

Syllabus PhD Development Economics, ECO-7015, Fall 2017

Instructor: Tobias Pfutze
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Office hours: Tue, Thu 12:15-1:15pm or by appointment.

Time: Tue, Thu 2:00-3:15pm
Location: Deuxième Maison (DM) 323

Course Objectives:

Course requirements and grading schemes:

Course Outline

PART 1: THE BIG PICTURE

Week 1: Introduction & Econometrics Review

- W: Ch. 4, Ch. 19.3-19.4
- CT: Ch. 2.4, Ch. 4.7, Ch. 16.5, Ch. 26.1-26.2

Week 2: IV Estimation

- W: Ch. 5, Ch. 6.3, Ch. 11.2, Ch. 11.4, Ch. 11.6
- CT: Ch. 4.8-4.8, Ch. 22.5
- Shea 97
- Stock, Yogo 02
- Clarke, Matta 17

Week 3: Regression Discontinuity Models & Synthetic Control Methods

- W: 21.5
- CT: 25.6
- Lee, Lemieux 2010
- Calonico, Cattaneo, Titiunik 2014
- Abadie, Diamond, Hainmueller 2010

Week 4: Economic Growth: Development as Factor Accumulation

- Ray, Debraj; “*Development Economics*”; chapters 3 & 4.
- Easterly, William; Levine, Ross; “It’s Not Factor Accumulation: Stylized Facts and Growth Models”; WBER 2001
- Mankiw, Gregory M.; Romer, Davis; Weil Davis N.; “A Contribution to the Empirics of Economic Growth”; QJE 1992
- Kremer, Michael; “The O-Ring Theory of Economic Development”; QJE 1993

Week 5: Institutions, Policies & the Institutions vs. Geography Debate

- Gallup, Mellinger, Sachs; “*Geography and Economic Development*”, International Regional Science Review, 1999
- Acemoglu, Johnson, Robinson; “*The Colonial Origins of Comparative Development: An Empirical Investigation*”; AER 2001
- Albouy, David; “*The Colonial Origins of Comparative Development: An Empirical Investigation: Comment*”; AER, 2012
- Engerman, Sokoloff; “*Factor Endowments, Inequality, and Paths of Development Among New World Economies*”; NBER Working Paper 9259; 2002
- William Easterly, Ross Levine; “*Tropics, germs, and crops: how endowments influence economic development*”; Journal of Monetary Economics; 2003
- Hall, Robert E.; Jones, Charles I.; “*Why Do Some Countries Produce So Much More Output Per Worker Than Others?*”; QJE 1999

Other readings covered:

Douglass C. North; “*Institutions, Institutional Change and Economic Performance*”; Cambridge University Press 1990

Douglass C. North; “*Understanding the Process of Economic Change*”; Princeton University Press 2005

Douglass C. North, John Joseph Wallis, Barry R. Weingast; “*Violence and Social Orders: A Conceptual Framework for Interpreting Recorded Human History*”; Cambridge University Press 2012

Daron Acemoglu, James A. Robinson; “*Economic Origins of Dictatorship and Democracy*”; Cambridge University Press 2009

Daron Acemoglu, James A. Robinson; “*Why Nations Fail*”; Crown Business 2012

Timothy Besley; “*Principled Agents?*”; Oxford University Press 2007

Week 6: Institutional Persistence

- Nunn, Wantchekon 2008: “*The Transatlantic Slave Trade and the Evolution of Mistrust in Africa: An Empirical Investigation*”
- Lakshmi Iyer; “*Direct vs. Indirect Colonial Rule in India: Long-Term Consequences*”; REStat ; 2010

- Miriam Bruhn, Francisco A. Gallego; “*Good, Bad, and Ugly Colonial Activities: Do They Matter for Economic Development?*”; REStat; 2012
- Melissa Dell; “*The Persistent Effects of Peru’s Mining MITA*”; Econometrica; 2010
- Stelios Michalopoulos and Elias Papaioannou, “*Pre-colonial Ethnic Institutions and Contemporary African Development*”, Econometrica; 2013
- Alberto Alesina, Paola Giuliano, Nathan Nunn; “*On the Origins of Gender Roles: Women and the Plough*”; QJE; 2013
- Alsan, Marcella. “*The Effect of the TseTse Fly on African Development.*”; AER 2015

