

# Cultural & Institutional Economics

## Optional Course

Teaching block preference: 3 or 4

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## 1 Description

How do cultural norms and institutions affect development and economic outcomes?

This course aims at studying the impacts of non-market factors, such as social institutions, on economic behaviors and economic development outcomes (like human capital, labor force participation, or political outcomes), considering sociological and historical factors. It is designed to provide students with an introduction to cultural and institutional economics.

The course examines different papers which explore the role of geography, history, institutions, and culture, for development and for shaping beliefs/behaviors, studying cross and within country differences in economic outcomes. In a second part, the course also investigates how interventions and public policies and change behaviors and norms.

At the end of the course student will be able to: critically compare the different hypotheses on the role of institutions and culture for economic development, analyze the impacts of culture and religion across time and space on beliefs and their consequences on economic development, and study some interventions aiming at reducing inequalities such as gender inequalities.

**Keywords:** Development, Inequality, Culture, Institutions, Gender.

## 2 Content Summary

We will study several themes related to culture, institutions and economic outcomes, and explore papers on related topics.

- The impact of culture on economic outcomes ([Guiso et al., 2006](#); [Giuliano and Nunn, 2017](#); [Martin et al., 2002](#); [Schuler and Islam, 2008](#); etc.)
- The impact of geography/climate on development outcomes ([BenYishay et al., 2017](#); [Alesina et al., 2013](#); [Becker, 2018](#); etc.)
- The impact of social institutions on development outcomes ([Grosjean and Khattar, 2019](#); [Ashraf et al., 2019](#), etc.)
- The impact of religion on behaviors and beliefs ([Voigtländer and Voth, 2012](#); [Voigtländer and Voth, 2015](#); [Satyanath et al., 2017](#); etc.)

- The impact of historical shocks (forced migration) on human capital ([Becker et al., 2020](#); [Bauer et al., 2013](#))
- The persistence of social institutions ([Nunn, 2008](#); [Dell, 2010](#); [Nunn and Wantchekon, 2011](#); [Michalopoulos and Papaioannou, 2016](#), etc.)
- The impacts of public policies such as gender quotas on gender equality ([Beaman et al., 2012](#); [Beaman et al., 2011](#); [Chattopadhyay and Duflo, 2004](#), etc.)
- The study of interventions aiming at changing beliefs/behaviors on economic outcomes ([Blattman et al., 2017](#); [Baranov et al., 2020](#); [Heller et al., 2017](#); [Dhar et al., 2022](#))

### 3 Grading

The first assignment is an oral exam: a 20-25 min presentation and critique of one paper among a proposed list, related to the topics (50% of the grade).

The second assignment is a written exam: a critical and analytical review of 4 pages presenting the main results of a paper (to be chosen in a list), how the research question is addressed, the motivation of the authors, and a critical/analytical review (robustness of the findings and identification strategy, extensions and potential improvements) (50% of the grade).

### References

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