## Course Name

**12E006 Development Economics**

## Instructors

**Part I:** Alessandro Tarozzi, alessandro.tarozzi@upf.com  
Office: Jaume I, 20.2E12, Office hours: by appointment  

**Part II:** Gianmarco Léon-Ciliotta, gianmarco.leon@upf.edu  
Office: Jaume I, 20.2E16, Office hours: by appointment

## Class

Class: Monday and Wednesday 8:30-10:30am. Room 24.009  

**TA Sessions** with Laurenz Baertsch, laurenz.baertsch@upf.edu

## Term

<table>
<thead>
<tr>
<th><strong>TERM</strong></th>
<th><strong>ECTS</strong></th>
<th><strong>HOURS</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Spring</td>
<td>6</td>
<td>40</td>
</tr>
</tbody>
</table>

## Overview

The primary goal of this course is to provide an introduction to the **micro-economics of development**. Development Economics is an immense and exciting field that includes contributions from virtually all fields of Economics. We will thus have to make choices, and focus on a specific but still broad set of topics. The course will also cover in some details a number of key methodological issues that are essential to study such topics empirically, including in the context of Randomized Controlled Trials (RCTs).

The focus will be on empirical results and methodologies, so **a good working knowledge of econometrics is required**: you should have a solid understanding of the material on cross-section econometrics in a relatively basic textbook such as Stock and Watson.

We will mostly focus on **micro** topics. Of course there are also essential **macro** aspects of development economics, such as growth and trade, and if you are interested in them you should check out other courses.

## Sections

Weekly sections held by Laurenz Baertsch will be devoted to: (1) give you a primer on Stata and a brush up on econometrics; (2) review and complement material covered in class; (3) provide guidance on assignments.

## Evaluation System

You are expected to read key papers, which will be identified prior to the class in which the papers will be discussed. Every student is expected to participate in all aspects of the class. While you will not be formally graded on your classroom participation, the value to you and your colleagues of asking questions and raising new ideas cannot be over-stated.

The **formal evaluation** will be based on a final exam and on a series of group
projects. Each group can be composed of up to four students, and each project can be completed by a different group of students. The overall grade will be determined as follows:

30% Problem Sets. There will be two problem sets, with a mix of empirical and methodological questions. The first PS is due on Jan 27th and the second on March 9th.

20%: Group presentation. Each group with do a presentation of an unpublished paper. The presentation is expected to (i) describe the research question and its relevance, (ii) mention the key contribution to the relevant literature, (iii) present the data and empirical strategy (or theoretical model), (iv) describe the results, (v) provide critical comments. In addition, each group should hand in a referee report on the paper. The format of a referee report will be discussed in the sections.

50%: Final Exam. This will be a closed book exam. The exam will ask you to both show your critical understanding of the literature covered in the course and your ability to think rigorously about specific problems. The final is on April 1st, 10-13hrs.

Students enrolled in the Econ MRes will also be required to write one empirical project. Please discuss this with the professors.

COURSE OUTLINE

The reading list is endless, but you are obviously not required to read everything.

The ‘starred’ papers are required readings, and we will cover all of them in varying degrees of detail. In contrast, you are not expected to read the non-starred references, although we will sometimes discuss specific findings from these studies in class, and you are expected to know what we discuss in class. But these additional papers are only for your information in case you are interested in studying specific topics in more depth. Even so, countless more references could be added so if you wish to know about additional sources for your own enjoyment or professional/research agenda just let us know.

BACKGROUND REFERENCES:


*Handbook of Development Economics*: Most chapters in Volumes I, III (A and B) and IV. Elsevier.


**SOME USEFUL REFERENCES FOR ECONOMETRICS**


Several blogs feature frequent discussions of new development working papers:

http://blogs.worldbank.org/impactevaluations/
http://blogs.cgdev.org/globaldevelopment/
http://blogs.cgdev.org/globalhealth/
http://africacan.worldbank.org/
http://psdblog.worldbank.org/psdblog/
http://chrisblattman.com/
http://karengrepin.blogspot.com/
http://www.owen.org/
http://sahelblog.wordpress.com/
http://marcfbellemare.com/wordpress/

READING LIST

PART 1: GIANMARCO LEÓN-CILIOTTA

LECTURES 1 AND 2: RETURNS TO EDUCATION, CONSTRAINTS TO HUMAN CAPITAL ACCUMULATION (JANUARY 8TH AND 13TH)

* PE, Chapter 4

Additional readings
Lecture 3: Resource Allocation and Firm Productivity
(January 15th)


Atkin et. al. (2017). (What is in the slides + intro of the paper)

Additional readings


Lecture 4: Labor Markets and Migration
(January 20th)


Imbert, Clement and John Papp (2016) “Short-term Migration, Rural Workfare Programs and Urban Labor Markets: Evidence from India” (slides)

Additional readings


LECTURE 5: PERSONNEL ECONOMICS OF THE STATE (JANUARY 22ND)


Frederico Finan, Benjamin A. Olken, and Rohini Pande (2017) “The Personnel Economics of the State” (all)


Additional readings


LECTURE 6: DEMOCRACY, ACCOUNTABILITY AND DEVELOPMENT (JANUARY 27TH)


Ferraz & Finan AER 2011 (all)


Additional readings

Martinez Bravo et al – democracy in china and public good provision


LECTURE 7: THE POLITICAL ECONOMY OF CIVIL CONFLICT
Dube, Oeindrila and Juan Vargas (2011) “Commodity Price Shocks and Civil Conflict: Evidence from Colombia”. Review of Economic Studies (all)


**Additional readings**


LECTURE 8: ETHNIC AND SOCIAL DIVISIONS  
(FEBRUARY 3RD)


Additional readings


FEBRUARY 5TH AND 10TH: STUDENT PRESENTATIONS (THIS WILL LIKELY CHANGE)

PART 2: ALESSANDRO TAROZZI

Below PE is a shortcut for “Poor Economics.”

ECONOMIC DEVELOPMENT AND NUTRITION
LECTURES 9 & 10

* PE, Chapter 2.

Political Economy 104(1), 133-162.


Additional readings


**THE CAUSAL PATHWAY FROM HEALTH TO WEALTH LECTURES 11 & 12**

* PE, Chapter 2.


**Additional readings:**


Baird, Sara, Joan Hicks, Michael Kremer and Edward Miguel (2015). *Worms at Work: Long-


**Poor Health in Poor Countries: A Problem of Demand or a Problem of Supply?**

**Lectures 13 & 14**

* PE, Chapter 3.


Additional readings:


Opuscules del CREI, no. 42.

**Gender Lectures 15 & 16**

* PE, Chapter 5


**Additional readings**


Deaton (1997), Ch. 4.2.

Joshi, Shareen and Schultz, T. Paul. 2013. “Family Planning and Women's and Children's Health: Long-Term Consequences of an Outreach Program in Matlab, Bangladesh”, *Demography*, 50(1), 149-180.


**MARCH 9-11 STUDENT PRESENTATIONS**