

Economics 8784: Economic Development
Spring 2018
M/W 9:30-10:45 AM
Room: Economics 5
Class Website through Desire2Learn <https://learn.colorado.edu/>
No Class 3/26-3/30 (Spring Break)

Professor Francisca Antman
Office: Economics 222
Office Hours: T/Th 10:50AM-12:20PM, F 9:15-10:45AM
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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. Some of the topics covered include the distribution of resources within households, human capital development such as health and education, 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:

1. You will write one referee report (3-4 pages long double spaced) on an unpublished paper selected from a set of recent job market candidates in the field.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 papers you will review.
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 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 a minimum, each summary should (1) identify the main research question, (2) discuss the methodology 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

background information you think necessary. Your presentation should also raise questions, critiques, and extensions, and provide the basis for a critical discussion of the article in class. While you may consult with other classmates regarding the article you will present, I expect that the presentation slides will be your work alone. If you have presented or are planning to present a similar presentation to another class, you must discuss this with me first to determine whether it will be eligible for credit in this class. Please plan to email the class your slides (as a PDF file) the day before your presentation and bring a hard copy of your slides with you to class.

4. You will make one in-class, computer-based presentation on the research idea you are pursuing for your research proposal (see below). This presentation should emphasize the preliminary research question you are pursuing and the methodology you propose to answer it. Your presentation should last 5 minutes with no interruptions and will be followed by a class discussion to provide you with feedback on your proposed research. You will also meet with me individually to discuss your progress. Please bring a hard copy of your slides with you to class on the day of your presentation.
5. You will write a 7-10 page (double-spaced) research proposal on a topic of your choice, related to the themes explored in this class. The proposal should (1) outline your research question in detail along with any background information needed to understand the context, (2) the contribution your work would make to the existing literature on the subject, (3) present the theoretical model/framework (if any) that previews the expected results or motivates the empirical strategy, (4) discuss the empirical strategy you used to answer the question, (5) view details of the data set you expect to use in the analysis, and (6) present preliminary results (if any) or discuss expected results. 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. If you have submitted, or are planning to submit a similar proposal to a different class, you must discuss this with me first to determine whether it will be eligible for credit.
6. You will make one in-class, computer-based presentation of your research proposal to the class at the end of the course. The structure should be similar to that of the research proposal (see above), and should last 15 minutes with no interruptions except for straightforward clarifying questions. If you have presented or are planning to present a similar presentation to 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 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 when formulating your responses. It is important that you demonstrate that you are thinking independently of other students. I will provide discussion questions to prepare you for the types of questions you will see on the final.

Please hand in an assignment cover sheet with all written assignments. It is available at: <http://www.colorado.edu/Economics/graduate/AcademicIntegrityAgreement.pdf>

The assignments will be weighted as follows:

1. Referee Report 10%
2. Participation (including 10 summaries) 10%
3. Presentation of an Article on the Syllabus 10%
4. Presentation of Research Idea: 10%
5. Research Proposal 30%
6. Presentation of Research Proposal 10%
7. Final Exam 20%

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 the beginning of the semester 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.

University Policies

Accommodation for Disabilities

If you qualify for accommodations because of a disability, please submit your accommodation letter from Disability Services to me in a timely manner so that your needs can be addressed. Disability Services determines accommodations based on documented disabilities in the academic environment. Information on requesting accommodations is located on the Disability Services website (www.colorado.edu/disabilityservices/students). Contact Disability Services at 303.492.0871 or dsinfo@colorado.edu for further assistance. If you have a temporary medical condition or injury, see [Temporary Medical Conditions](#) under the Students tab on the Disability Services website and discuss your needs with me.

Religious Holidays

Campus policy regarding religious observances requires that faculty make every effort to deal reasonably and fairly with all students who, because of religious obligations, have conflicts with scheduled exams, assignments or required attendance. This class, please review the course schedule at the beginning of the semester and see me regarding anticipated conflicts due to religious observances.

See the [campus policy regarding religious observances](#) for full details.

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. Srinivasad, 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 Jos 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): 151-161.
- Bound, John, David A. Jaeger, Regina M. Baker. 1995. "Problems with? MM

Preliminary Course Outline

The articles under the topic headings below are required reading for everyone in the class. Some of this material will be presented by a student, but everyone should read those articles for class discussion as well. Articles under the Background & Further Reading 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 and use the recommended means of access if one is offered. *Please have copies of the papers available in class so that you can refer to them during our discussion.*

- I. Poverty
 - a. Poverty in the Developing World

Besley, Timothy and Robin Burgess. 2003. "Halving Global Poverty." *Journal of Economic Perspectives* 17(3): 322.

Banerjee, Abhijit and Esther Duflo.

Ashraf, Nava, Erica Field, and Jean Lee. 2014. "Household Bargaining and Excess Fertility: An Experimental Study in Zambia." *American Economic Review*, 104(7):2210-2221.

