**Econ 593 Syllabus**

**Spring 2014**

**Professor:** Rachel Heath **(**rmheath@uw.edu)

**Office Hours**: after class on Tuesdays, and by appointment

**Course overview**

This class will build on Econ 591 (which focused on an understanding of how markets work in developing countries) and use that understanding to study a variety of topics in development economics, with a focus on very recent research. While Econ 591 is not an official prerequisite, you will get the most out of this class if you have already taken Econ 591.

If you have not taken Econ 591, you may find it useful to work through some of the basic models in the Bardhan and Udry Microeconomics of Development textbook (in particular, the agricultural household model, credit, risk and insurance).

**Class goals**

1. To expose you to current research on a variety of topics in development economics
2. To help you get your own research underway

The class will be organized around these two goals. Specifically, we’ll spend Tuesdays (and part of class on Thursday, depending on time) discussing a couple recent papers in development economics. We’ll begin class on Thursdays with research-in-progress presentations.

**Other opportunities to see cutting-edge development research:** It is a fortuitous situation that UW’s Joint Seminar in Development Economics (JSDE) is starting this quarter. JSDE will take place most Fridays from 11:00 to 12:30 in the economics department conference fourth floor conference room. While attendance is not officially required as part of this class, you are strongly encouraged to attend these seminars.

**Class discussions of papers:** A large portion of class time will be spent discussing papers. While I’ll start with a brief summary of the paper(s), the majority of the time will be spent in a class-wide discussion. To help facilitate this discussion, you’ll be responsible for making a brief posting about the paper(s) on the class website by ***midnight the day before class***. Your posting can consider one of more of the following elements

1. Importance of the paper: do you think this paper adds substantially to our knowledge in development economics? If so, why?
2. What additional questions/next steps does the paper inspire?
3. Weaknesses/criticisms. Do you find fault with the authors’ identification strategy? Could an alternative model explain their results? If the answer is yes to either question, can you make suggestions for things the authors could do to mitigate your concerns?
4. Questions/elements you didn’t understand. (Note that it’s not enough to say “I didn’t understand the model/econometrics” here. What specific component of the paper confused you, and why?). You’re encouraged to respond to your classmates’ comments. Even if you aren’t 100% sure, take a stab, and we’ll discuss in class.

But this is not an exhaustive list. Mainly, I just want you to have read and thought about the paper, and share your thoughts with the class to get our conversation going.

**Research-in-progress presentations:** Approximately two people per on most Thursdays will make a short presentation on their progress on a research topic in development economics, and then we’ll discuss as a class and offer suggestions to the presenter. These presentations can be very informal: you don’t have to make slides, and you don’t need to follow the typical format for a brown-bag presentation (intro/lit review/empirical strategy/results). If you would rather, you can concentrate on the aspect(s) of your research that you have been focused and/or stuck on. If you have prepared some written work (e.g. a grant proposal or the outline of a model), you can circulate a short (one to three page) portion of that work before class so that your classmates and I can give you feedback.

These presentations should be on development economics, but in order to make this class as useful to each student as possible, that topic can be very broadly defined. For instance, you can work on a paper set in a developed country if it relates to development economics in some way. For instance, it might

* Use historical data
* Focus on a disadvantaged population within the developed country
* Relate to migration from developing countries or interactions between developed and developing countries
* Relate to a theme that is emphasized in development economics (for instance, intra-household resource allocation, technology adoption, etc.) or would require data collection (since development economists are often on the forefront of new techniques in data collection)

If you are unsure whether your idea qualifies, come talk to me and we can discuss your idea. Theoretical research that relates to a topic in development economics (e.g. risk sharing) is also totally fine.

The final project for the quarter will be an 8 to 10 page research proposal. This can build upon the proposal you did in Econ 591 (or presented on throughout the quarter), but it doesn’t have to, if you end up with an idea that you like better than what you have previously written or presented.

