

Economics 762
Fall 2009
Final Reading List

I. Economic Growth and Development

I.A. General

- * Barro, Robert J. (1991). "Economic Growth in a Cross-Section of Countries," *Quarterly Journal of Economics*; 407–43.
- Barro, Robert J. (1997). *Determinants of Economic Growth: A Cross-Country Empirical Study*, MIT Press.
- Barro, Robert J. and Xavier Sala-i-Martin (2004). *Economic Growth*, MIT Press.
- Bernard, Andrew and Steven Durlauf (1996). "Interpreting Tests of the Convergence Hypothesis," *Journal of Econometrics* 71; 161–73.
- Bollinger, Christopher R. and Jenny Minier (2009). "On the Robustness of Coefficient Estimates to the Inclusion of Proxy Variables," manuscript.
- Brock, William, and Steven Durlauf (2001). "Growth Empirics and Reality," *World Bank Economic Review* 15; 229–72.
- Easterly, William and Sergio Rebelo (1993). "Fiscal policy and economic growth: An empirical investigation," *Journal of Monetary Economics* 32(3); 417–58.
- Jones, Charles I. (1997). "On the Evolution of the World Income Distribution," *Journal of Economic Perspectives* 11(3); 19–36.
- Kremer, Michael (1993). "Population Growth and Technological Change: One Million B.C. to 1990," *Quarterly Journal of Economics* 108(3); 681–716.
- * Levine, Ross, and David Renelt (1992). "A Sensitivity Analysis of Cross-Country Growth Regressions," *American Economic Review* 82; 942–63.
- * Mankiw, N. Gregory, David Romer, and David N. Weil (1992). "A Contribution to the Empirics of Economic Growth," *Quarterly Journal of Economics* 107(2); 407–37.
- * Minier, Jenny (2007). "Nonlinearities and Robustness in Growth Regressions," *American Economic Review* 97(2); 388–92.
- Sala-i-Martin, Xavier (1997). "I Just Ran Two Million Regressions," *American Economic Review* 87(2); 178–83.

- Sala-i-Martin, Xavier, Gernot Doppelhofer, and Ronald I. Miller (2004). “Determinants of Long-Term Growth: A Bayesian Averaging of Classical Estimates (BACE) Approach,” *American Economic Review* 94(4); 813–35.
- * Solow, Robert (1956). “A Contribution to the Theory of Economic Growth,” *Quarterly Journal of Economics* 70; 65–94.
- * Solow, Robert (1957). “Technical Change and the Aggregate Production Function,” *Review of Economics and Statistics*; 312–20.

I.B. Endogenous Growth/Multiple Equilibria

- * Azariadis, Costas, and Allan Drazen (1990). “Threshold Externalities in Economic Development,” *Quarterly Journal of Economics* 105(2); 501–26.
- * Diamond, Jared (1999). *Guns, Germs, and Steel: The fates of human societies*, W. W. Norton.
- * Durlauf, Steven N. (2009). “Poverty Traps and Appalachia,” manuscript prepared for UKCPR Conference on “Appalachia and the Legacy of the War on Poverty,” October 2009.
- Durlauf, Steven N. and Paul A. Johnson (1995). “Multiple Regimes and Cross-Country Growth Behavior,” *Journal of Applied Econometrics* 10(4); 365–84.
- Jones, Charles I. (1995). “R&D-Based Models of Economic Growth,” *Journal of Political Economy* 103(4); 759–84.
- Lucas, Robert E. Jr. (1988). “On the Mechanics of Economic Development,” *Journal of Monetary Economics* 22; 3–42.
- Lucas, Robert E. Jr. (1993). “Making a Miracle,” *Econometrica* 61(2); 251–72.
- * Matsuyama, Kiminori (1992). “Agricultural Productivity, Comparative Advantage, and Economic Growth,” *Journal of Economic Theory* 58; 317–34.
- * Murphy, Kevin M., Andrei Shleifer, and Robert W. Vishny (1989). “Industrialization and the Big Push,” *Journal of Political Economy* 97(5); 1003–26.
- Romer, Paul (1986). “Increasing Returns and Long-run Growth,” *Journal of Political Economy*, 94(5); 1002–37.
- Romer, Paul (1990). “Endogenous Technological Change,” *Journal of Political Economy*, 103(4); S71-S102.