Week 7: Political Economy

- Brollo, Fernanda, Tommaso Nannicini, Roberto Perotti, and Guido Tabellini. “*The Political Resource Curse.*” American Economic Review; 2013
- Daron Acemoglu, Tristan Reed, and James A. Robinson, “*Chiefs: Economic Development and Elite Control of Civil Society in Sierra Leone*”, Journal of Political Economy; 2014
- Robin Burgess, Remi Jedwab, Edward Miguel, Ameet Morjaria, and Gerard Padró i Miquel; “*The Value of Democracy: Evidence from Road Building in Kenya*”; AER 2015
- Benjamin F. Jones and Benjamin A. Olken; “*Hit or Miss? The Effect of Assassinations on Institutions and War*”; AEJ: Macroeconomics; 2009

PART 2: POLICY

Week 8: Experimental vs. Non-Experimental Approaches & The Importance of Evaluation

- W: Ch. 21.1-21.2
- CT: Ch. 25.1-25.3
- Stock & Watson, Ch. 11
- Duflo, Esther; Kremer, Michael; “*Use of Randomization in the Evaluation of Development Effectiveness.*”; unpublished mimeo; 2003
- Duflo, Esther; Glennester, Rachel; Kremer, Michael; “*Using Randomization in Development Economics Research: A Toolkit*”; Handbook of Development Economics; 2007
- Clemens, Michael; Demombynes, Gabriel; “*When Does Rigorous Impact Evaluation Make a Difference? The Case of the Millennium Villages.*”; Journal of Development Effectiveness, 2011

Week 9: Matching Methods & Synthetic Control Methods

- W: Ch. 21.3
- CT: Ch. 25.4
- Heckman, Ichimura, Todd 1997
- Smith, Todd 2005
- Diamond, Sekhon 2013
- Abadie, Diamond, Hainmueller 2010

Week 10: Social Protection

- Levy, Santiago; “Progress Against Poverty”, Chapters 1-3
- Levy, Santiago; “*Good Intentions, Bad Outcomes*”, Chapter 1
- Das, Jishnu; Do, Quy-Toan; Özler, Berk; “Reassessing Conditional Cash Transfer Programs”; World Bank Research Observer 2005
- Duflo, Esther; “Grandmothers and Granddaughters: Old-age pension and Intrahousehold Allocation in South Africa”; WBER 2003
- Camacho, Adriana; Conover, Emily; “*Manipulation of Social Program Eligibility*”; AEJ: Policy; 2011
- Camacho, Adriana; Conover, Emily; Hoyos, Alejandro; “*Effects of Colombia’s Social Protection System on Workers’ Choice between Formal and Informal Employment*”; WBER 2013
- Bosch, Mariano; Campos-Vazquez, Raymundo M.; “*The Trade-Offs of Welfare Policies in Labor Markets with Informal Jobs: The Case of Seguro Popular in Mexico*”; AEJ: Policy; 2014

Week 11: Health

- Clemens, Michael; “*Do visas kill? Health effects of African health professional emigration*”; CGD Working Paper #114, 2007
- Miguel, Edward; Kremer, Michael; “*Worms: Identifying Impacts on Education and Health in the Presence of Treatment Externalities*”, *Econometrica* 2004
- Acemoglu, Daron; Johnson, Simon; “*The Effect of Life Expectancy on Economic Growth*”; *JPE* 2007
- Hoyt, Bleakley; “*Disease and Development: Evidence from Hookworm Eradication in the American South*”; *QJE* 2007
- Camacho, Adriana; Conover, Emily; “*Effects of Subsidized Health Insurance on Newborn Health in a Developing Country*”, EDCC 2013