Background & Further Reading

- Jayachandran, Seema and Adriana Lima. 2009. "Life Expectancy and Human Capital Investments: Evidence from Maternal Mortality Declines." *Quarterly Journal of Economics*, 124(1):349-397.
- Baird, Sarah, Craig McIntosh and Berk Ozler. 2011. "Cash or Condition: Evidence from a Randomized Cash Transfer Program," *Quarterly Journal of Economics*, 126(4): 1709-1753.
- Banerjee, Abhijit and Esther Duflo. 2006. "Addressing Absence." *Journal of Economic Perspectives*, 20(1):117-132.
- Card, David. 1999. "The Causal Effect of Education on Earnings." *Handbook of Labor Economics*, Vol. 3, Ch. 30
- Duflo, Esther, Rema Hanna and Stephen Ryan. 2007. "Monitoring Works: Getting Teachers to Come to School." BREAD Working Paper No. 103.
- Foster, Andrew D. and Mark Rosenzweig. 1996. "Technical Change and Human Capital Returns and Investments: Evidence from the Green Revolution." *The American Economic Review*, 86(4): 931-953.
- Glewwe, Paul and Michael Kremer. 2006. "Schools, Teachers, and Education Outcomes in Developing Countries." *Handbook of the Economics of Education*, Vol. 2, Ch.16

*Jayachandran, Seema and Rohini Pande. 2017. "Why Are Indian Children So Short? The Role of Birth Order and Son Preference." *American Economic Review*, 107(9): 2600-2629.

*Bleakley, Hoyt. 2007. "Disease and Development: Evidence from the Hookworm Eradication in the American South." *The Quarterly Journal of Economics*, 122(1): 731-117.

Antman, Francisca M. 2016. "For Want of a Cup: The Rise of Tea in England and the Impact of Water Quality on Economic Development." Unpublished Manuscript. University of Colorado Boulder. Available at <http://spot.colorado.edu/~antmanf/AntmanTea&WaterQuality.pdf>

Background & Further Reading

Thornton, Rebecca L. 2008. "The Demand for, and Impact of, Learning HIV Status" *American Economic Review*, 98 (5):1829-63

Jayachandran, Seema and Ilyana Kuziemko. 2011. "Why Do Mothers Breastfeed Girls Less than Boys? Evidence and Implications from India." *Quarterly Journal of Economics*, 126(3): 1485-1538.

Qian, Nancy. 2008. "Missing Women and the Price of Tea in China: The Effect of Sex-Specific Earnings on Sex Imbalance" *Quarterly Journal of Economics*, 123(3):1251-1285.

Kremer, Michael and Edward Miguel. 2007. "The Illusion of Sustainability." *The Quarterly Journal of Economics*, 112(3):1007-1065.

Strauss and Thomas. 1998. "Health, Nutrition, and Economic Development." *Journal of Economic Literature*, 36(2): 766-817.

Strauss and Thomas. 2008. "Health over the Life Course." *Handbook of Development Economics*, Vol. 4. Ch. 30, p. 3373-474.

Subramanian, Shankar and Angus Deaton. 1996. "The Demand for Food and Calories." *The Journal of Political Economy*, 104(1): 133-162.

V. Labor and Migration

Field, Erica. 2007. "Entitled to Work: Urban Property Rights and Labor Supply in Peru" *The Quarterly Journal of Economics*. 122(4):1561-1602.

*Bryan, Ghanshyam, Shyamal Chowdhury, and Ahmed Mushfiq Mobarak. 2014. "Underinvestment in a Profitable Technology: The Case of Seasonal Migration in Bangladesh." *Econometrica*, 82(5): 1671-1748.

Munshi, Kaivan. 2003. "Networks in the Modern Economy: Mexican Migrants in the U.S. Labor Market." *The Quarterly Journal of Economics*, 118(2):

Background & Further Reading
Ray (1998), Ch. 10.
Bardhan & Udry (1999), Ch. 5.
Antman, Francisca M 2013

- Cull, Robert, Asli Demirgüç-Kunt, and Jonathan Morduch. 2009. "Microfinance Meets the Market." *Journal of Economic Perspectives*, 23(1): 167-192
- Karlan, Dean and Jonathan Morduch. 2009. "Access to Finance." *Handbook of Development Economics*, vol.5. Eds. Dani Rodrik and Mark Rosenzweig.

- Pande, Rohini. 2003. "Can Mandated Political Representation Increase Policy Influence for Disadvantaged Minorities? Theory and Evidence from India." *The American Economic Review*, 93(4):1132-1151.
- Shleifer, Andrei and Robert W. Vishny. 1993. "Corruption." *The Quarterly Journal of Economics*, 108(3):599-617.
- Fisman, Raymond and Edward Miguel. 2007. "Corruption, Norms, and Legal Enforcement: Evidence from Diplomatic Parking Tickets." *The Journal of Political Economy*, 115(6): 1020-1048.

VIII. The Future of Development Economics

- 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-158, 05.
- Deaton, Angus. 2010. "Instruments, Randomization, and Learning in Development." *Journal of Economic Literature*, 48(2): 424-55.

Background & Further Reading

- Banerjee, Abhijit, Pranab Bardhan, Kaushik Basu, Ravi Kanbur (editor), and Dilip Mookherjee. 2005. "New Directions in Development Economics: Theory or Empirics? A Symposium in *Economic and Political Weekly*." Boston University Working Paper No.28. (Available at <http://www.arts.cornell.edu/poverty/kanbur/NewDirectionsDevEcon.pdf>)
- Heckman, James J. and Jeffrey A. Smith. 1995. "Assessing the Case for Social Experiments." *The Journal of Economic Perspectives*, 9(2): 85-110.
- Heckman, James. 1991. "Randomization and Social Policy Evaluation." NBER Technical Working Paper No. 107.
- Rosenzweig, Mark R. and Kenneth I. Wolpin, 2000. "Natural 'Natural Experiments' in Economics." *Journal of Economic Literature*, 38(4):827-874.

