategy, indicators, results and conclusions.
Understand and know how to synthesize the main theories into one or more contemporary debates in the social sciences.
Develop a scientific argument with clarity and precision.
Know how to apply advanced quantitative techniques in specific research projects.
Develop a research design that allows general hypotheses to be tested.

Specific Competences

To apply models from Economic Science or other Social Sciences to the understanding of the processes of historical change and long-term development.
To determine the impact of institutions and legal systems on economic activity and development.
To apply formal models in the study of strategic decisions, negotiation and delegation processes and collective action phenomena.

Learning outcomes

1. Understanding of the concept of institutions as an analytical tool for the study of historical societies and their long-term development, ability to evaluate advantages and problems of using such an analytical category.
2. Ability to analyze the historical determinants of institutional legacies and their effect on development.
3. Ability to understand the determinants of institutional change.
4. Development of advanced capacities to identify sources and empirical evidence for the study of

institutions and their effect on the development of economies in the long term, as well as understanding of the main methodological and empirical problems of using such empirical evidence.
5. Ability to evaluate empirical research that establishes causal relationships between an economy's institutional legacy and its long-term economic development.
6. Ability to autonomously formulate and plan an independent research project on the role of institutions in long-term development.

DESCRIPTION OF CONTENTS: PROGRAMME

1. Long-term growth and development
2. Introduction to the Institutions. Theoretical concepts, the New Institutional Economy
3. Coase's theorem, transaction costs, property rights
4. Enterprise and markets, vertical integration, mass production
5. Community institutions, social norms, culture
6. The development of the state. State and markets
7. Historical legacies (colonialism, wars, legal systems)

LEARNING ACTIVITIES AND METHODOLOGY

TRAINING ACTIVITIES

Theoretical class
Practical classes
Tutorials
Individual student work

TEACHING METHODS

Presentations in the professor's lecture room with computer and audiovisual support, in which the main concepts of the subject are developed and a bibliography is provided to complement the students' learning.
Critical reading of texts recommended by the subject professor:
Press articles, reports, manuals and/or academic articles, either for later discussion in class, or to expand and consolidate knowledge of the subject.
Resolution of practical cases, problems, etc. raised by the professor, either individually or in a group.
Presentation and discussion in class, under the moderation of the professor, of topics related to the content of the subject, as well as practical case studies.
Developing pieces of work and reports, individually or in group.

ASSESSMENT SYSTEM

Participation in class 20%
Individual or group work carried out during the course 40%
Final Exam 40%

BASIC BIBLIOGRAPHY

- Barzel, Y. The Economic Analysis of Property Rights, Cambridge University Press, 1997
- Eggertsson, Th. Economic Behavior and Institutions, Cambridge U. Press, 1990
- Lal, D. Unintended consequences: the impact of factor endowments, Culture, and Politics on Long-Run Performance, MIT Press, 2001
- North, D., J. Wallis, B. Weingast Violence and Social Order, Cambridge University Press, 2009
- North, DC Structure and Change in Economic History, Cambridge University Press, 1981

ADDITIONAL BIBLIOGRAPHY

- Coase, R. The Firm, the Market and the Law, University of Chicago Press, 1988
- Harris, J, J. Hunter, and CM Lewis The New Institutional Economics and Third World Development, Routledge, 1997
- Krul, M. The New Institutionalist Economic History of Douglas North, Palgrave, 2018
- Meier, S., JE Rauch Leading issues in Economic Development, Cambridge U. Press, 2005
- North, DC Institutions, Institutional Change and Economic Performance, Cambridge University Press, 1990