

THEORY OF ECONOMIC GROWTH (Economics 185)

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Recommended textbooks:

Weil, D. N., 2004, [*Economic Growth*](#), Addison and Wesley.

Galor, O., 2006, *Unified Growth Theory*, Princeton University Press, forthcoming.

I. The Process of Development over the Course of Human History

1. Historical Evidence

Cameron, R., 1989, [*A Concise Economic History of the World from Paleolithic Times to the Present*](#), Oxford University Press.

Diamond, J., 1997, [*Guns, Germs, and Steel: The Fates of Human Societies*](#), Norton.

Galor, O., 2005, "From Stagnation to Growth: Unified Growth Theory", in *Handbook of Economic Growth*, North-Holland.

Livi-Bacci, M., 1997, [*A Concise History of World Population*](#), Blackwell.

Maddison, A., 2001, [*The World Economy: A Millennial Perspective*](#), OECD.

Mokyr, J., 1990, [*The Lever of Riches*](#), Oxford University Press.

2. The Malthusian and the Post-Malthusian Regimes

Malthus, T. R., 1798, [*An essay on the principle of population*](#).

Kremer, M., 1993, "Population Growth: 1 Million B.C. to the Present", *Quarterly Journal of Economics*, 108, 681-716.

3. The Demographic Transition

3.1. Overview and Empirical Assessment of Existing Theories

Galor, O., 2005, "From Stagnation to Growth: Unified Growth Theory", in *Handbook of Economic Growth*, North-Holland.

3.2. The Decline in Infant and Child Mortality

Galor, O., 2005, "From Stagnation to Growth: Unified Growth Theory", in *Handbook of Economic Growth*, North-Holland.

3.3. The Rise in Income

Becker, G.S., 1981, [*A Treatise on the Family*](#), Harvard University Press.

3.4. Luck

Becker, G. S., K. M. Murphy, and R. Tamura, 1990, "Human Capital, Fertility, and Economic Growth", *Journal of Political Economy*, 98, S12-S37.

3.5. The Old-Age Security Hypothesis

Caldwell, W. J., 1976, "Toward a Restatement of Demographic Transition Theory", *Population and Development Review*, 2: 321-66.

3.6. The Gender Gap

Galor, O. and D. Weil, 1996, "The Gender Gap, Fertility and Growth", *American Economic Review*, 86, 374-387.

3.7. The Rise in the Return to Human Capital

Galor, O. and D. Weil, 2000, "Population, Technology, and Growth: From the Malthusian Regime to the Demographic Transition and Beyond", *American Economic Review*, 89, 806-828.

4. Modern Growth

4.1. Exogenous Growth Models

Solow, R. M., 1956, "A Contribution to the Theory of Economic Growth", *Quarterly Journal of Economics*, 70, 65-94.

4.2. Endogenous Growth Models

Romer, P., 1990, "Endogenous Technological Change", *Journal of Political Economy*, 98, 71-102.

Aghion, P. and P. Howitt, 1992, "A Model of Growth through Creative Destruction", *Econometrica*, 60, 323-353.

5. Unified Theories:

5.1. Overview

Galor, O., 2005, "From Stagnation to Growth: Unified Growth Theory" in *Handbook of Economic Growth*, North-Holland.

5.2. Unified Theories

Galor, O. and D. Weil, 2000, "Population, Technology, and Growth: From the Malthusian Regime to the Demographic Transition and Beyond," *American Economic Review*, 89, 806-828.

Hansen G. and E. Prescott, 2002, "Malthus to Solow", *American Economic Review*, 92, 1205-1217.

5.3. Quantitative Examinations

Lagerlof, N., 2006, "The Galor-Weil Model Revisited: A Quantitative Exploration", *Review of Economic Dynamics*, 9, 116-142.

6. Divergence and Overtaking

6.1. General Evidence

Quah, D. 1997, "Empirics for Growth and Distribution: Stratification, Polarization, and Convergence Clubs", *Journal of Economic Growth*, 2, 27-60.

Pritchett, L., 1997, "Divergence, Big Time," *Journal of Economic Perspectives*, 11 (Fall), 3-17.