Week 12: Education

- Pritchett, Lant; “*Where Has All the Education Gone?*” Policy Research Working Paper #1581, The World Bank 1996
- Duflo, Esther; “*Schooling and Labor Market Consequences of School Construction in Indonesia: Evidence from an Unusual Policy Experiment*”; *AER* 2001
- Duflo, Esther; Dupas, Pascaline; Kremer, Michael; “*Peer Effects, Teacher Incentives, and the Impact of Tracking: Evidence from a Randomized Evaluation in Kenya*”; *AER* 2011
- Card, David; “*Estimating the Returns to Schooling: Progress and some Persistent Econometric Problems*”; *Econometrics* 2001
- Hsieh, Chang-Tai; Urquiola, Miguel; “*The effects of generalized school choice on achievement and stratification: Evidence from Chile’s voucher program*”; *JPubE* 2006
- Anand, Priyanka; Mizalsa, Alejandra; Repetto, Andrea; “*Using school scholarships to estimate the effect of private education on the academic achievement of low-income students in Chile*”; *Economics of Education Review*; 2009
- Leonard Wantchekon, Marko Klašnja, and Natalija Novta, “*Education and Human Capital Externalities: Evidence from Colonial Benin*”; *QJE*; 2015

Week 13: Microfinance:

- Ray, Debraj; *“Development Economics”*; chapters 14 & 15.
- Armendariz de Aghion, Morduch, *“The Economics of Microfinance”*, Chapter 3
- Morduch, Jonathan; *“The Microfinance Schism”*; World Development; 2000
- Morduch, Jonathan; *“Micro-Insurance: The Next Revolution?”*; in: Banerjee, Abhijit V.; Bernabou, Roland; *“Understanding Poverty”*, Ch.22.
- Banerjee, Duflo, Glennester, Kinnon 2009: *“The Miracle of Microfinance? Evidence from a Randomized Evaluation.”*
- Prina 2012: *“Banking the Poor via Savings Accounts: Evidence From a Field Experiment”*
- Dupas, Robinson 2011: *“Savings Constraints and Microenterprise Development: Evidence from a Field Experiment in Kenya”*
- Cai, Hongbin; Chen, Yuyu; Fang, Hangmin; Zhou, Li-An; *“The Effect of Microinsurance on Economic Activities: Evidence from a Randomized Field Experiment”*; REStat 2015
- Dercon, Stefan; Hill, Riuth V.; Clarke, Daniel; Outes-Leon, Ingo; Taffesse, Alemayehu S.; *“Offering rainfall insurance to informal insurance groups: Evidence from a field experiment in Ethiopia”*; JDE; 2014

Week 14: Discrimination: Gender & Race

- Ray, Debraj; *“Development Economics”*; chapter 9.
- Mammen, Kristin; Paxson, Christina; *“Women’s Work & Economic Development”*; JEconP; 2000
- Chattopadhyay, Raghavendra; Duflo, Esther; *“Women as Policy Makers: Evidence from a Randomized Policy Experiment in India”*; Econometrica; 2004
- Qian, Nancy; *“Missing Women and the Price of Tea in China: The Effect of Sex-Specific Earnings on Sex Imbalance”*; QJE 2008
- Nava, Ashraf; Field, Erica; Lee, Jean; *“Household Bargaining and Excess Fertility: An Experimental Study in Zambia”*, AER; 2014
- Nava, Ashraf; *“Spousal Control and Intra-Household Decision Making: An Experimental Study in the Philippines”*; AER; 2009
- Bertrand, Marianne; Mullainathan, Sendhil; *“Are Emily and Greg More Employable than Lakisha and Jamal? A Field Experiment on Labor Market Discrimination”*; AER; 2004
- Francis, Andrew M.; Tannuri-Pianto, Maria; *“Using Brazil’s Racial Continuum to Examine the Short-Term Effects of Affirmative Action in Higher Education”*; JHR; 2012
- Alesina, Alberto; Baqir, Reza; Easterly, William; *“Public Goods and Ethnic Divisions”*; QJE 1999