

UNIVERSITY OF BRITISH COLUMBIA – Fall 2009 – Department of Economics

Economics 542 – Development Economics I

Instructor: Prof. Berta Esteve-Volart

Office: Buchanan Tower 1004

Lectures: Tuesday and Thursday 2:00-3:30 pm, Buchanan B206

Office hours: Tuesday 3:45-5:00 pm or by appointment

The course studies the microeconomics of economic development and focuses on empirical analysis at the household and institutional level. Topics include gender, the role of institutions, education, health, identity, and credit.

Every lecture will usually focus on one paper only, for which notes will be available beforehand.

Papers marked with * are to be presented by students.

Papers marked with + are to be used for referee reports. If you would like to use another paper in development economics (not in this syllabus) for the referee report, check with me. The paper should in any case have an empirical focus, and be relatively recent (a working paper or a paper published within the last three years).

Evaluation: referee report 30%, presentation 30%, final exam 40%

READINGS (tentative list)

Introduction

- Besley, T. and R. Burgess (2003), Halving Global Poverty, *Journal of Economic Perspectives*, 17(3), pp.3-22.

Institutions

- Acemoglu, D., S. Johnson and J. Robinson (2001), The Colonial Origins of Comparative Development: An Empirical Investigation, *American Economic Review*, 91, pp. 1369-1401.
- *Acemoglu, D., S. Johnson and J. Robinson (2002), Reversal of Fortune: Geography and Institutions in the Making of the Modern World Income Distribution, *Quarterly Journal of Economics*, 117, p.1231-94.
- +Glaeser, E., R. La Porta, R. Lopez-de-Silanes, A. Shleifer (2004), Do Institutions Cause Growth?, *Journal of Economic Growth*, 9(3), p.271-203.
- R. Pande and C. Udry (2006), "Institutions and Development: A View from Below," in *Proceedings of the 9th World Congress of the Econometric Society*, edited by R. Blundell, W. Newey and T. Persson, Cambridge University Press.
- Banerjee, A. and L. Iyer (2005), History, Institutions and Economic Performance: The Legacy of Colonial Land Tenure Systems in India, *American Economic Review* 95(4)

- *Fisman, R. and E. Miguel (2007), Corruption, Norms and Legal Enforcement: Evidence from Diplomatic Parking Tickets, *Journal of Political Economy*, Vol. 115(6), 1020-1048
- Nunn, N. (2008), The Long-Term Effects of Africa's Slave Trades, *Quarterly Journal of Economics*

Property Rights

- Besley, T. and R. Burgess (2000), Land Reform, Poverty Reduction and Growth: Evidence from India, *Quarterly Journal of Economics*, 115 (2), p.389-430.
- Banerjee, A., P. Gertler, M. Ghatak (2002), Empowerment and Efficiency: Tenancy Reform in West Bengal, *Journal of Political Economy*, 110(2)
- *Besley, T. (1995), Property Rights and Investment Incentives: Theory and Evidence from Ghana, *Journal of Political Economy*, 103(5), 903-937
- +Field, E. (2007), Entitled to Work: Urban Tenure Security and Labor Supply in Peru, *Quarterly Journal of Economics*, 122(4), 1561-1602.

Credit

- Background reading: Morduch, J. (1999), The Microfinance Promise, *Journal of Economic Literature*, 37(4), 1569-1614.
- +Burgess, R. and R. Pande (2005), Do Rural Banks Matter? Evidence from the Indian Social Banking Experiment, *American Economic Review*, 95(3), p.780-95.
- Ghatak, M. and T. Guinnane (1999), The Economics of Lending with Joint Liability: Theory and Practice, *Journal of Development Economics*, 60(1), p.195-228.
- *Gine, X. and D. Karlan (2007), Group versus Individual Liability: A Field Experiment in the Philippines, mimeo, World Bank and Yale University

Education

- *Case, A. and A. Deaton (1999), School Inputs and Educational Outcomes in South Africa, *Quarterly Journal of Economics*
- *Duflo, E. (2001), Schooling and Labor Market Consequences of School Construction in Indonesia: Evidence from an Unusual Policy Experiment, *American Economic Review*
- +Kremer, K. Muralidharan, N. Chaudhury, J. Hammer, F. H. Rogers (2005), Teacher Absence in India: A Snapshot, *Journal of the European Economic Association* 3 (2-3): 658-667.
- Banerjee, A., S. Cole, E. Duflo, and L. Linden (2007) "Remedying Education: Evidence from Two Randomized Experiments in India", *Quarterly Journal of Economics*, 122(3), 1235-1264.

Health

- Miguel, E. and M. Kremer (2004), Worms: Identifying Impacts on Education and Health in the Presence of Treatment Externalities, *Econometrica* 72(1), p.159-217

- +Dercon, S. and P. Krishnan (2000), In Sickness and in Health: Risk-Sharing within Households in Rural Ethiopia”, *Journal of Political Economy*, 108(4), p.688-727.
- *Acemoglu, D. and S. Johnson (2007), Disease and Development: The Effect of Life Expectancy on Economic Growth, *Journal of Political Economy*, 115

Gender

- Background reading: Duflo, E. (2005), Gender Equality in Development, mimeo, MIT

Dowry

- Rao, V. (1993), The Rising Price of Husbands: A Hedonic Analysis of Dowry Increases in Rural India, *Journal of Political Economy*, 101(4), p.666-77.
- Edlund, L. (2000), The Marriage Squeeze Interpretation of Dowry Inflation: A Comment, *Journal of Political Economy*, 108(6), p.1327-33.
- Botticini, M. and A. Siow (2003), Why Dowries?, *American Economic Review*, 93(4)
- +Anderson, S. (2003), Why Dowry Payments Declined with Modernization in Europe and Are Increasing in India, *Journal of Political Economy*, 111 (2), p.269-310.

Missing women

- Oster, E. (2005), Hepatitis B and the Case of the Missing Women, *Journal of Political Economy*, 113(6), p.1163-216.
- Oster, E., G. Chen, Wenyao Lin and X. Yu (2008), Hepatitis B Does Not Explain Male-Biased Sex Ratios in China, mimeo, University of Chicago
- *Miguel, E. (2006), Poverty and Witch Killing, *Review of Economic Studies*

Identity

- *Pande, R. (2003), Can Mandated Political Representation Provide Disadvantaged Minorities Policy Influence? Theory and Evidence from India, *American Economic Review*, 93(4), p.1132-51.
- Chattopadhyay, R. and E. Duflo (2004), Women as Policy Makers: Evidence from a Randomized Policy Experiment in India, *Econometrica*, 72(5), p.1409-43.
- Beaman, L., R. Chattopadhyay, E. Duflo, R. Pande and P. Topalova (2009), Powerful Women: Female Leadership and Gender Bias, *Quarterly Journal of Economics* (forthcoming)
- +Hoff, K. and P. Pandey (2004), Belief Systems and Durable Inequalities: an Experimental Investigation of Indian Caste, World Bank Policy Research Paper No. 3351
- +Gugerty, M. K., and E. Miguel (2005), Ethnic Diversity, Social Sanctions, and Public Goods in Kenya, *Journal of Public Economics*, 89 (11-12), pp. 2325-68.
- +Jensen, R. and E. Oster (2008), The Power of TV: Cable Television and Women’s Status in India, mimeo, UCLA and University of Chicago