Economics 8784: Economic Development

Spring 2022 M/W 12:45PM-2:00PM Room: ECON 5 Class Website through Canvas: https://canvas.colorado.edu/ No Class: Jan 17 (MLK Day) Mar 21-25 (Spring Break)

Professor Francisca Antman Office: Economics 222 Office Hours in person or through Zoom: M/W 11AM-12PM and by appointment https://cuboulder.zoom.us/my/francisca.antman Email: francisca.antman@colorado.edu (preferred method of contact)

Course Description & Objectives

This course offers a Ph.D.-level introduction to the field of development economics, focused on microeconomic issues from a largely empirical perspective. This is one course in a two-course sequence in development economics. Courses can be taken independently and in any order. Some of the topics discussed in this course include the distribution of resources within households, human capital development such as health and education, environment, migration, poverty traps, political economy, and gender issues relevant for developing countries. The objective of the course is to provide an overview of the microeconomics of development and to prepare students for doing original research in the field.

Prerequisites: 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:

- You will write one referee report (3-4 pages long double spaced) on an unpublished paper selected from a set of recent job market candidates in the field. The referee report should briefly summarize the work, critique the article, and provide suggestions for improvement. I will provide some guidance on writing referee reports and assign the paper you will review. You should hand in a hard copy of the Referee Report and also upload an electronic copy to the course website by the due date listed below.
- 2. Class participation and attendance is required, including contributing to our class discussions. Reading the articles in advance of lectures will help you in this respect. Your participation

obvious from your summary that you read the paper. These summaries are due (hard copy) in class before we are scheduled to begin discussion of the relevant paper and should also be uploaded to the course website.

3. You will make

another class, you must discuss this with me first to determine whether it will be eligible for credit. Please bring a hard copy of your slides with you to class on the day of your presentation.

7. There will be a final exam based on the articles on the reading list and the material we cover in class. You may consult your notes and assigned readings during the exam, but you should not consult with other people in or outside the class for formulating your responses. It is important that you demonstrate that you are thinking independently of other sources. I will provide discussion questions to prepare you for the types of questions you will see on the final.

Please hand in a hard copy of the assignment cover sheet with the Referee Report, Research Proposal, and Final Exam. It is available on the course website.

The assignments will be weighted as follows:

- 1. Referee Report: 10%
- 2. Participation (including 10 summaries): 10%
- 3. P

expression, veteran status, political affiliation or political philosophy. For more information, see the policies on classroom behavior and the Student Conduct & Conflict Resolution policies.

Requirements for COVID-19

As a matter of public health and safety, all members of the CU Boulder community and all visitors to campus must follow university, department and building requirements and all public health orders in place to reduce the risk of spreading infectious disease. Students who fail to adhere to these requirements will be asked to leave class, and students who do not leave class when asked or who refuse to comply with these requirements will be referred to Student Conduct and Conflict Resolution. For more information, see the policy on classroom behavior and the Student Code of Conduct. If you require accommodation because a disability prevents you from fulfilling these safety measures, please follow the steps in the "Accommodation for Disabilities" statement on this syllabus.

CU Boulder currently requires masks in classrooms and laboratories regardless of vaccination status. This requirement is a precaution to supplement CU Boulder's COVID-19 vaccine requirement. Exemptions include individuals who cannot medically tolerate a face covering, as well as those who are hearing-impaired or otherwise disabled or who are communicating with someone who is hearing-impaired or otherwise disabled and where the ability to see the mouth is essential to communication. If you qualify for a mask-related accommodation, please follow the steps in the "Accommodation for Disabilities" statement on this syllabus. In addition, vaccinated instructional faculty who are engaged in an indoor instructional activity and are separated by at least 6 feet from the nearest person are exempt from wearing masks if they so choose.

If you feel ill and think you might have COVID-19, if you have tested positive for COVID-19, or if you are unvaccinated or partially vaccinated and have been in close contact with someone who has COVID-19, you should stay home and follow the further guidance of the Public Health Office

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.
- Ray, Debraj. 1998. Development Economics. Princeton, N.J.: Princeton University Press.
- Angrist, Joshua D. and Jorn-Steffen Pischke. 2009. *Mostly Harmless Econometrics*. Princeton, N.J.: Princeton University Press.
- Wooldridge, Jeffrey M. 2001. *Economic Analysis of Cross Section and Panel Data*. Cambridge, MA: The MIT Press.

Useful Methods Articles

- Deaton, Angus. 1993. "Data and Econometric Tools for Development Analysis." *Handbook of Development Economics*, Vol. 3, Ch. 33, Ed. J. Berhman and T.N. Srinivasan.
- Angrist, Joshua D. and Alan B. Krueger. 1999. "Empirical Strategies in Labor Economics." *Handbook of Labor Economics*, Vol. 3, Ch. 23, Ed. O. Ashenfelter and D. Card.
- Duflo, Esther, Rachel Glennerster, and Michael Kremer. 2008. "Randomization in Development Economics Research: A Toolkit." *Handbook of Development Economics*, Vol. 4, Ch. 61.
- Todd, Petra E. 2008. "Evaluating Social Programs with Endogenous Program Placement and Selection of the Treated. *Handbook of Development Economics*, Vol.4, Ch. 60. Pp. 3847-3894.
- Angrist, Joshua D., Guido W. Imbens, and Donald B. Rubin. 1996. "Identification of Causal Effects Using Instrumental Variables." *Journal of the American Statistical Association*, 91(434): 444- 455.
- Angrist, Joshua D. and Alan B. Krueger. 2001. "Instrumental Variables and the Search for Identification: From Supply and Demand to Natural Experiments." *The Journal of Economic Perspectives*, 15(4): 69-85.
- Meyer, Bruce D. 1995. "Natural and Quasi-Experiments in Economics." Journal of Business and Economic Statistics, 13(2): 151

Background & Further Reading

Deaton (1997), Ch. 4.

