Economics 8784: Economic Development

Spring 2011

T/Th 12:30-1:45 PM Room: Economics 5

Class Website through CULearn: https://culearn.colorado.edu/

No Class: 3/22-3/24 (Spring Break)

Professor Francisca Antman Office: Economics 14b

Office Hours: Tuesday/Thursday 2:00-3:00PM and by appointment

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Course Description & Objectives

This course is one of a two part-series which, along with ECON 8774, makes up the development economics field at the University of Colorado. In this class we will focus primarily on microeconomic issues from a largely empirical perspective. Some of the topics covered

Ph.D. Microeconomic Theory and Econometrics. See me if you have not taken these courses.

Textbook: There are no required texts for this course. Consult the reading list for texts that may be useful supplementary material for understanding the articles we will discuss.

Assignments & Grading:

- 1. You will write two referee reports on unpublished papers from a set of recent job market papers in the field. Each referee report should be about 3 pages long (double-spaced), briefly summarize the work, critique the article, and provide suggestions for improvement. I will provide some guidance on writing referee reports in advance of the assignment as well as the set of possible papers to review. Please see the schedule below for due dates.
- 2. Class participation is required and you will be graded on your contributions to our class discussions. Reading the articles in advance of lectures will help you in this respect. Your participation grade will also reflect satisfactory completion of one-page (max) summaries of 10 articles from the main section of the syllabus (not background or further reading), excluding overview papers which cover several research projects. At minimum, each summary should (1) identify the main research question, (2) discuss the empirical strategy used to answer the question and (3) state the main results. It should also be obvious from your summary that you read the entire paper. These summaries are due in class before we are scheduled to begin discussion of the relevant paper.

- 3. You will make 1-2 in-class, computer-based, presentations of selected articles from the reading list. Each presentation should last about 30 minutes and should both summarize the article focusing on the empirical strategy and provide the basis for a critical discussion of the article in class.
- 4. You will write a 5-7 page (double-spaced) research proposal on a topic of your choice, related to the themes explored in this class. Over the course of the semester, you will be expected to meet with me at least once to discuss your research idea in advance. The proposal should outline your research question in detail and explain the contribution your work would make to the existing literature on the subject. The paper should also address the empirical strategy and the data set you expect to use. If you have access to the data, this would be an excellent opportunity to develop your research further by presenting some preliminary data analysis. If you are an advanced student that has already begun working on a paper, we can discuss modifying this project to be of greater value to you.
- 5. There will be a final exam based on the articles on the reading list and the material we cover in class. I will provide discussion questions to prepare you for the types of questions you will see on the final.

These assignments will be weighted as follows:

2 Referee Reports: 15%
 1-2 Presentation(s): 15%

3. Participation ô including 10 summaries: 15%

4. Research Proposal: 30%

5. Final Exam: 25%

Every written assignment/exam should be accompanied by a signed cover sheet (available at the course website) affirming that it is your own original work.

Class Policies

There is no excuse for missing an exam unless there is a documented medical or family emergency. Note that you are required to submit documentation of any emergency. In all other cases, failure to take an exam will result in a zero for that exam. If a legitimate emergency arises, other graded work will be re-weighted; no make-up exams will be given. If you foresee any legitimate conflict with the dates of the assignments or exams, please see me at least two weeks beforehand or as soon as possible.

If you miss a class, you are responsible for obtaining notes on the material we covered from another classmate. I encourage you to come to my office hours to discuss the material you missed, but not before you have gone over the material yourself. If you miss the date of your presentation because of a medical or family emergency or because class has been cancelled, you will make up the presentation at a later date in the semester.

Unless otherwise noted, assignments are due in class at the beginning of lecture on the dates specified. Following a 15-minute grace period, your assignment grade will be lowered by one

academic sanctions (including but not limited to university probation, suspension, or expulsion).

Other information on the Honor Code can be found at

http://www.colorado.edu/policies/honor.html and at

http://www.colorado.edu/academics/honorcode/

Economics 8784: Economic Development Reading List Professor Francisca Antman

Lectures and discussions will primarily be drawn from journal articles and working papers. Although there is no required textbook for the course, the textbooks and methods articles listed below may be useful for you to consult for a more thorough presentation of the theory and methods used in the articles we will review.

Useful Books

- Bardhan, Pranab and Christopher Udry. 1999. *Development Microeconomics*. New York: Oxford University Press.
- Deaton, Angus. 1997. The Analysis of Household Surveys: A Microeconometric Approach to Development Policy. Baltimore, Maryland: The World Bank.
- H. Chenery, T.N. Srinivasan, J. Behrman, T. Schultz, and J. Strauss, eds. *Handbook of Development Economics*, Vol. 1-4. Published by Elsevier.
- Wooldridge, Jeffrey M. 2001. *Economic Analysis of Cross Section and Panel Data*. Cambridge, MA: The MIT Press.
- Ray, Debraj. 1998. Development Economics. Princeton, N.J.: Princeton University Press.

