Economics 8784: Economic Development

Fall 2009

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

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

No Class: 11/24-11/26 (Fall Break)

Professor Francisca Antman Office: Economics 14b

Office Hours: Tuesday/Thursday 11:30-12:15 PM, Wednesday 12:45-2:15 PM, and

by appointment

Phone: (303) 492-8872

Email: francisca.antman@colorado.edu (preferred method of contact)

### 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 include the distribution of resources within households, human capital development such as health and education, migration, poverty traps, 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 understee the article, and provide suggestions

ne guidance on writing referee reports in advance of possible papers to review. Please see the schedule

ou will be graded on your contributions to our class advance of lectures will help you in this respect. er-based, presentation of one of the articles from the ald last about 30 minutes and should both summarize ical strategy and provide the basis for a critical

spaced) research proposal on a topic of your choice, s 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 s

#### Other Policies

If you qualify for accommodations because of a disability, please submit to me a letter from Disability Services in a timely manner so that your needs be addressed. Disability Services determines accommodations based on documented disabilities. Contact: 303-492-8671, Willard 322, and www.Colorado.EDU/disabilityservices

If you have a temporary medical condition or injury, see guidelines at http://www.colorado.edu/disabilityservices/go.cgi?select=temporary.html

Students and faculty each have responsibility for maintaining an appropriate learning environment. Those who fail to adhere to such behavioral standards may be subject to discipline. Professional courtesy and sensitivity are especially important with respect to individuals and topics dealing with differences of race, culture, religion, politics, sexual orientation, gender, gender variance, and nationalities. Class rosters are provided to the instructor with the student's legal name. I will gladly honor your request to address you by an alternate name or gender pronoun. Please advise me of this preference early in the semester so that I may make appropriate changes to my records. See policies at

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

http://www.colorado.edu/studentaffairs/judicialaffairs/code.html#student\_code

All students of the University of Colorado at Boulder are responsible for knowing and adhering to the academic integrity policy of this institution. Violations of this policy may include: cheating, plagiarism, aid of academic dishonesty, fabrication, lying, bribery, and threatening behavior. All incidents of academic misconduct shall be reported to the Honor Code Council (honor@colorado.edu; 303-735-2273). Students who are found to be in violation of the academic integrity policy will be subject to both academic sanctions from the faculty member and non-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/

The University of Colorado at Boulder policy on Discrimination and Harassment, the University of Colorado policy on Sexual Harassment and the University of Colorado policy on Amorous Relationships apply to all students, staff and faculty. Any student, staff or faculty member who believes s/he has been the subject of discrimination or harassment based upon race, color, national origin, sex, age, disability, religion, sexual orientation, or veteran status should contact the Office of Discrimination and Harassment (ODH) at 303-492-2127 or the Office of Judicial Affairs at 303-492-5550. Information about the ODH, the above referenced policies and the campus resources available to assist individuals regarding discrimination or harassment can be obtained at http://www.colorado.edu/odh

# Course Outline

The articles marked with a \* will be presented by a student and are required reading for everyone. I will go over the other articles under the topic headings as time permits, and you are responsible for reading those 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.

## I. Poverty

a. Poverty in the Developing World

Banerjee, Abhijit and Esther Duflo. 2007. "The Economic Lives of the Poor." Journal of Economic Perspectives 21(1): 141-167.

Besley, Timothy and Robin Burgess. 2003. "Halving Global Poverty." Journal of Economic Perspectives 17(3): 3-22.

b.

- c. Gender and Distribution
- Deaton, Angus. 1989. "Looking for Boy-Girl Discrimination in Household Expenditure Data." The World Bank Economic Review. 3 (1): 1-15.
- \*Duflo, Esther. 2003. "Grandmothers and Granddaughters: Old-Age Pensions and Intrahousehold Allocation in South Africa." The World Bank Economic Review 17(1): 1-25.
- Udry, Christopher. 1996. "Gender, Agricultural Productivity and the Theory of the Household. The Journal of Political Economy 104(5): 1010-1046.
- \*Duflo, Esther and Christopher Udry. 2004. "Intrahousehold Resource Allocation in Cote d'Ivoire: Social Norms, Separate Accounts and Consumption Choices." NBER Working Paper No. 10498.

#### Background

Strauss and Thomas. "Human Resources: Empirical Modeling of Household and Family Decisions." Handbook of Development Economics, Vol. 3A, Ch. 34.

Deaton (1997), Ch. 4.

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

#### III. Education

- a. Returns to Schooling
- Duflo, Esther. 2001. "Schooling and Labor Market Consequences of School Construction in Indonesia: Evidence from an Unusual Policy Experiment." The American Economic Review, 91(4): 795-813.
- \*Foster, Andrew D. and Mark R. Rosenzweig. 1996. "Technical Change and Human Capital Returns and Investments: Evidence from the Green Revolution." The American Economic Review, 86(4): 931-953.
  - b. Program Evaluation
- Schultz, T. Paul. ,N26OfOOIwv8,yN 6)OfvH7w@wN:6)OfI7@8HwN16)yfH'HwN46)OfI7@8HwN:6)OfI7@8

- c. Missing Women
- Oster, Emily. 2005. "Hepatitis B and the Case of the Missing Women." 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 Number of Missing Women? Evidence from Three Million Newborns in Taiwan" The American Economic Review. 98(5): 2259-2273.
- \*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): 1251-12f8wvyOvN 6)H2

# Background

Ray (1998), Ch. 10. Bardhan & Udry (1999), Ch. 5.

# VII. Land & Agriculture

\*Field, Erica. 2007. "Entitled to Work: Urban Property Rights and Labor Supply in Peru" The

Ray (1998), Ch. 14-15.

Banerjee, Abhijit and Andrew Newman. 1993. "Occupational Choice and the Process of Development." The Journal of Political Economy, 101(2): 274-298.

# IX. Political Economy

a. Institutions & Corruption

<sup>\*</sup>Acemoglu, Daron, Simon Johnson and James A. Robinson. "The Colonial Origins of

- Banerjee, Abhijit V. and Esther Duflo. 2008. "The Experimental Approach to Development Economics." NBER Working Paper No. 14467.
- Deaton, Angus. 2009. "Instruments of development: Randomization in the tropics, and the search for the elusive keys to economic development." Keynes Lecture, British Academy, October 9, 2008.

(Available at

 $http://www.princeton.edu/\sim deaton/downloads/Instruments\%\,20of\%\,20 development\%\,20v1\,d\_mar09\_all.pdf\,)$ 

Heckman, James J. and Jeffrey A. Smith. 1995. "Assessing the Case for Social Experiments." The Journal of Economic Perspectives, 9(2): 85-110.

## Background

- 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.