ECON 615: Economic Development

Spring 2012

Tuesday/Thursday, 2:00-3:15, Tydings 2108

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Requirements

In addition to the requirements listed below, reading the required papers (indicated with a * on the reading list below) is essential. You will be expected to discuss and answer questions about the required readings in class.

1) **20%** Two referee reports (due dates corresponding to topics in syllabus). Students will sign up to write a referee report for two of the working papers included on the syllabus and indicated by a ^. The written referee reports will be due on the day the topic is covered in class, and accompanied by a 30-minute in-class presentation that summarizes and critiques the paper.

2) **15%** Three research ideas (due February 21, March 27, April 10). Each idea should be written up as follows (approximately 2 pages):
   a. Statement of the research question.
   b. Motivation/importance of the problem (4-5 sentences).
   c. **Brief** summary of the related literature (1 paragraph).
   d. Proposed data and/or setting for the research.
   e. Empirical strategy (identification strategy and proposed estimating equations, description of experiment if relevant).
   f. Key outcomes (can include "mock-ups" of key tables).

3) **30%** Research proposal (5 page written proposal due Tuesday April 24, 30-minute presentations on April 24, April 26, May 1, May 3). The proposal should be an expansion of one of the research ideas submitted earlier in the semester.

4) **15%** Midterm exam (Thursday, March 15, in class).

5) **20%** Final exam (Thursday, May 10, in class).

Class will not meet on Feb. 16. On April 24, we will have an extended session, from 2 until 4:30.

You are strongly encouraged to attend the Labor, Public Finance, and Development seminar, which meets from 3:30 PM to 5:00 PM on Thursdays. You may also be
interested in the Trade, Institutions, and Politics seminar, which meets from 3:30 PM to 5:00 PM on Mondays.

**Reading List**

Readings marked with an asterisk (*) are required and will be discussed in class; readings with double asterisks (**) are recommended. Other readings are provided as references for students especially interested in each topic. Working papers marked with a caret (^) are examples of the most recent developments in the literature. One of the course requirements is to write a referee report for a working paper included in this reading list.

**This reading list is long, but does not include every important topic in development economics.** In particular, macro development topics including poverty and inequality measurement and economic growth get less attention than they deserve. The course will not cover political economy or public infrastructure. I have entirely omitted readings on the relationship between institutions and economic development, because Econ 681, which covers institutions extensively, was a required prerequisite for this year’s Econ 615. Students are responsible for key papers covered in that class. They may be included on the midterm, and they are part of the body of literature with which development economists should be familiar.

I strongly encourage you to build up your own file of notes as you read papers for this and other field classes. One option is to write brief summaries of papers after you read them. Another is to keep spreadsheet that records bibliographical information as well as the main research question, the identification strategy, the conclusion, and your brief comments on the paper. These files will be useful as you prepare for exams in this class, for finding related literature as you are writing papers, and in ensuring you are prepared to discuss the classic and recent literature in the field as you go on the job market. You may find it useful to use a PDF management program such as Papers (for Macs) to organize files, search abstracts, and create LaTeX-friendly bibliographies.

**In addition to the articles below, excellent general references and textbooks include:**


1. Poverty and inequality measurement (1 lecture – January 26)

Poverty


Inequality


2. Economic growth (1 lecture – January 31)

Trends in growth

11, No. 3, pages 3-18.

**Empirical growth**


3. **Agriculture and land markets (4 lectures)**

**Property rights and land tenure – February 2**


**Tenancy - February 7**


**Farm size and productivity – February 9**


**Technological adoption – February 14**


4. Labor markets (5 lectures)

**Agricultural HH separability – February 21**


Agricultural labor markets – February 23


^Foster, Andrew and Mark Rosenzweig (2010). "Is There Surplus Labor in Rural India?,” Working Papers 85, Yale University, Department of Economics.

Labor Supply – February 28


**Migration – March 1**


Gibson, John and David McKenzie (2011). "The Microeconomic Determinants of


5. Household bargaining (1 lecture – March 6)


6. Human capital (4 lectures)

**Education – March 8**


Acemoglu, Daron and Joshua Angrist (2000). “How Large are the Social Returns to
Education? Evidence from Compulsory School Attendance Laws,” NEVER Macro Annual, No. 15.


Nutrition – March 13


Health – March 27


**Unconditional and conditional CCTs – March 29**


7. Consumption smoothing and risk coping (2 lectures)

Income and Consumption Smoothing – April 3


Informal insurance and risk sharing – April 5


8. Credit markets (4 lectures)

**Microcredit – April 10**


**Returns to capital – April 12**


**Savings – April 17**


Savings Accounts: Evidence from a Randomized Field Experiment among Low-Income Micro-Entrepreneurs in Chile,” Mimeo, Harvard University.


**Time inconsistency and commitment savings – April 19


