

Between 14 and 18 October 2019, Poznań University of Economics and Business as well as Nicolaus Copernicus University in Toruń will host **Oded Galor** the Herbert H. Goldberger Professor of Economics from Brown University (USA)¹. On 15 October 2019, during ceremony of inauguration of new academic year, prof. Galor will be awarded with honorary degree of Doctor honoris causa and will give a lecture titled *Roots of Comparative Economic Development*. On 17 October 2019, prof. Galor will deliver a Nicolaus Copernicus lecture at the University in Toruń, which will be titled *Biogeographical Roots of Growth and Comparative Economic Development*.

To benefit from the fact that this his first visit to Poland, we asked prof. Galor for interview for the Polish Economic Society Bulletin, the content of which is mostly addressed to students, doctoral researchers and all younger generation (regardless their date of birth) interested in Economics.

Krzysztof Malaga², *Eight questions to Professor Oded Galor*

Dear Oded, in my opinion you are one of the most distinguished contemporary economists, as your works significantly influence Economics theory and at the same time newly determine its position among social sciences. Therefore, I would like to ask you a few questions, responses to which may inspire also younger generation of people interested in Economics.

1. *Why and in what circumstances did you choose Economics as the field of your studies and academic career?*

I was born in a region of the world that was marked by significant political turmoil and vast inequality and I was intrigued by the roots of this multi-dimensional complexity and its potential resolution. My passion towards mathematics and philosophy and my interest in contemporary socioeconomic and political issues have naturally drifted me towards the branches of economics that integrate my passion and interest.

2. *Were there any specific individuals who influenced you?*

As Newton said, "If I have seen further, it is by standing on the shoulders of giants." My attempt to develop a unified theory of economic growth was influenced primarily by researchers from other scientific disciplines, most notably *Copernicus, Newton, Darwin and Einstein*, whose attempt to develop unified theories had a profound effect on the way that we understand the world.

3. *My late mentor and one of the most prominent Polish economists, prof. Zbigniew Czerwiński, claimed that Economics might not be considered as science, as it belongs to idiographic disciplines and not to nomothetic ones. He used to further argue that there exist no universal economic rights that would form a reliable basis for any predictions. Would you share such a point of view?*

Unlike earlier phases in the evolution of our discipline that were often tainted by ideology and normative biases, economics in its current state is unequivocally a scientific discipline. It is driven by a quest for the discovery of general scientific laws that govern human as well as group behavior and it is based on profound theoretical foundations that have been fortified and refined over the years based on a healthy scientific process of hypothesis testing.

4. *What triggered your fascination with the process of development over the entire course of human history?*

I have been attracted by the most fundamental mysteries in the economic discipline: What is the origin of the vast inequality across countries and regions? What triggered the dramatic increase in inequality across nations in the past two centuries? What are the factors that inhibited the convergence of poorer economies towards richer ones in the past decades? What is the role of deep-rooted cultural, institutional, geographic, and human characteristics in the existing global inequality?

My research over the years have gradually led me to realize that the exploration of process of development over the entire course of human history is vital in order to shed light on these fundamental questions, since a significant

¹ Detailed information concerning prof. Oded Galor's field of research and his achievements may be found on the following website: <http://odedgalor.virb.com/>

² Krzysztof Malaga is a professor of Economics at the Department of Mathematical Economics. He is also the Dean of the Faculty of Informatics and Electronic Economy at Poznań University of Economics and Business.

portion of the existing inequality in the wealth of nations can be attributed to deep-rooted factors that were determined in the distant past.

