



Third Luca d'Agliano Lecture
in Development Economics

**GLOBALIZATION AND
UNDERDEVELOPMENT IN THE
PRE-MODERN THIRD WORLD**

Jeffrey G. Williamson

Laird Belle Professor of Economics, Harvard University

Friday, March 31st, 2006
5.30 p.m.

Fondazione Luigi Einaudi
Palazzo d'Azeglio
Via Principe Amedeo, 34
10123 Torino, Italy

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Torino are supported by the*



Jeffrey G. Williamson

Jeffrey G. Williamson teaches and does research on economic history and the contemporary Third World at Harvard University. He is Laird Belle Professor of Economics, Faculty Associate at the Centre for International Development and at the Weatherhead Centre for International Affairs and Research Fellow at the Centre for Economic Policy Research. In the past he was, amongst other appointments, Master of Mather House at Harvard University, Chairman of the Harvard Economics Department and President of the Economic History Association.

His research topics mainly focus on growth accumulation, inequality during past and present industrial revolutions, migration, the demographic transition in developing countries, urbanization and globalization. Of his two new research topics, one explores the evolution of world factor prices and living standards since 1820, with collection and analysis of factor commodity price data covering the OECD, Eastern Europe, the Mediterranean Basin, Latin America and Asia. The second project aims at studying economic change in the Third World before 1940, with particular reference to terms of trade, industrialisation, South-South mass migration and the underlying economic-demographic fundamentals of growth.

Jeffrey G. Williamson has published widely on related issues, both in books and in economic journals such as the Journal of Economic History and the American Economic Review. His more recent awards and prizes include the Hughes Prize for Teaching Excellence awarded by the Economic History Association and two Galbraith Prizes for best teacher in Harvard's graduate Economics Programme.

Globalization and Underdevelopment in the Pre-Modern Third World

A large GDP per capita gap appeared between the industrial core and the poor periphery between 1810 and 1940, the periphery producing, increasingly, primary products. The terms of trade facing the periphery also underwent a secular boom then bust, peaking in the 1870s or 1890s. These terms of trade trends appear to have been exogenous to the periphery. Additionally, the terms of trade facing the periphery exhibited relatively high volatility. This lecture argues that these correlations are causal, that secular growth and volatility in the terms of trade had asymmetric effects on core and periphery. On the upswing, the secular rise in its terms of trade had powerful de-industrialization effects in the periphery. Over the full cycle 1810-1940, terms of trade volatility suppressed accumulation and growth in the periphery as well.

Programme

17.30 Welcoming Address and Introduction

PIERO GASTALDO (General Secretary, Compagnia di San Paolo)

RICCARDO FAINI (Professor of Economics, University of Rome "Tor Vergata"; Chairman of the Scientific Committee, Centro Studi Luca d'Agliano)

**17.45 Third Luca d'Agliano Lecture in Development Economics:
"Globalization and Underdevelopment in the Pre-Modern Third World"**

JEFFREY G. WILLIAMSON (Laird Belle Professor of Economics, Harvard University)

19.15 Debate

The Luca d'Agliano Lectures in Development Economics

The Luca d'Agliano Lectures in Development Economics are organised every year in Turin thanks to the generous support of the Compagnia di San Paolo. The aim at favouring the diffusion of the ideas of the best world thinkers in the field to a non specialised audience. The ultimate objective of the lectures is to help grounding the general debate on development issues, often confused and muddled, into sound economic analysis.

The First Luca d'Agliano Lecture, 2003

Pranab Bardhan (Professor of Economics, University of California, Berkeley):

“Globalisation and the Poor”

The Second Luca d'Agliano Lecture, 2004

Dani Rodrik (Professor of International Political Economy, Harvard University):

“Rethinking Economic Growth in Developing Countries”

The Fourth Luca d'Agliano Lecture, May 2006 (date to be confirmed)

Francois Bourguignon (Chief Economist, the World Bank):

“Employment and Development”

Luca d'Agliano

Luca d'Agliano was born in Turin on July 4th, 1961. In September 1980, he went up to Churchill College, University of Cambridge, where he read philosophy and then economics. On taking his Bachelor of Arts degree in 1983, he was awarded a scholarship by the Fondazione Luigi Einaudi, Turin, and was admitted to St. Anthony's College, University of Oxford. Here, under the guidance of Amartya Sen, he studied questions relating to developing countries and welfare economics.

It was Luca's vision that the study of economics should be “... be continually carried over into practical applications, above all when attempting to solve problems that limit the growth of man's well-being. For this substantially ideological reason, it becomes important to combine close study of purely theoretical matters with a study of the problems afflicting the developing countries in their struggle against poverty [...]”.

Nearly a year later, Luca d'Agliano lost his life in a road accident (June 1984).

Centro Studi Luca d'Agliano

The Centro Studi Luca d'Agliano was founded in Turin in 1986 by the family of Luca d'Agliano, his friends, and some of his teachers. It is currently located at the Fondazione Luigi Einaudi in Torino and at the University of Milan. It is a non-profit research institution contributing original research in the field of international and development economics. Particular emphasis is placed on the training of young scholars and in giving them the opportunity of acquiring a truly international perspective. The activities of the Centro Studi mainly focus on academic research, but it also greatly contributes to the policy debate, working for institutions such as the World Bank, the European Commission, the United Nations, the Bank of Italy and the Italian Government.

For information and replies

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For further information on Professor Jeffrey G. Williamson and on the Lecture, please refer to:

www.dagliano.unimi.it