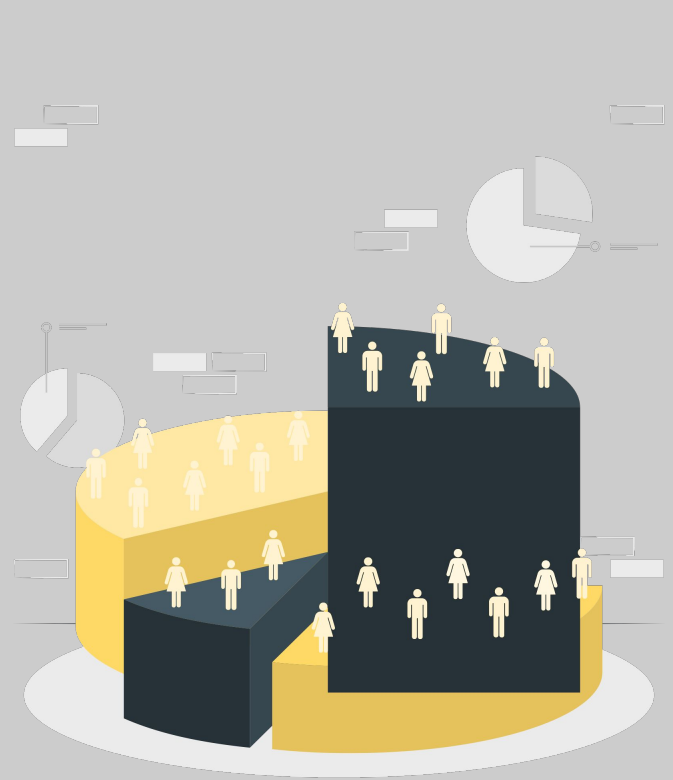


THE COLONIAL ORIGINS OF COMPARATIVE DEVELOPMENT: AN EMPIRICAL INVESTIGATION

BY: DARON ACEMOGLU, SIMON JOHNSON, AND JAMES A. ROBINSON



Presented by: Emilio Lombera, Jonathan Sirotin, and Noah Johnson

I. THE HYPOTHESIS AND HISTORICAL BACKGROUND



- A. Mortality & Settlements
- B. Types of Colonization & Settlements
- C. Institutional Persistence

VI. CONCLUDING REMARKS - PREMISES

- **Differing Colonization Strategies**
 - 1st extreme: Setup institutions and encouraged investments
 - 2nd extreme: Extractive states to take resources from colonies
- **The strategy of colonization affected by locations**
 - Locations with higher mortality rates were more likely to become extractive states
- **Early institutions persisted to the present**
 - The ability for europeans to settle colonies in certain areas effect institutions today
 - Large correlation between mortality rates, european settlements, institutions and institutions today

VI. CONCLUDING REMARKS

- **What do the authors ask?**
 - What is the effect of institutions on economic performance?
- **Why should we care?**
 - There is no strong estimate of how important institutions are to economies
- **How do they answer their question?**
 - The argument that differences in colonial experience could be a source of exogenous differences in institutions, this is shown by the regressions showing the relationship between settler mortality, early institutions, creating the bases for current institutions.
- **What do they find?**
 - Reducing Expropriation risk can result in gains in income per capita