Useful Methods Articles

- Fgcvqp."Cpiwu0""3;;50""õFcvc"cpf"Geqpqogvtke"Vqqnu"hqt"Fgxgnqrogpv"Cpcn{uku0ö""*Handbook of Development Economics*, Vol. 3, Ch. 33, Ed. J. Berhman and T.N. Srinivasan.
- Cpitkuv."Lqujwc"F0"cpf"Cncp"D0"Mtwgigt0""3;;;0""õGorktkecn"Uvtcvgikgu"kp"Ncdqt"Geqpqokeu0ö""

 Handbook of Labor Economics, Vol. 3, Ch. 23, Ed. O. Ashenfelter and D. Card.

Course Outline

The articles under the topic headings below are required reading for everyone in the class. The last page lists specific articles that will be presented by a student, but everyone should read those articles for class discussion as well. Articles under the <u>Background</u> sections may be useful to you but may not be included in lectures and are thus optional readings unless otherwise noted. For many of these papers, multiple versions are available. To ensure that we are all reading the same paper, please read the version that is referenced below and use the recommended means of access if one is offered. *Please make sure to bring copies of the papers to class so that you can refer to them during our discussion*.

I. Poverty

a. Poverty in the Developing World

Dcpgtlgg."Cdjklkv"cpf"Guvjgt"Fwhnq0""42290""õVjg"Geqpqoke"Nkxgu"qh"vjg"Rqqt0ö"*Journal of Economic* Perspectives 21(1): 141-167.

Besley, Timothy and Robin Dwtiguu0""42250""õ J cnxkpi" I nqdcn"Rqxgtv{0ö""Journal of Economic Perspectives 17(3): 3-22.

b. Poverty Traps and Income Mobility

Dasgupta, Partha and Debraj Tc{0""3;:80""õkpgswcnkv{"cu"c"Fgvgtokpcpv"qh"Ocnpwvtkvkqp"cpf" Unemployment: Theory.ö""*The Economic Journal*, 96(384): 1011-1034.

 $Cpvocp."Htcpekuec"cpf"Fcxkf"OeMgp | kg0""42290""\tilde{o}Rqxgtv \{ "Vtcru"cpf"Pqpnkpgct"Kpeqog" Dynamics with Measurement Error and Individ$

c. Gender and Distribution

 $Deaton,\,Angus\emptyset""3\,;\,:\,;\emptyset""\tilde{o}Nqqmkp\,i\,"hqt"Dq\,\{-$

Dcpgtlgg."Cdjklkv"cpf"Guvjgt"Fwhnq0""42280""õCfftguukpi"Cdugpeg0ö"" $Journal\ of\ Economic\ Perspectives,\ 20(1):\ 117ó132.$

Background

Glewwe, Paul and Michael Mtg o gt0""42280""õUejqqnu."Vgcejgtu."cpf"Gfwecvkqp"Qwveq o gu"kp" Fgxgnqrkpi "Eqwpvtkgu0ö""*Handbook of the Economics of Education*, Vol. 2, Ch.16. Card, David. 1999. õThe Causal Ghhgev"qh"Gfwecvkqp"qp"Gctpkpiu0ö""*Handbook of Labor*

Jayachandran, Seema0""422:0""õCkt"Swcnkv{"cpf"Kphcpv"Oqtvcnkv{<"Gxkfgpeg"htqo"Kpfqpgukcøu" Yknfhktgu0ö"Hqtvjeqokpi."

Yknfhktgu0ö"Hqtvjeqokpi."

Journal of Human Resources 44(4).

(Available at http://www.stanford.edu/~jayachan/indo_fires.pdf)

c. Missing Women

- Quvgt."Gokn{0""42270""õJgrcvkvku"D"cpf"vjg"Ecug"qh"vjg"Okuukpi"Yqogp0ö *Journal of Political Economy*, Dec2005, Vol. 113 Issue 6, p1163-1216.
- Lin, Ming-Jen and Luoh, Ming-Ching. 2008. Can Hepatitis B Mothers Account for the Pwodgt"qh" Okuukpi "YqogpA"Gxkfgpeg"htqo"Vjtgg" Oknnkqp"Pgydqtpu"kp"Vckycpö" *The American Economic Review.* 98(5): 2259-2273.
- Qian, Nancy. 202: 0""""õOkuukpi" Yqogp"cpf"vjg"Rtkeg"qh"Vgc"kp"Ejkpc<"Vjg"Ghhgev"qh"Ugz-Specific Earnings on Sex Imbalancelö *Quarterly Journal of Economics*, 123(3): 1251-1285.