Jones, C. I., 1997, "On the Evolution of the World Income Distribution," *Journal of Economic Perspectives*, 11 (Fall), 19-36.

6.2 The Role of Institutions

North, D. C., 1981, [*Structure and Change in Economic History*](#), W.W. Norton & Co.

Landes, D.S., 1969, [*The Unbound Prometheus. Technological Change and Industrial Development in Western Europe from 1750 to the Present*](#), Cambridge University Press.

Parente, S. and E.C. Prescott (2000), [*Barriers to Riches*](#), MIT Press.

Acemoglu, D., S. Johnson and J. A. Robinson (2002), "Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution", *Quarterly Journal of Economics*, 117: 1231-1294.

6.3. The Role of Geography

Jones, E.L., 1981, [*The European Miracle: Environments, Economies and Geopolitics in the History of Europe and Asia*](#), Cambridge University Press.

Diamond, J., 1997, [*Guns, Germs, and Steel: The Fates of Human Societies*](#), Norton.

6.4. The Role of Human Capital

Glaeser, E.L., R. La Porta, F. Lopez-de-Silanes and A. Shleifer, 2004, "Do Institutions Cause Growth?", *Journal of Economic Growth*, 9: 271-303.

Galor, O., Moav O. and D. Vollrath, 2006, "Inequality in Land Ownership, the Emergence of Human Capital Promoting Institutions and the Great Divergence".

Galor O. and A. Mountford, 2006, "Trade and the Great Divergence: The Family Connection", *American Economic Review*, 96, 229-303.

Galor O. and A. Mountford, 2004, "Trading Population for Productivity".

II. Human Evolution and Economic Growth

1. Background Reading

Dawkins R., 1989, [*The Selfish Gene*](#), Oxford University Press.

2. Evolution and Growth

Galor O. and O. Moav, 2002, "Natural Selection and the Origin of Economic Growth", *Quarterly Journal of Economics*, 117.

Galor O. and O. Moav, 2005, "Natural Selection and the Evolution of Life Expectancy".

Galor O. and S. Michalopoulos, 2006, "The Evolution of Entrepreneurial Spirit and the Process of Development".

III. Income Distribution and Economic Growth

1. The Classical Theories

Kuznets, S., 1955, "Economic Growth and Income Equality", *American Economic Review*, 45, 1-28.

Kaldor, N., 1956, "Alternative Theories of Distribution", *Review of Economic Studies*, 23, 83-100.

2. The Modern Theories

2.1. The Capital Markets Imperfections Approach

Galor, O. and J. Zeira, 1993, "Income Distribution and Macroeconomics", *Review of Economic Studies*, 60, 35-52.

2.2. The Socio-Political Economy Approach

Alesina A. and D. Rodrik, 1994, "Distributive Politics and Economic Growth", *Quarterly Journal of Economics*, 465-490.

Persson T. and G. Tabellini, 1994, "Is Inequality Harmful for Growth? Theory and Evidence", *American Economic Review*, 84, 600-621.

3. Empirical Evidence

Perotti, R., 1996, "Democracy, Income Distribution and Growth: What the Data Says", *Journal of Economic Growth*, 1, 149-187.

4. Reconciliation between Classical and Modern Theories

Galor, O and O. Moav, 2004, "From Physical to Human Capital Accumulation: Inequality in the Process of Development", *Review of Economic Studies*, 71 1001-1026.

IV. Technological Progress and Wage Inequality

1. Empirical Evidence

Katz, L. F. and K. M. Murphy, 1992, "Changes in Relative Wages 1963-1987: Supply and Demand Factors", *Quarterly Journal of Economics*, 107, 35-78.

2. Macro Theories

Caselli, F., 1999, "Technological Revolution", *American Economic Review*, 89, 78-102.

Acemoglu, D., 1998, "Why Do New Technologies Complement Skills? Directed Technical Change and Wage Inequality", *Quarterly Journal of Economics*, 113, 1055-1089.

Galor, O. and O. Moav, 2000, "Ability biased Technological Transition, Wage Inequality and Economic Growth", *Quarterly Journal of Economics*, 115, 469-498.