5. *You are the founder of unified economic growth theory. Could you explain its significance compared to other existing theories of economic growth?*

My research was designed to resolve two of the most fundamental mysteries in the process of development: The mystery of growth and the mystery of the vast inequality in the wealth of nations. The transition from an epoch of stagnation to an era of sustained economic growth has marked the onset of one of the most remarkable transformations in the course of human history. While living standards in the world stagnated during the millennia preceding the Industrial Revolution, global income per capita has undergone an unprecedented fourteen-fold increase over the past two centuries, profoundly altering the level and distribution of education, health, and wealth across the globe. Moreover, the rise in the global standard of living has not been universally shared among individuals and societies. Variation across societies in the timing of the take-off from stagnation to growth has led to a vast divergence in income per capita. Cross-country inequality, which had been modest until the nineteenth century, has widened considerably, and the ratio of income per capita between the richest and the poorest regions of the world has risen from a moderate 3:1 ratio in the beginning of the 19th century to a staggering 20:1 ratio today.

Non-unified theories of economic growth have been instrumental in advancing the understanding of the role that technological progress and the accumulation of factors of production have played in the modern era of economic growth. Nevertheless, they fail to identify the forces that triggered the take-off from stagnation to sustained economic growth and roots of the vast global inequality in the wealth of nations. My advancement of Unified Growth Theory was fueled by the conviction that the understanding of the global variation in the wealth of nations will be fragile and incomplete unless growth theory would capture the principal driving forces behind the entire process of development and the central role that deep-rooted factors have played in generating the current disparities in living standards. As long as growth theory relied on distinct and disjoint theories for different stages of development, the understanding of the contemporary growth process was limited and distorted. As stated by Copernicus: "It is as though an artist were to gather the hands, feet, head and other parts for his images from diverse models, each part perfectly drawn, but not related to a single body, and since they in no way match each other, the result would be monster rather than man."

6. *Out of all the outstanding works you have written, could you select three lines of research, which in your opinion have influenced Economics the most?*

A. Unified Growth Theory.

Unified Growth Theory sheds light on the determinants of the process of development over the entire course of human history. The theory unveils the mechanisms that have trapped the world economy in millennia of stagnation, but ultimately have induced the remarkable transition to an era of sustained economic growth, underlining their significance for the understanding of comparative economic development. The testable predictions of the theory and its underlying mechanisms have been overwhelmingly confirmed in empirical and quantitative research in the past decade, and have inspired intensive exploration of the impact of historical and pre-historical forces on the vast inequality in the wealth of nations.

B. Evolutionary Growth Theory

This research advances the hypothesis that evolutionary processes played a significant role in the transition of the world economy from an epoch of stagnation to the modern era of economic growth. The theory suggests that during the Malthusian epoch in which higher income led to higher reproductive success, hereditary traits which were complementary to the economic environment and generated therefore higher levels of income, and thus a higher reproductive success, became more prevalent in the population. The gradual increase in the representation of these growth enhancing traits in the population contributed to the process of development and to the takeoff from stagnation to growth. In particular, geographical characteristics have governed evolutionary processes in cultural characteristics such as, time preference, risk aversion, loss aversion.

C. The Out of Africa Hypothesis of Comparative Development

This research explores the effect of the exodus of Homo sapiens from Africa, tens of thousands of years ago, on the process of development. It established that this pivotal event in history of humankind, and its impact of the degree of population diversity across the globe, have significantly affected the course of comparative economic development from the dawn of human civilization to the contemporary era. In particular, the research has established that migratory distances from Africa to the geographical locations of the ancestral populations of nations and ethnic groups have generated a persistent hump-shaped effect on development outcomes, reflecting a trade-off between the detrimental effects of population diversity on social cohesiveness and the beneficial effects of the complementarity of diverse human traits for technological progress.

7. *Which other disciplines are key to future developments in Economics?*

Evolution, Political Science, History, and Computer Science

8. *Your articles more often have interdisciplinary character and go beyond traditionally defined Economics. What kind of interdisciplinary research may best serve future advancements in the field of economic growth and economic more generally?*

The most promising and challenging future research in the field of economic growth in the next decades will be the analysis of the interaction between human evolution and the process of economic development. The exploration of this vast and largely uncharted territory may revolutionize the understanding the formation of human traits and their impact on human behavior in general and the process of economic development in particular. It will enhance our understanding of the roots of human behavior and global inequality and it will foster the design of geographically-based policies that could promote economic growth and poverty alleviation across the globe.