Background

- Uvtcwuu"cpf"Vjqocu0""3;;:0""õJgcnvj."Pwvtkvkqp."cpf"Geqpqoke"Fgxgnqrogpv0ö""Journal of Economic Literature, 36(2): 766-817.
- Uvtcwuu"cpf"Vjqocu0""422:0""õJgcnvj"qxgt"vjg"Nkhg"Eqwtug0ö""*Handbook of Development Economics*, Vol. 4. Ch. 30, p. 3375-3474.
- Uwdtc o cpkcp. "Uj cpmct" cpf" Cpi wu "Fgcvqp0""3;;80""õVjg" Fg o cpf"hqt" Hqqf" cpf" Ecnqtkgu0ö"" *The Journal of Political Economy*, 104(1): 133-162.
- Kremer, Michael and Edward Okiwgn0""42290""õVjg"Knnwukqp"qh"Uwuvckpcdknkv{0ö""*The Quarterly Journal of Economics*, 112(3): 1007-1065.

V. Environment & Natural Resources (Water)

- Duflo, Esther and Rohini Pandel""4229\""oFcoulo""The Quarterly Journal of Economics. 122(2): 601-646.
- I cnkcpk."Ugdcuvkcp."Rcwn" I gtvngt"cpf"Gtpguvq"Uejctitqfum{0""42270""õYcvgt"hqt"Nkhg<"Vjg"Korcev" qh"Rtkxcvk|cvkqp"qh"Ycvgt"Ugtxkegu"qp"Ejknf"Oqtvcnkv{0ö""*The Journal of Political Economy*, 113(1): 83-120.

Background

Bardhan & Udry (1999), Ch. 13.

VI. Labor and Migration

Owpujk."Mckxcp0""42250""õPgvyqtmu"kn the Modern Economy:5iL1 0 0 1 7_-6(nic(y)20)20n t-- 247.6n01W3\$4005

Lc{cejcpftcp."Uggoc0""42280""õUgnnkpi"Ncdqt"Nqy<"Ycig"Tgurqpugu"vq"Rtqfwevkxkv{"Ujqeks in Fgxgnqrkpi"Eqwpvtkgu0ö""*The Journal of Political Economy*, 114(3): 538-575.

Background

Ray (1998), Ch. 10.

Bardhan & Udry (1999), Ch. 5.

Dcpgtlgg."Cdjklkv"X0"cpf"Cpftgy"H0"Pgyocp0""3;;:0""õkphqtocvkqp."vjg"Fwcn"Geqpqo{"cpf" Fgxgnqrogpv0ö""The Review of Economic Studies, 65(4): 631-653.

VII. Land & Agriculture

- Hkgnf."Gtkec0""42290""õGpvkvngf"vq" Y qtm<"Wtdcp"Rtqrgtv {"Tkijvu"cpf"Ncdqt"Uwrrn {"kp"Rgtwö" The Quarterly Journal of Economics. 122(4): 1561-1602.
- Banerjee, Abhijit V., Paul J. Gertler, and Maitreesh I jcvcm0""42240""õGorqygtogpv"cpf" Ghhkekgpe {<"Vgpcpe {"Tghqto"kp" Y guv"Dgpicn0ö""*The Journal of Political Economy*, 110(2): 239-280.
- Ujcdcp."Tcfycp"Cnk0""3;:90""õVguvkpi"Dgvyggp"Eqorgvkpi"Oqfgnu"qh"Ujctgetqrrkpi0ö"*The Journal of Political* Economy, 95(5): 893-920.

Background

Ray (1998), Ch. 12.

Bardhan & Udry (1999), Ch. 6

Hquvgt."Cpftgy"F0"cpf"Octm"T0"Tqugp|ygki0""3;;70""õNgctpkpi"d{"Fqkpi"cpf"Ngctpkpi"htqo" Others: Human Capital and Technical Change in Agriculture.ö"*The Journal of Political Economy*, 113(6): 1176-1209.

VIII. Savings & Credit

- Cujtch."Pcxc."Fgcp"Mctncp"cpf" Y gung {" [kp0""42280""õV {kpi"Qf {uugwu"vq"vjg"Ocuv<"Evidence from a Commitment Savings Product in the Philippines0ö""*The Quarterly Journal of Economics*, 121(2): 6356672.
- Burgess, Robin and Rohini Pande. 2005. õDo Rural Banks Matter? Evidence from the Indian Uqeken "Dcpmkpi" Gzrgtk o gpv0ö" The American Economic Review, 95(3): 780-795.
- Mctncp."Fgcp"cpf"Lqpcvjcp"\kpocp0""422;0""õGzrcpfkpi"Oketqetgfkv"Ceeguu<"Wukpi"Tcpfqok|gf"
 Supply Decisions to Estimate vjg"Korcevu"kp"Ocpknc0ö""Yqtmkpi"Rcrgt0

 (Available at http://karlan.yale.edu/p/expandingaccess_manila_oct09.pdf)

Background

Deaton (1997), Ch. 6.

Bardhan and Udry (1999), Ch. 7 & 8.

Ray (1998), Ch. 14-15.