

EC 490: Development Economics
T/R, 4-5:20 pm in MCK 221

Amna Javed

Office: PLC 520

Email: amnaj@uoregon.edu

OH: T 1:30-3 pm

Course Description: This papers-based course introduces several topics in the microeconomics of development, and will expose students to both theoretical and empirical tools used in development. While the official title of the course found in the course catalogue is “Economic Growth and Development”, the focus is not on economic growth (EC 491 covers this topic). Instead, we will focus entirely on the “Economic Development” part of the title. That is, we are going to be less concerned about how economies grow and more about what are the economic issues that are specific to the daily lives of people living in developing countries, and explore the decision-making process of these households. Thus, we will take a very microeconomic approach, studying how people, households, and firms make economic choices when facing the conditions and constraints typical of poor countries. We will also develop the tools to critically evaluate development and poverty alleviation programs run by governments and non-governmental organizations (NGOs).

Course Objectives: This course will require you to develop two complementary skills. First, you must learn to read academic articles from empirical economics. You will find that, often, these articles are somewhat difficult, use a lot of econometrics, and a lot of math. Fortunately, you are not expected to understand everything, and generally you will be able to skip the hard mathematics. Our attention will be on understanding the rationale for the paper, how the research was conducted, and how to analyze the data (i.e., to interpret tables). Second, you will learn about program evaluation and randomized control trials (RCTs): how to use surveys, econometrics and statistics to measure the impact of projects designed to alleviate a problem in the developing world. This will deepen your understanding of econometrics.

Readings: There are no required books in this course. All readings are available on Canvas. Required readings (marked) will be discussed in depth in class. You should read through these papers before class. We will also go over a number of specific case studies. These case studies are peer-reviewed, published policy evaluations of particular development programs. They will give you a good understanding of the way current development economists present their cutting edge work and add to our knowledge of development economics. I might add Op-Eds, Podcasts, or other material from time to time, as I find it.

Here is a reference book that I strongly advise you to read:

- *Poor Economics* by Banerjee and Duflo (2011). This is a very readable book that encapsulates the new development economics as seen from its two most prominent exponents. You will see a lot of the papers discussed in class mentioned here. Duflo and Banerjee are two leaders of development economics. The two have essentially remodeled development economics in the past 10 years. The book has won a number of awards.

Grade Distribution:

Grades for this class will be based on the items listed below. At the end of the course, I compute your raw grade using the weights. I then apply a curve.

Assignments	35%
Quizzes/Participation	10%
Midterm Exam	25%
Final Exam	30%

- There will be 5 assignments, and 2 quizzes in this course.
- Assignments are due approximately every other week.
- A two percentage point penalty will be applied for each hour that an assignment is turned in late. Assignments submitted after the solution key has been uploaded will not be accepted.
- Each quiz will have 5-10 multiple choice questions that are focused on the reading, and you will have 15 minutes to answer the questions.

Course Policies:

- Mobile phones are not to be used in class. Doing so will incur a penalty from class participation points.
- Quizzes and exams are closed book, closed notes.
- **No makeup quizzes or assignments will be given.**

Academic Honesty Policy:

Academic dishonesty (from plagiarizing work to cheating on exams) will not be tolerated. Please acquaint yourself with the Student Conduct Code, which is published in the Schedule of Classes each term. Students must clearly establish authorship of a work. Referenced work must be clearly documented, cited, and attributed, regardless of media or distribution. Even in the case of work licensed as public domain or Copyleft, (See: <http://creativecommons.org/>) the student must provide attribution of that work in order to uphold the standards of intent and authorship.

Accessibility/Students with Disabilities:

If you have a documented disability and anticipate needing accommodations in this course, please make arrangements with me during the first week of the term. Please request that the counselor for students with disabilities (164 Oregon Hall) send me a letter verifying your disability.

Discrimination and Harassment Policy:

I will direct students who are not minors and who report sexual violence or sexual harassment to me to resources to help them and will report to the university administration only when requested by the student (unless someone is in imminent risk of serious harm). Students experiencing any form of prohibited discrimination or harassment, including sex, gender, race, or religion based violence, may seek information on safe.uoregon.edu, respect.uoregon.edu, or investigations.uoregon.edu or contact the non-confidential Title IX office (541-346-8136), Office of Civil Rights Compliance (541-346-3123), or Dean of Students offices (541-346-3216), or call the 24-7 hotline 541-346-SAFE for help. I am also a mandatory reporter of child abuse. Please find more information at Mandatory Reporting of Child Abuse and Neglect.

Tentative Course Outline:

The weekly coverage might change as it depends on the progress of the class. However, you must keep up with the reading assignments.

Week	Content
Lecture 1	<ul style="list-style-type: none"> • Introduction
Lecture 2	<ul style="list-style-type: none"> • Introduction • Read: Deaton (Introduction, chapter 1), Duflo: Economic Lives of the Poor
Lecture 3	<ul style="list-style-type: none"> • Methods: Regression Analysis
Lecture 4	<ul style="list-style-type: none"> • Methods: Randomization • Read: Glewwe et al (2009)
Lecture 5	<ul style="list-style-type: none"> • Randomization contd, Health • Read: Deaton (chapter 3), Strauss and Thomas (sections 1, 2, 4, 5, 6)
Lecture 6	<ul style="list-style-type: none"> • Quiz 1 • Health Interventions • Read: Dupas (2014), Dupas and Cohen (2011)
Lecture 7	<ul style="list-style-type: none"> • Methods: Difference in differences, Education
Lecture 8	<ul style="list-style-type: none"> • Education • Read: Psacharopoulos and Duflo
Lecture 9	<ul style="list-style-type: none"> • CCTs (conditional cash transfers)
Lecture 10	<ul style="list-style-type: none"> • CCTs continued
	<ul style="list-style-type: none"> • MIDTERM (November 5th)
Lecture 11	<ul style="list-style-type: none"> • Insurance Theory • Read: Ray
Lecture 12	<ul style="list-style-type: none"> • Insurance (Empirics) • Read: Udry (1990), Gine and Yang (2008)
Lecture 13	<ul style="list-style-type: none"> • Credit • Read: Aleem • Quiz 2
Lecture 14	<ul style="list-style-type: none"> • Credit • Read: De Mel et al (2008)
Lecture 15	<ul style="list-style-type: none"> • Savings • Read: Prina (2014), Dupas et al (2018)
Lecture 16	<ul style="list-style-type: none"> • Microfinance • Read: Prina (2014), Dupas et al (2018)
Lecture 17	<ul style="list-style-type: none"> • Microfinance • Read: Karlan et al (2015)
	<ul style="list-style-type: none"> • FINAL (December 10th, 12:30 pm)