**Grading**

Participation in class discussions and class form 30 percent

Research-in-progress presentations 30 percent

Research proposal 40 percent

**Course schedule**

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| Date | Topics | Reading(s) |
| Tuesday, April 1 | Course introductionTheoretical model 1: intra-household bargaining | Does Female Empowerment Promote Economic Development?Matthias Doepke and Michele Tertilt. BREAD Working Paper, 281. |
| Thursday, April 3 | Empirics of intra-household bargaining | Ashraf, Nava. "Spousal Control and Intra-Household Decision Making: An Experimental Study in the Philippines." *American Economic Review* 99, no. 4 (September 2009): 1245-1277.Robinson, Jonathan. 2012. "Limited Insurance within the Household: Evidence from a Field Experiment in Kenya." *American Economic Journal: Applied Economics*, 4(4): 140-64. |
| Tuesday, April 8 | Marriage markets | Mobarak, Ahmed Mushfiq, Randall Kuhn, and Christina Peters. "Consanguinity and Other Marriage Market Effects of a Wealth Shock in Bangladesh."*Demography* (2011): 1-27.Fulford, Scott. The Puzzle of Marriage Migration India.<https://fmwww.bc.edu/EC-P/wp820.pdf>(skim the introduction to Rosenzweig, Mark R., and Oded Stark. "Consumption smoothing, migration, and marriage: Evidence from rural India." *The Journal of Political Economy* 97.4 (1989): 905, which this is a counter-point to) |
| Thursday, April 10 | *No class meeting (make-up later).* |
| Tuesday, April 15 | Theoretical model 2: Risk Sharing with Limited Commitment | Ligon, Ethan, Jonathan P. Thomas, and Tim Worrall. "Informal insurance arrangements with limited commitment: Theory and evidence from village economies." *The Review of Economic Studies* 69.1 (2002): 209-244.  |
| Thursday, April 17 | Research in-progress Presentation |  |
| Tuesday, April 22 | Health and education: demand and supply | Pitt, M.M. and Rosenzweig, M.R. and Hassan, M.N. “Human Capital Investment and the Gender Division of Labor in a Brawn-Based Economy,” American Economic Review, 2012.Das, Jishnu, Jeffrey Hammer, and Kenneth Leonard. "The quality of medical advice in low-income countries." *The Journal of Economic Perspectives* 22.2 (2008): 93-114. |
| Thursday, April 24 | Research in-progress Presentation |  |
| Tuesday,April 29 | Political economy  | Acemoglu, Daron, Tristan Reed, and James A. Robinson. *Chiefs: Elite Control of Civil Society and Economic Development in Sierra Leone*. No. w18691. National Bureau of Economic Research, 2013.Chattopadhyay, Raghabendra, and Esther Duflo. "Women as policy makers: Evidence from a randomized policy experiment in India." *Econometrica* 72.5 (2004): 1409-1443. |
| Thursday, May 1 | Research in-progress Presentation |  |
| Tuesday, May 6 | *No class meeting (Make-up later).* |
| Thursday, May 8 | *No class meeting. Make up by attending a JSDE talk (or alternate development seminar) of your choice.* |
| Tuesday, May 13 | Corruption | Niehaus, Paul, Antonia Atanassova, Marianne Bertrand, and Sendhil Mullainathan. 2013. "Targeting with Agents." *American Economic Journal: Economic Policy*, 5(1): 206-38.Niehaus, Paul, and Sandip Sukhtankar. "Corruption Dynamics: The Golden Goose Effect." (forthcoming, AEJ-Policy).  |
| Thursday, May 15 | Research in-progress Presentation |  |
| Tuesday, May 20 | *No class meeting. Make up by attending a JSDE talk (or alternate development seminar) of your choice.* |
| Thursday, May 22 | Environmental economics | Duflo, E and R. Pande (2007) “Dams” *Quarterly Journal of Economics*.Lipscomb, Molly and Ahmed Mobarak (2012). “Decentralization and Water Pollution Spillovers: Evidence from the Re-drawing of Counties in Brazil.” Working Paper. |
| Tuesday, May 27 | Behavioral economics | Ashraf, Nava, Dean Karlan, and Wesley Yin. "Tying Odysseus to the mast: Evidence from a commitment savings product in the Philippines." *The Quarterly Journal of Economics* 121.2 (2006): 635-672.Dupas, Pascaline, and Jonathan Robinson. *Why don't the poor save more? Evidence from health savings experiments*. No. w17255. National Bureau of Economic Research, 2011.Mani, Anandi, Sendhil Mullainathan, Eldar Shafir, and Jiaying Zhao. "Poverty impedes cognitive function." *Science* 341, no. 6149 (2013): 976-980. |
| Thursday, May 29 | Relational contracting and social networks | The Value of Relationships: Evidence from a Supply Shock to Kenya Rose ExportsRocco Macchiavello, Ameet MorjariaBREAD Working Paper No. 388, June 2013Robinson, Jonathan, and Ethan Yeh. "Risk-Coping through Sexual Networks Evidence from Client Transfers in Kenya." *Journal of Human Resources* 47.1 (2012): 107-145. |
| Tuesday, June 3 | TBA |  |
| Thursday, June 5 | TBA |  |

Make-up class (during exam week): Presentations of final research proposals.