Bardhan & Udry (1999), Ch. 1-2.

- Bobonis, Gustavo J. 2009. "Is the Allocation of Resources within the Household Efficient? New Evidence from a Randomized Experiment." Journal of Political Economy, 117(3): 453-503.
- Browning, M. and P. A. Chiappori. 1998. "Efficient Intra-Household Allocations: A General Characterization and Empirical Tests." *Econometrica* 66(6): 1241-1278. Benjamin, Dwayne. 1992. "Household Composition, Labor Markets, and Labor Demand: Testing for Separation in
- Agricultural Household Models." *Econometrica*. 60(2): 287-322.
- Deaton, Angus and Christina Paxson. 1998. "Economies of Scale, Household Size, and the Demand for Food." The Journal of Political Economy, Vol. 106, No. 5 (Oct., 1998), pp. 897-930.
- Deaton, Angus. 1989. "Looking for Boy-Girl Discrimination in Household Expenditure Data." The World Bank Economic Review. 3 (1): 1-15.

Duflo, Esther and Christopher Udry. 2004. "Intrahousehold Resource Allocation in Cote d'Ivoire: Social Norms,

Jayachandran, Seema and Ilyana Kuziemko. 2011. "Why Do Mothers Breastfeed Girls Less than Boys? Evidence and Implications from India."

- McKenzie, David and Hillel Rapoport. 2010. "Self-Selection Patterns in Mexico-U.S. Migration: The Role of Migration Networks." *The Review of Economics and Statistics*, 92(4): 811-21.
- Meghir, Costas. Ahmed Mushfiq Mobarak, Corina D. Mommaerts, and Melanie Morten. 2019. "Migration and Informal Insurance." NBER Working Paper No. 26082.
- Morten, Melanie. 2019. "Temporary Migration and Endogenous Risk Sharing in Village India." *Journal of Political Economy*, 127(1): 1 46.

VII. Political Economy and Conflict

- Lowes, Sara, Nathan Nunn, James A. Robinson, Jonathan L. Weigel. 2017. "The Evolution of Culture and Institutions: Evidence from the Kuba Kingdom." *Econometrica*, 85(4): 1065-1091.
- *Acemoglu, Daron, Suresh Naidu, Pascual Restrepo and James A. Robinson. 2019. "Democracy Does Cause Growth," *Journal of Political Economy*, 127(1): 47-100.
- *Burgess, Robin, Remi Jedwab, Edward Miguel, Ameet Morjaria, Gerard Padro-i-Miquel. 2015. "The Value of Democracy: Evidence from Road Building in Kenya", *American Economic Review*, 105(6), 1817-1851.
- Blouin, Arthur, and Sharun W. Mukand. 2019. "Erasing Ethnicity? Propaganda, Nation Building and I

VIII. Course Review and Critiques

- Banerjee, Abhijit V. and Esther Duflo. 2008. "The Experimental Approach to Development Economics." NBER Working Paper No. 14467. Published in 2009 Annual Review of Economics, Annual Reviews, vol. 1(1), pages 151-178.
- Deaton, Angus. 2010. I'Instruments, Randomization, and Learning about Development." *Journal* of Economic Literature, 48(2): 424-55.

Articles from the popular press. Consult course website.

Background & Further Reading Banerjee, Abhijit, Pranja

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Economics 8784 Tentative Course Outline, Spring 2022

Week	Dates	Material
1	Jan 10	Introduction
		What is economic development?
		Global Poverty and the Economic Development Agenda
2	Jan 19	Poverty traps and income mobility
		Theory and Measurement
3	Jan 24-26	Gender, Bargaining, and Intra-household Allocation
		Testing the unitary model
		Household Bargaining
4	Jan 31-2/2	Education
		Program Evaluation Methodologies & Returns to Schooling
	Feb 2	Informal Discussion of Possible Student Research Questions
5	Feb 7-9	Education, continued
		Randomized Evaluations and Experiments
6	Feb 14-16	Health and Environment
		Pollution, Nutrition, and Water
7	Feb 21-23	Labor and Migration
		Currently Developing Countries
8	Feb 28-3/2	Labor and Migration
		Continued
9	Mar 7	Student Presentations (Research Questions)
	Mar 9	Student Presentations (Research Questions)
10	Mar 14	Savings and Credit
	Mar 16	No class in lieu of Individual Meetings to Discuss Research Presentations
	Mar 17	Referee Report Due by 11:59PM via Canvas and ECON 222
11	Mar 21-23	No classes—Spring Break
12	Mar 28-30	Political Economy