I.C. Institutions and Growth

- Acemoglu, Daron, Simon Johnson, and James A. Robinson (2001). “The Colonial Origins of Comparative Development: An empirical investigation,” *American Economic Review* 91(5); 1369–401.
- Acemoglu, Daron, Simon Johnson, and James A. Robinson (2002). “Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution,” *Quarterly Journal of Economics* 117; 1231–94.
- Bockstette, Valerie, Areendam Chanda, and Louis Putterman (2002). “States and Markets: The advantage of an early start,” *Journal of Economic Growth* 7; 347–69.
- * Glaeser, Edward L., Rafael LaPorta, Florencio Lopez-de-Silanes, and Andrei Shleifer (2004). “Do Institutions Cause Growth?” *Journal of Economic Growth* 9(3); 271–303.
- * Hall, Robert E. and Charles I. Jones (1990). “Why do Some Countries Produce so Much More Output per Worker than Others?” *Quarterly Journal of Economics*
- Henry, Peter B. and Conrad Miller (2009). “Institutions vs. Policies: A tale of two islands,” *American Economic Review* 99(2).
- Minier, Jenny (2007). “Institutions and Parameter Heterogeneity,” *Journal of Macroeconomics*, 29(3).
- North, Douglass (1990). *Institutions, Institutional Change, and Economic Performance*, Cambridge University Press.
- Nunn, Nathan (2008). “The Long-Term Effects of Africa’s Slave Trades,” *Quarterly Journal of Economics*, 123(1).
- Rodrik, Dani, Arvind Subramanian, and Francesco Trebbi (2004). “Institutions Rule: The primacy of institutions over geography and integration in economic development,” *Journal of Economic Growth* 9(2); 131–65.

I.D. Finance and Growth

- * Aghion, Philippe, Peter Howitt, and David Mayer-Foulkes (2005). “The Effect of Financial Development on Convergence: Theory and evidence,” *Quarterly Journal of Economics* 120; 173–222.
- Atje, Raymond and Boyan Jovanovic (1993). “Stock markets and development,” *European Economic Review* 37; 632–40.
- Beck, Thorsten, Ross Levine and Norman Loayza (2000). “Finance and the sources of growth,” *Journal of Financial Economics* 58(1-2); 261–300.

- Bencivenga, Valerie R., Bruce D. Smith, and Ross M. Starr (1995). "Transactions Costs, Technological Choice, and Endogenous Growth," *Journal of Economic Theory* 67(1); 53–177.
- Benhabib, Jess and Mark M. Spiegel (2000). "The Role of Financial Development in Growth and Investment," *Journal of Economic Growth* 5(4); 341–60.
- Cole, Shawn (2009). "Financial Development, Bank Ownership, and Growth: Or, does quantity imply quality?" *Review of Economics and Statistics* 91(1); 33–51.
- Demirgüç-Kunt, Asli and Ross Levine (1996). "Stock markets, corporate finance, and economic growth: an overview," *World Bank Economic Review* 10(2); 223–39.
- Demirgüç-Kunt, Asli and Ross Levine (2001). *Financial Structure and Economic Growth*, MIT Press.
- Greenwood, Jeremy and Boyan Jovanovic (1990). "Financial Development, Growth, and the Distribution of Income," *Journal of Political Economy* 98(5); 1076–1107.
- Henry, Peter B. (2000). "Do Stock Market Liberalizations Cause Investment Booms?" *Journal of Financial Economics*.
- King, Robert G. and Ross Levine (1993). "Finance and Growth: Schumpeter might be right," *Quarterly Journal of Economics* 108; 717–37.
- * Levine, Ross (2005). "Finance and Growth: Theory and evidence," in *Handbook of Economic Growth* (P. Aghion and S. Durlauf, eds.).
- * Levine, Ross (1997). "Financial Development and Economic Growth: Views and agenda," *Journal of Economic Literature* 35; 688–726.
- Levine, Ross, Norman Loayza, and Thorsten Beck (2000). "Financial Intermediation and Growth: Causality and causes," *Journal of Monetary Economics* 46(1); 31–77.
- Levine, Ross and Sara Zervos (1998), "Stock markets, banks, and economic growth," *American Economic Review* 88; 537–58.
- Minier, Jenny (2009). "Opening a stock exchange," *Journal of Development Economics* 90(1); 135–43.
- Minier, Jenny (2003). "Are small stock markets different?" *Journal of Monetary Economics* 50(7); 1593–1602.
- Obstfeld, Maurice (1994). "Risk-taking, global diversification, and growth," *American Economic Review* 84; 1310–1329.
- Rousseau, Peter L. and Richard Sylla (2005). "Emerging Financial Markets and Early US Growth," *Explorations in Economic History* 42(1); 1–26.

I.E. Conflict and Growth

- Caselli, Francesco and Wilbur John Coleman II (2006). “On the Theory of Ethnic Conflict,” Working paper, London School of Economics.
- * Easterly, William, and Ross Levine (1997). “Africa’s Growth Tragedy: Policies and Ethnic Divisions,” *Quarterly Journal of Economics* 112(4); 1203–50.
- * Grossman, Herschell I. (1991). “A General Equilibrium Model of Insurrections,” *American Economic Review* 81(4); 912–21.
- * Iyigun, Murat (2008). “Luther and Suleyman,” *Quarterly Journal of Economics* 123(4); 1465–94.
- Roemer, John E. (1985). “Rationalizing Revolutionary Ideology,” *Econometrica* 53(1); 85–108.

I.F. Other Growth Topics

- * Alesina, Alberto, Enrico Spolaore, and Roman Wacziarg (2005). “Trade, Growth, and the Size of Countries,” in *Handbook of Economic Growth* (P. Aghion and S. Durlauf, eds.).
- Djankov, Simeon, Rafael LaPorta, Florencio López-de-Silanes and Andrei Shleifer (2004). “The Regulation of Entry,” *Quarterly Journal of Economics* 117; 1–37.
- * Easterly, William (2005). “National Policies and Economic Growth: A reappraisal,” in *Handbook of Economic Growth* (P. Aghion and S. Durlauf, eds.).
- * Easterly, William, and Sergio Rebelo (1993). “Fiscal Policy and Economic Growth: An empirical investigation,” *Journal of Monetary Economics* 32; 417–58.
- * Easterly, William, and Sergio Rebelo (1993). “Marginal income tax rates and economic growth in developing countries,” *European Economic Review* 37; 409–17.
- Frankel and Romer (1999). “Does Trade Cause Growth?” *American Economic Review* 89(3); 379–99.
- * Galor, Oded and David N. Weil (2000). “Population, Technology, and Growth: From Malthusian stagnation to the demographic transition and beyond,” *American Economic Review* 90; 806–28.
- * Hendricks, Lutz (2002). “How Important is Human Capital for Development? Evidence from immigrant earnings,” *American Economic Review* 92(1); 198–219.
- * Johnson, Simon, William Larson, Chris Papageorgiou, and Arvind Subramanian (2009). “Is Newer Better? Penn World Table revisions and their impact on growth estimates,” *National Bureau of Economic Research* working paper no. 15455.

- Manuelli, Rodolfo and Ananth Seshadri (2003). “Frictionless Technology Diffusion: The case of tractors,” *Proceedings, Federal Reserve Bank of San Francisco*.
- * Parente, Stephen L. and Edward C. Prescott (2005). “A Unified Theory of the Evolution of International Income Levels,” in *Handbook of Economic Growth* (P. Aghion and S. Durlauf, eds.).
- Parente, Stephen L. and Edward C. Prescott (2000). *Barriers to Riches*, MIT Press.
- Rodríguez, Francisco, and Dani Rodrik (2000). “Trade Policy and Economic Growth: A skeptic’s guide to the cross-national evidence,” *NBER Macroeconomics Annual* 15; 261–338.
- Sachs, Jeffrey, and Andrew M. Warner (1995). “Economic Reform and the Process of Global Integration,” *Brookings Papers on Economic Activity* 0(1); 1–118.

II. Monetary Policy

II.A. Basic Empirical Regularities

- McCandless, George T. Jr. and Warren E. Weber (1995). “Some Monetary Facts,” Federal Reserve Bank of Minneapolis *Quarterly Review* 19(3); 2–11.
- Mishkin, Frederic S. “Is the Fisher Effect for Real? A reexamination of the relationship between inflation and interest rates,” *Journal of Monetary Economics* 30(2); 195–215.
- Monnet, C. and W. Weber (2001). “Money and Interest Rates,” Federal Reserve Bank of Minneapolis *Quarterly Review* 25(4); 2–13.

II.B. A Brief Introduction to Measuring the Effects of Monetary Policy

- Christiano, Lawrence J., Martin Eichenbaum, and Charles L. Evans (1999). “Monetary Policy Shocks: What have we learned and to what end?” in J. Taylor and M. Woodford, eds., *Handbook of Macroeconomics*, vol. IA, Amsterdam: Elsevier-North Holland; 65–148.
- Cochrane, John H. (1998). “What do the VARs mean? Measuring the output effects of monetary policy,” *Journal of Monetary Economics* 41; 277–300.
- Friedman, Milton and Anna J. Schwartz (1963). *A Monetary History of the United States, 1867-1960*, Princeton University Press.
- Lucas, Robert E. Jr. (1976), “Econometric Policy Evaluation: A Critique,” *Journal of Monetary Economics*, Supplementary Series 1(7), 62.

- * Romer, Christina and David Romer (1989). “Does Monetary Policy Matter? A New Test in the Spirit of Friedman and Schwartz,” *NBER Macroeconomics Annual*.
- * Romer, Christina and David Romer (2004). “A New Measure of Monetary Shocks: Derivation and Implications,” *American Economic Review* 94; 1055–84.

II.C. Inflation and Growth

- John H. Boyd, Ross Levine, and Bruce D. Smith (2001). “The Impact of Inflation on Financial Sector Performance,” *Journal of Monetary Economics* 47(2); 221–48.
- Bruno, Michael and William Easterly (1998). “Inflation crises and long-run growth,” *Journal of Monetary Economics* 41(1); 3–26.
- Cukierman, Alex, Pantelis Kalaitzidakis, Lawrence H. Summers, and Steven B. Webb (1993). “Central bank independence, growth, investment, and real interest rates,” *Carnegie-Rochester Series on Public Policy* 39; 95–140.
- Fischer, Stanley and William Easterly (2001). “Inflation and the poor,” *Journal of Money, Credit and Banking* 33(2); 160–78.
- Kahn, Mohsin S. and Abdelhak S. Sehadji (2001). “Threshold Effects in the Relationship between Inflation and Growth,” *IMF Staff Papers* 48(1); 1–21.
- * Temple, Jonathan (2000). “Inflation and growth: stories short and tall,” *Journal of Economic Surveys* 14(4); 395–426.